Comprehensive Housing Needs Assessment For Carver County, Minnesota

Prepared for:

Carver County Community Development Agency
Chaska, Minnesota

June 2014

Carver County Community Development Agency

FAMILY HOUSING FUND

Maxfield Research Inc.

Acknowledgement:
This study was paid for by the Carver County Community Development Agency and a grant from the Family Housing Fund

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June 5, 2014

Mr. John Sullivan
Executive Director
Carver County Community Development Agency
705 Walnut Street
Chaska, Minnesota 55318

Dear Mr. Sullivan:

Attached is the study *Comprehensive Housing Needs Assessment for Carver County, Minnesota* conducted by Maxfield Research Inc. The study projects housing demand for each community in Carver County from 2014 to 2020, from 2020 to 2030 and from 2030 to 2040. It also provides recommendations on the amount and types of housing that could be built to satisfy demand from current and future residents.

The Comprehensive Housing Needs Assessment finds that household growth and changes in demographic characteristics and housing preferences will create demand for approximately 36,965 housing units in Carver County from 2014 to 2040. Included in this total is demand for are an estimated 28,820 ownership units and 8,140 rental and senior units. This includes demand for nearly 3,335 rental units from low- and moderate-income households. Assistance by the Carver County CDA, non-profits and other government agencies and private developers may be necessary to ensure that the housing needs of these lower and moderate income households are met. Detailed information regarding housing demand by community and recommended housing types can be found in the *Conclusions and Recommendations* section at the end of the report.

We have enjoyed performing this study for you and are available should you have any questions or need additional information.

Sincerely,

MAXFIELD RESEARCH INC.

Mary C. Bujold

Mary Bujold
President
Attachment

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TABLE OF CONTENTS

TABLE OF CONTENTS
(Continued)

TABLE OF CONTENTS
(Continued)

LIST OF TABLES

LIST OF CHARTS

LIST OF MAPS

LIST OF FIGURES

APPENDIX

Introduction

Maxfield Research Inc. was engaged by the Carver County Community Development Agency (Carver County CDA) to conduct a comprehensive housing needs assessment for Carver County. The goal of this study is to allow the County and its municipalities to utilize the data presented herein for their long-range comprehensive plans.

Detailed calculations of housing demand are presented for the following periods: 2014 to 2020, 2020 to 2030 and 2030 to 2040 which are found in the *Conclusions and Recommendations* section of the report. Recommendations on the amount and types of housing that should be developed to accommodate the County's housing needs are also discussed.

The following are key highlights from the comprehensive housing needs assessment.

Key Findings

1. Carver County continues to experience strong population and household growth as the urban fringe of the Twin Cities Metro Area expands further into the County. While the slowdown in the housing market caused a temporary decrease in construction, the housing market recovery is now taking hold, primarily in the eastern portion of the County, but is expected to gradually expand west. Growth is anticipated to be robust and relatively consistent over the next 26 years, as long as the economy remains stable. The opening of the new Highway 212 has substantially shortened drive times to the core of the Twin Cities, increasing the appeal of locations such as Carver, Victoria and Waconia. By 2030, Carver County is projected to have a population of 145,626 people. By 2040, the County is projected to have a population of 168,829 people.

2. Demand is projected for 35,077 new housing units in Carver County from 2014 to 2040, with about 9,747 units between 2014 and 2020 and almost 25,330 units between 2020 and 2040.

3. Total projected housing demand by community from 2014 to 2040 is as follows:

   - Carver = 5,010 units (14% of housing demand)
   - Chanhassen = 6,560 units (18%)
   - Chaska = 8,025 units (23%)
   - Cologne = 1,330 units (4%)
   - Hamburg = 150 units (<1%)
   - Mayer = 630 units (2%)
   - New Germany = 442 units (2%)
   - Norwood Young America = 2,450 units (7%)
   - Victoria = 3,205 units (9%)

- Waconia = 4,500 units (13%)
- Watertown = 2,115 units (6%)
- Townships = 660 units (2%)

4. Demand for housing in Carver County is expected to be driven almost exclusively by household growth. Household growth projections in this report were made by Maxfield Research Inc., based on building permit trends, home sales activity, builder activity, previous Metropolitan Council projections and other factors that reflect projected economic growth and development in the County. Because households are mobile and willing to seek out various housing products in adjacent communities, the demand figures shown for each community may experience fluctuations based on local development trends. Some demand from the townships may fold into adjacent cities.

5. Between 2014 and 2040, about 78% of the housing demand is projected to be for owned housing and 22% for rental housing (including senior rental).

   1. Total projected rental demand by community from 2014 to 2040 is as follows:

      - Carver = 650 units (8% of rental housing demand)
      - Chanhassen = 1,771 units (22%)
      - Chaska = 2,726 units (33%)
      - Cologne = 271 units (3%)
      - Hamburg = 46 units (<1%)
      - Mayer = 99 units (1%)
      - New Germany = 60 units (<1%)
      - Norwood Young America = 679 units (8%)
      - Victoria = 652 units (8%)
      - Waconia = 748 units (9%)
      - Watertown = 442 units (5%)
      - Townships = 0 units

   2. The projected rental demand of 8,144 units in Carver County from 2014 to 2040 is shown by type below. Shallow-subsidy units are defined as those affordable to renters earning between 50% and 80% of median income. Deep-subsidy units are those affordable to households earning 50% or less of median income.

      - Senior Market Rate =2,752 units (35% of the rental demand)
      - Senior Affordable =1,522 units (19%)
      - Market rate general-occupancy =2,057 units (25%)
      - Shallow-subsidy general-occupancy =1,433 units (17%)
      - Deep-subsidy general-occupancy =380 units (4%)

8. A large portion of the senior demand is expected to occur after 2020 when the first baby boomers reach their mid-70s. Between 2014 and 2020, 21% of the rental demand will be senior (908 units). Between 2020 and 2040, 79% of the rental demand will be senior (3,366 units).

9. About 12% of total housing demand in Carver County between 2014 and 2040 is expected to be for senior housing, including for-sale senior housing. The following is senior housing demand by service level:

	2014 - 2020	2020 - 2030	2030 - 2040
Affordable Rental	404	638	480
Adult For-Sale	166	490	620
Market Rate Rental	297	281	566
Congregate	96	250	400
Assisted Living	5	190	230
Memory Care	106	161	170

10. Senior demand is attributable to several factors, including a growing senior population, a greater acceptance of senior housing by consumers, and a greater variety of housing types that appeal to a broader pool of potential residents.

11. The demand for general-occupancy rental housing, more than for-sale housing, is driven by proximity to jobs and shopping. Since the majority of the County's jobs in 2030 and in 2040 are projected to be in Chanhassen, Chaska, and Waconia, the majority of general-occupancy rental demand is projected to be located in these communities, and in Victoria and Carver. Total general-occupancy rental demand for these five communities from 2014 to 2040 is as follows:

- Chaska = 1,345 units (44% of GO rental demand)
- Chanhassen = 875 units (29%)
- Waconia = 324 units (11%)
- Carver = 360 units (12%)
- Victoria = 182 units (6%)

12. Vacancies for market rate rental housing in the County are generally low, less than 5%, which indicates that pent-up demand exists for rental housing. Although properties in the eastern portion of Carver County currently have the highest occupancies, those in western Carver County also have high occupancies. Demand for rental housing from higher-income individuals is greatest in Chaska, Chanhassen, and Victoria. To reach demand projections in the County's smaller communities, public/private partnerships may be needed to create housing with rents affordable to prospective residents.

13. Total for-sale demand by community from 2014 to 2040 is as follows:

- Carver = 4,360 units (16% of for-sale housing demand)
- Chanhassen = 4,789 units (18%)
- Chaska = 5,299 units (20%)
- Cologne = 1,059 units (4%)
- Hamburg = 104 units (<1%)
- Mayer = 531 units (2%)
- New Germany = 382 units (1%)
- Norwood Young America = 1,771 units (6%)

- Victoria = 2,553 units (9%)
- Waconia = 3,752 units (14%)
- Watertown = 1,673 units (6%)
- Townships = 660 units (2%)

14. Of the projected demand for about 26,933 for-sale housing units in Carver County from 2014 to 2040, approximately 17,429 (65%) are projected to be single-family homes. The for-sale multifamily demand will consist primarily of townhomes, along with a few condominium units and senior units. Most of the multifamily demand will be located in the eastern portion of the County where single-family home prices tend to be higher.

15. Home prices have dropped since 2006 when they were at their peak. Although it is still more expensive to purchase new construction, builders in Carver County are currently bringing single-family homes on-line starting in the low $300,000s. These homes are being added primarily in Waconia, Carver, Chaska and Victoria. Existing single-family homes and townhomes (existing and new) will accommodate the majority of demand for moderately priced homes in the County.

Study Impetus

Maxfield Research Inc. was engaged by the Carver County Community Development Agency (Carver County CDA) to conduct an update comprehensive housing needs assessment for Carver County. The goal of this study is to allow the County and its municipalities to utilize the data presented herein for their long-range comprehensive plans and for planning and development purposes as the CDA, local government jurisdictions and other agencies provide for the housing needs of Carver County residents.

The update comprehensive housing needs assessment calculates demand from 2014 to 2040 for various types of housing in each community and the rural areas in the County. The study provides recommendations on the amount and types of housing that can be developed to accommodate the housing needs of new and existing households.

Scope of Work

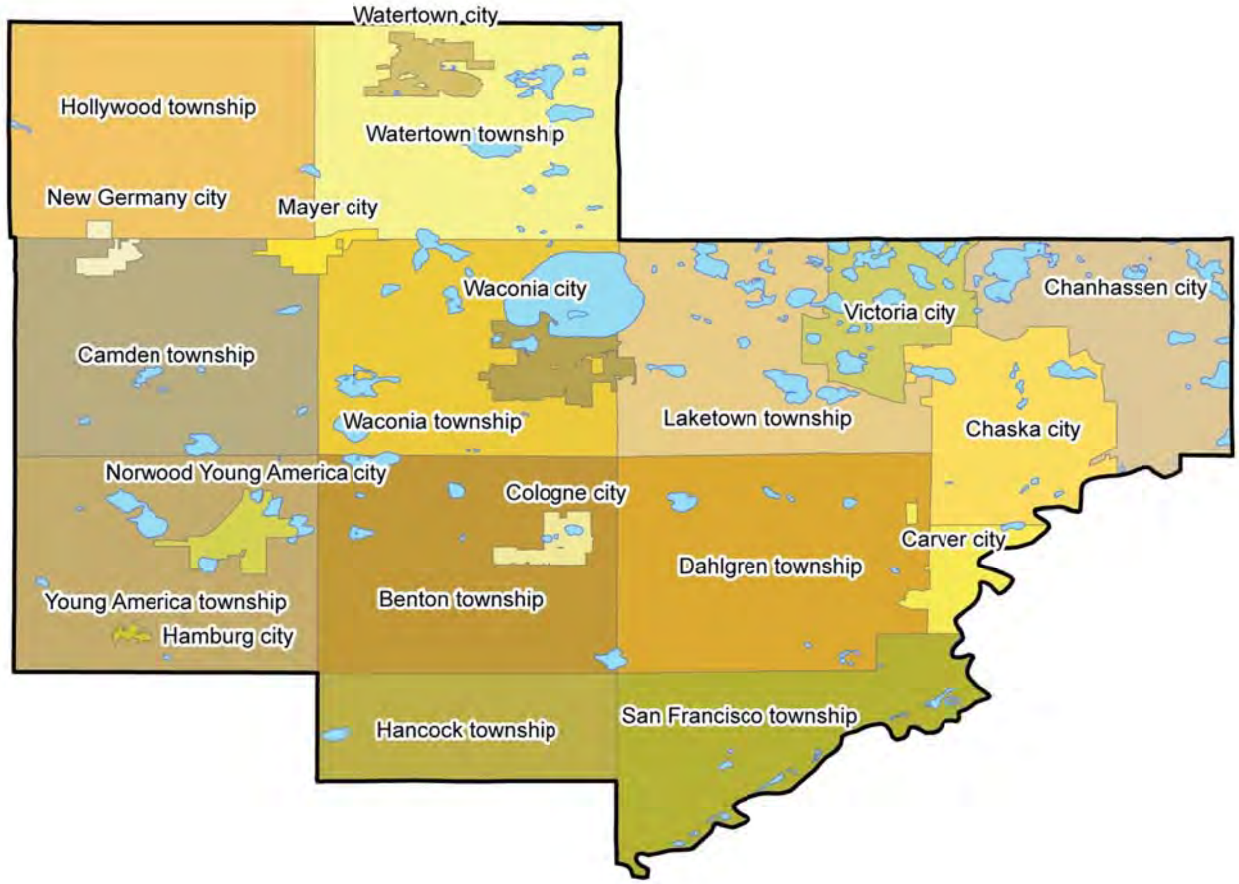
The scope of this study includes:

- an analysis of the demographic growth trends and characteristics of the County to 2040;
- an assessment of current housing characteristics in the County;
- an analysis of the for-sale housing market in the County;
- an analysis of the rental housing market in the County;
- an analysis of the senior housing market in the County;
- an analysis of special needs housing in the County;
- an estimate of the demand for all types of housing in the County from 2014 to 2040; and
- recommendations of appropriate housing concepts to meet current and future needs of County residents.

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

Data was collected and analyzed for each city in the County and for the townships as a whole. A map on the following page shows the location of the cities and townships in the County.

Map 1 - Carver County Subdivisions



Demographic Analysis

Introduction

This section of the report examines growth trends and demographic characteristics related to the current and future demand for housing in Carver County, Minnesota. Included in this section are:

- population and household growth trends and projections,
- projected age distribution,
- household income distribution,
- household type,
- household tenure (owner/renter),
- household cost burden,
- employment growth trends and characteristics,
- commute trends
- age of housing stock, and
- recent residential building permit trends

This section of the report includes totals for each of communities in the County.

Population and Household Growth Trends and Projections

Tables 1 and 2 present population and household growth trends and projections for Carver County from 2000 to 2040. Data from 2000 and 2010 is from the U.S. Census; the 2014 estimates and the 2020, 2030 and 2040 projections were compiled by Maxfield Research Inc. based on building permit trends, current and projected economic conditions and land area availability. The projections account for the slower growth that occurred between 2000 and 2010 because of the Recession. Growth from 2014 to 2040 accounts for a reactivation of development activity moving forward.

Key findings of Tables 1 and 2 are:

- Carver County's population increased from 70,205 in 2000 to 91,000 in 2010. Previous Metropolitan Council projections estimated a 2010 population for Carver County of 107,240 and a 2020 population of 162,880. Revised projections based on 2010 Census counts and current economic conditions now anticipate a 2020 population of 122,425, a 2030 population of 145,626 people and a 2040 population of 168,829. Between 2010 and 2040, the population of Carver County is expected to increase by 85%, one of the fastest growing areas of the Twin Cities Metro.

- Carver County added nearly 20,000 people in the 2000s. Growth accelerated this decade as development activity has resumed post-Recession. Limited land availability in southwestern Hennepin County and far eastern Carver County is pushing housing development to the west.

- The opening of the new Highway 212 in 2008 has increased housing demand in much of the County as access to jobs is now more convenient. The new Highway 212 extends from Eden Prairie through Chanhassen and Chaska and out to Carver city, connecting eastern Carver County to the Twin Cites' freeway network.

- Carver County is projected to add 37,634 households between 2010 and 2040. Since households represent occupied housing units, this growth translates to a need for approximately 35,077 housing units in the County over the next 26 years (2014 to 2040).

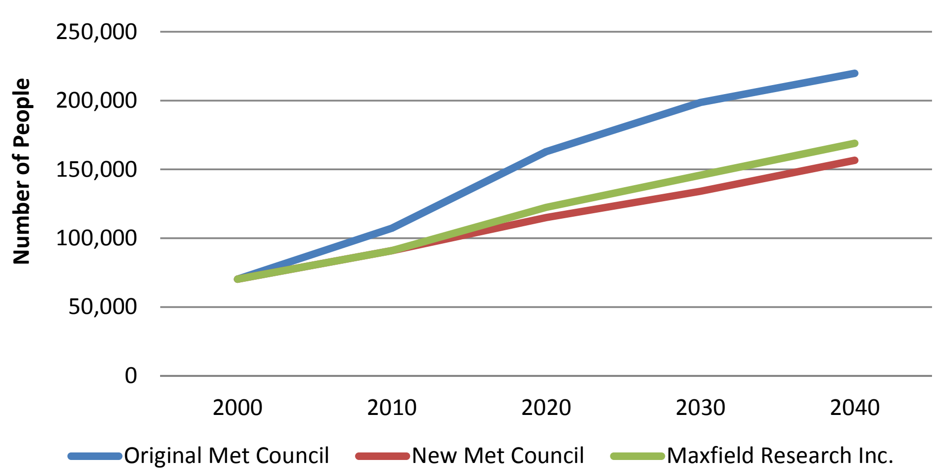
Projected Carver County Household Growth Leaders, 2000 to 2040

City	Households 2000	Households 2040	Change
Chaska	6,169	17,275	11,106
Chanhassen	6,914	15,520	8,606
Waconia	2,568	8,800	6,232
Carver	458	6,500	6,042
Victoria	1,367	6,000	4,633
Watertown	1,078	3,705	2,627
Norwood Young America	1,389	3,900	2,511
Total			41,757

- About 88% of the projected household growth in Carver County from 2010 to 2040 is projected to occur among the communities listed above. The remaining cities and townships will also experience strong growth in percentage terms– but less numerical growth in comparison. The Townships – excluding most of Dahlgren, which will be annexed by Carver city or Laketown Township, which will be annexed by Waconia, Victoria, and Chaska – will experience somewhat less growth as land use controls are expected to continue to preserve a sizeable portion of the County's valuable agricultural land.

- The chart below shows a comparison of population growth projections using figures from the Metropolitan Council and from Maxfield Research Inc. As shown, Maxfield Research's projections for the County show slower growth than originally projected, but higher growth than is currently being considered for Thrive 2040.

Figure 1: Comparison of Population Growth Projections Carver County



Sources: Metropolitan Council; Maxfield Research Inc.

TABLE 1
POPULATION TRENDS AND PROJECTIONS
CARVER COUNTY
2000 to 2030

							Change							
	Census		Estimate	Forecasts			2000 - 2010		2010 - 2020		2020 - 2030		2030 - 2040	
	2000	2010	2014	2020	2030	2040	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Cities														
Carver	1,266	3,724	4,325	6,405	9,735	14,000	2,458	194.2%	2,681	62.0%	3,330	52.0%	4,265	30.5%
Chanhassen	20,321	22,952	25,580	31,715	36,055	39,560	2,631	12.9%	8,763	34.3%	4,340	13.7%	3,505	8.9%
Chaska	17,603	23,770	25,880	32,085	38,500	44,050	6,167	35.0%	8,315	32.1%	6,415	20.0%	5,550	12.6%
Cologne	1,012	1,519	1,650	2,045	2,800	3,800	507	50.1%	526	31.9%	755	36.9%	1,000	26.3%
Hamburg	538	513	555	690	830	910	-25	-4.6%	177	31.9%	140	20.3%	80	8.8%
Mayer	554	1,749	1,945	2,410	2,890	3,180	1,195	215.7%	661	34.0%	480	19.9%	290	9.1%
New Germany	346	372	415	510	615	700	26	7.5%	138	33.3%	105	20.6%	85	12.1%
Norwood Young America	3,108	3,549	3,650	4,345	5,315	7,000	441	14.2%	796	21.8%	970	22.3%	1,685	24.1%
Victoria	4,025	7,345	8,110	10,833	13,933	16,522	3,320	82.5%	3,488	43.0%	3,100	28.6%	2,589	15.7%
Waconia	6,814	10,697	11,870	15,492	19,528	22,977	3,883	57.0%	4,795	40.4%	4,036	26.1%	3,449	15.0%
Watertown	3,029	4,205	4,515	5,600	6,720	7,390	1,176	38.8%	1,395	30.9%	1,120	20.0%	670	9.1%
Subtotal	**58,616**	**80,395**	**88,495**	**112,130**	**136,921**	**160,089**	**21,779**	**37.2%**	**31,735**	**35.9%**	**24,791**	**22.1%**	**23,168**	**14.5%**
Townships														
Benton Twp.	939	786	820	810	805	800	-153	-16.3%	24	2.9%	-10	-1.2%	-5	-0.6%
Camden Twp.	955	922	990	940	920	900	-33	-3.5%	18	1.8%	-40	-4.3%	-20	-2.2%
Dahlgren Twp.	1,453	1,331	1,350	1,250	1,050	1,000	-122	-8.4%	-81	-6.0%	-250	-20.0%	-50	-5.0%
Hancock Twp.	367	345	345	380	420	450	-22	-6.0%	35	10.1%	70	18.4%	30	6.7%
Hollywood Twp.	1,102	1,041	1,060	1,100	1,150	1,200	-61	-5.5%	59	5.6%	100	9.1%	50	4.2%
Laketown Twp.	2,331	2,243	2,300	1,555	0	0	-88	-3.8%	-688	-29.9%	-1,555	-100.0%	0	0.0%
San Francisco Twp.	888	832	865	900	950	980	-56	-6.3%	68	7.9%	80	8.9%	30	3.1%
Waconia Twp.	1,284	1,228	1,280	1,440	1,490	1,500	-56	-4.4%	212	16.6%	60	4.2%	10	0.7%
Watertown Twp.	1,432	1,205	1,201	1,180	1,170	1,150	-227	-15.9%	-25	-2.1%	-30	-2.5%	-20	-1.7%
Young America Twp.	838	715	720	740	750	760	-123	-14.7%	25	3.5%	20	2.7%	10	1.3%
Subtotal	**11,589**	**10,648**	**10,931**	**10,295**	**8,705**	**8,740**	**-941**	**-8.1%**	**-353**	**-3.2%**	**-1,555**	**-15.1%**	**35**	**0.4%**
Carver County Total	**70,205**	**91,043**	**99,426**	**122,425**	**145,626**	**168,829**	**20,838**	**29.7%**	**31,382**	**31.6%**	**23,201**	**19.0%**	**23,203**	**13.7%**
Metro Area Total	**2,642,062**	**2,849,567**	**3,034,212**	**3,250,000**	**3,500,000**	**3,674,000**	**207,505**	**7.9%**	**400,433**	**13.2%**	**250,000**	**7.7%**	**174,000**	**4.7%**

Sources: U.S. Census, Metropolitan Council, Maxfield Research, Inc.

TABLE 2
HOUSEHOLD TRENDS AND PROJECTIONS
CARVER COUNTY
2000 to 2030

	Census		Estimate	Forecasts			Change 2000 - 2010		2010 - 2020		2020 - 2030		2030 - 2040	
	2000	2010	2014	2020	2030	2040	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Cities														
Carver	458	1,182	1,490	2,340	4,820	6,500	724	61.3%	1,158	77.7%	2,480	106.0%	1,680	25.8%
Chanhassen	6,914	8,352	8,960	11,575	13,855	15,520	1,438	17.2%	3,223	34.8%	2,280	19.5%	1,665	9.6%
Chaska	6,169	8,816	9,250	11,710	14,765	17,275	2,647	30.0%	2,894	32.3%	3,055	26.4%	2,510	16.2%
Cologne	385	539	570	745	1,320	1,900	154	28.6%	206	36.1%	575	77.2%	580	30.5%
Hamburg	206	201	210	250	310	360	-5	-2.5%	49	23.3%	60	24.0%	50	13.9%
Mayer	199	589	615	880	1,100	1,245	390	66.2%	291	47.3%	220	25.0%	145	11.6%
New Germany	143	146	158	185	400	600	3	2.1%	39	24.7%	215	116.2%	200	33.3%
Norwood Young America	1,171	1,389	1,450	1,585	2,740	3,900	218	15.7%	196	13.5%	1,155	72.9%	1,160	29.7%
Victoria	1,367	2,435	2,795	3,955	5,120	6,000	1,068	43.9%	1,520	54.4%	1,165	29.5%	880	14.7%
Waconia	2,568	3,909	4,300	5,655	7,285	8,800	1,341	34.3%	1,746	40.6%	1,630	28.8%	1,515	17.2%
Watertown	1,078	1,564	1,590	2,045	2,810	3,705	486	31.1%	481	30.3%	765	37.4%	895	24.2%
Subtotal	**20,658**	**29,122**	**31,388**	**40,925**	**54,525**	**65,805**	**8,464**	**41.0%**	**11,803**	**37.6%**	**13,600**	**33.2%**	**11,280**	**17.1%**
Townships														
Benton Twp.	307	297	300	310	330	350	-10	-3.3%	13	4.3%	20	6.5%	20	5.7%
Camden Twp.	316	329	355	365	370	380	13	4.1%	36	10.1%	5	1.4%	10	2.6%
Dahlgren Twp.	479	494	505	665	710	750	15	3.1%	171	33.9%	45	6.8%	40	5.3%
Hancock Twp.	121	127	130	180	280	380	6	5.0%	53	40.8%	100	55.6%	100	26.3%
Hollywood Twp.	371	387	395	500	650	740	16	4.3%	113	28.6%	150	30.0%	90	12.2%
Laketown Twp.	637	660	865	570	0	0	23	3.6%	-90	-10.4%	-570	-100.0%	0	0.0%
San Francisco Twp.	293	307	330	350	380	410	14	4.8%	43	13.0%	30	8.6%	30	7.3%
Waconia Twp.	429	434	470	550	700	750	5	1.2%	116	24.7%	150	27.3%	50	6.7%
Watertown Twp.	478	468	440	450	500	510	-10	-2.1%	-18	-4.1%	50	11.1%	10	2.0%
Young America Twp.	267	266	270	330	430	450	-1	-0.4%	64	23.7%	100	30.3%	20	4.4%
Subtotal	**3,698**	**3,769**	**4,060**	**4,270**	**4,350**	**4,720**	**71**	**1.9%**	**501**	**12.3%**	**80**	**1.9%**	**370**	**7.8%**
Carver County Total	**24,356**	**32,891**	**35,448**	**45,195**	**58,875**	**70,525**	**8,535**	**35.0%**	**12,304**	**34.7%**	**13,680**	**30.3%**	**11,650**	**16.5%**
Metro Area Total	**1,021,456**	**1,117,749**	**1,209,698**	**1,295,000**	**1,406,000**	**1,509,000**	**96,293**	**9.4%**	**177,251**	**14.7%**	**111,000**	**8.6%**	**103,000**	**6.8%**

Sources: U.S. Census, Metropolitan Council, Maxfield Research, Inc.

- The rate of household growth throughout the time period shows that households are increasing faster than population. This can be attributed to decreasing household sizes (2.88 people per household in 2000 to 2.39 in 2040). Household sizes are decreasing due to several factors, including the overall aging of the population, couples' decisions to have fewer children than their parents, or no children at all, as well as an increase in single-person households. Because of strong growth in Carver County however, household size decreases will occur at a somewhat slower rate than will be experienced throughout the rest of the Metropolitan Area.

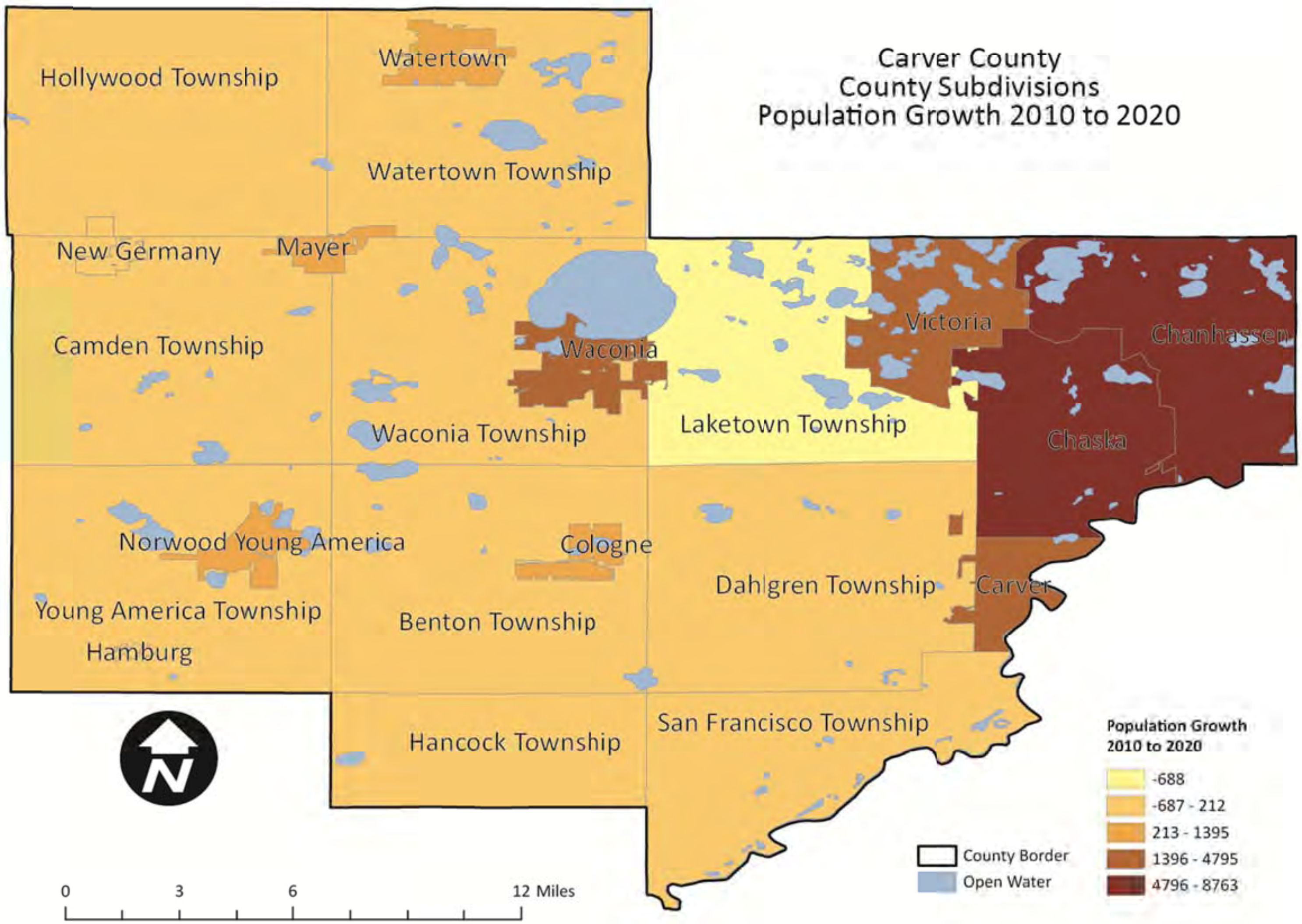
- Maps 2 and 3 highlight Carver County's projected population and household growth, respectively from 2000 to 2040. As shown on the maps, the majority of the growth is expected to occur in the eastern communities that are closest to the core of the Twin Cities.

Methodology for Population and Household Growth Projections

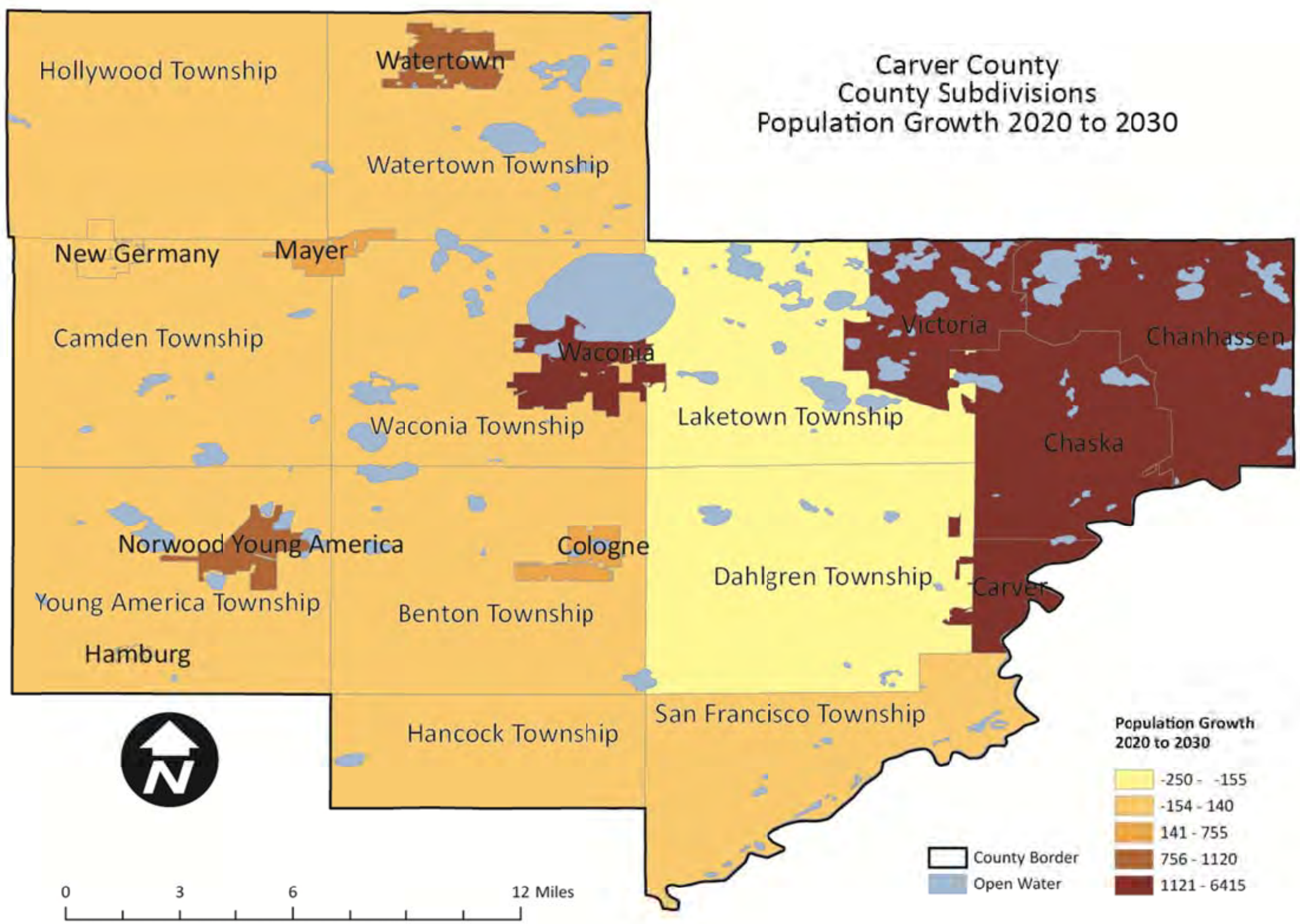
In developing the population and household growth projections for Carver County, Maxfield Research Inc. examined the following components of growth and demand:

- Historic trends including the recent housing market slowdown;
- Building permits issued in Carver County for each jurisdiction;
- Metropolitan Council projections (original projections made in the early 2000s and the most recent Thrive MSP);
- Guided land use as developed through individual community's comprehensive land use plans;
- The projected impact on growth and development of Highway 212;
- Current Metropolitan Council estimates for 2013;
- Our knowledge of current development proposals in the Carver county market;
- Available land in nearby Hennepin County jurisdictions;

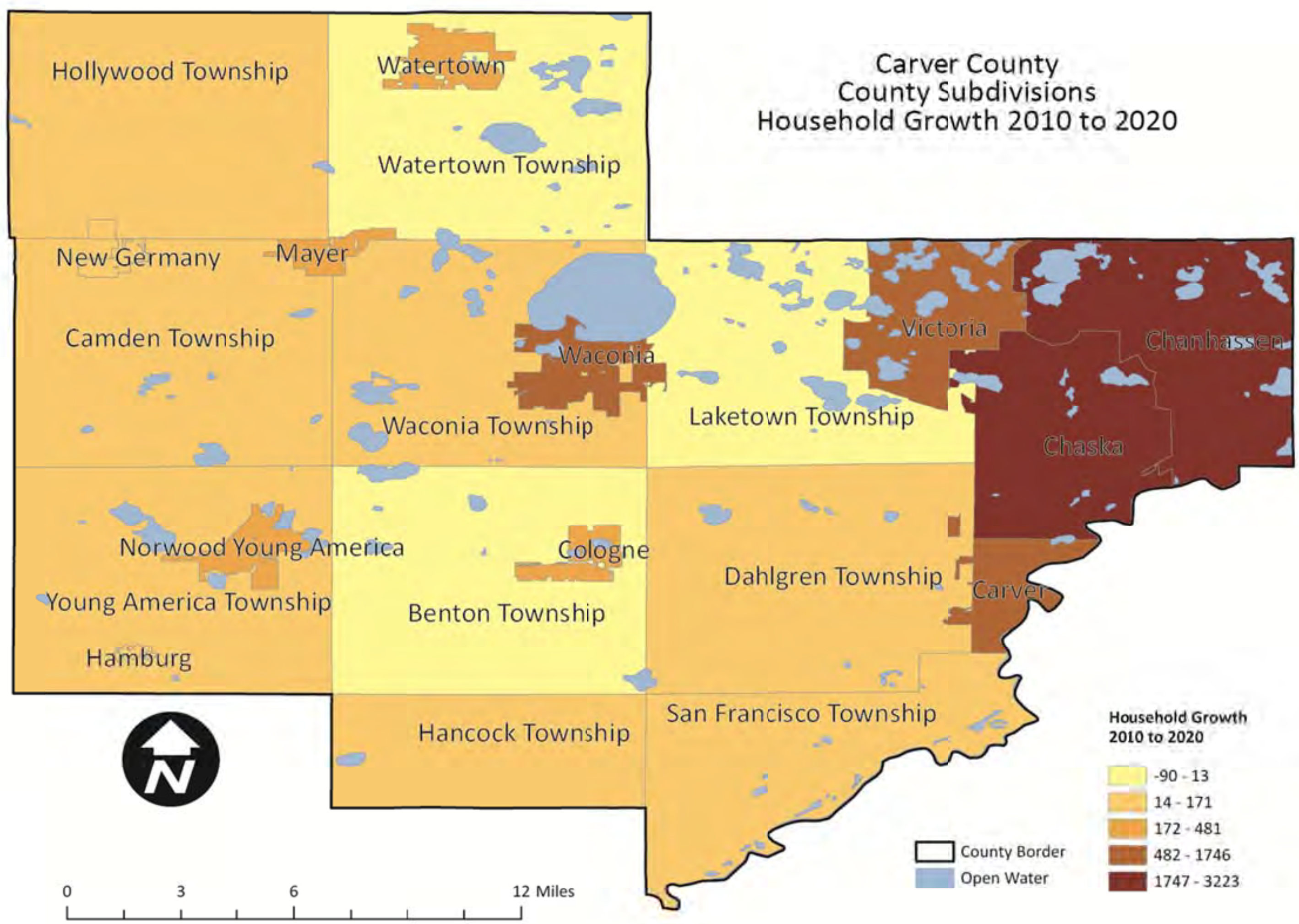
Map 2A – Population Growth-Carver County-2010 to 2020



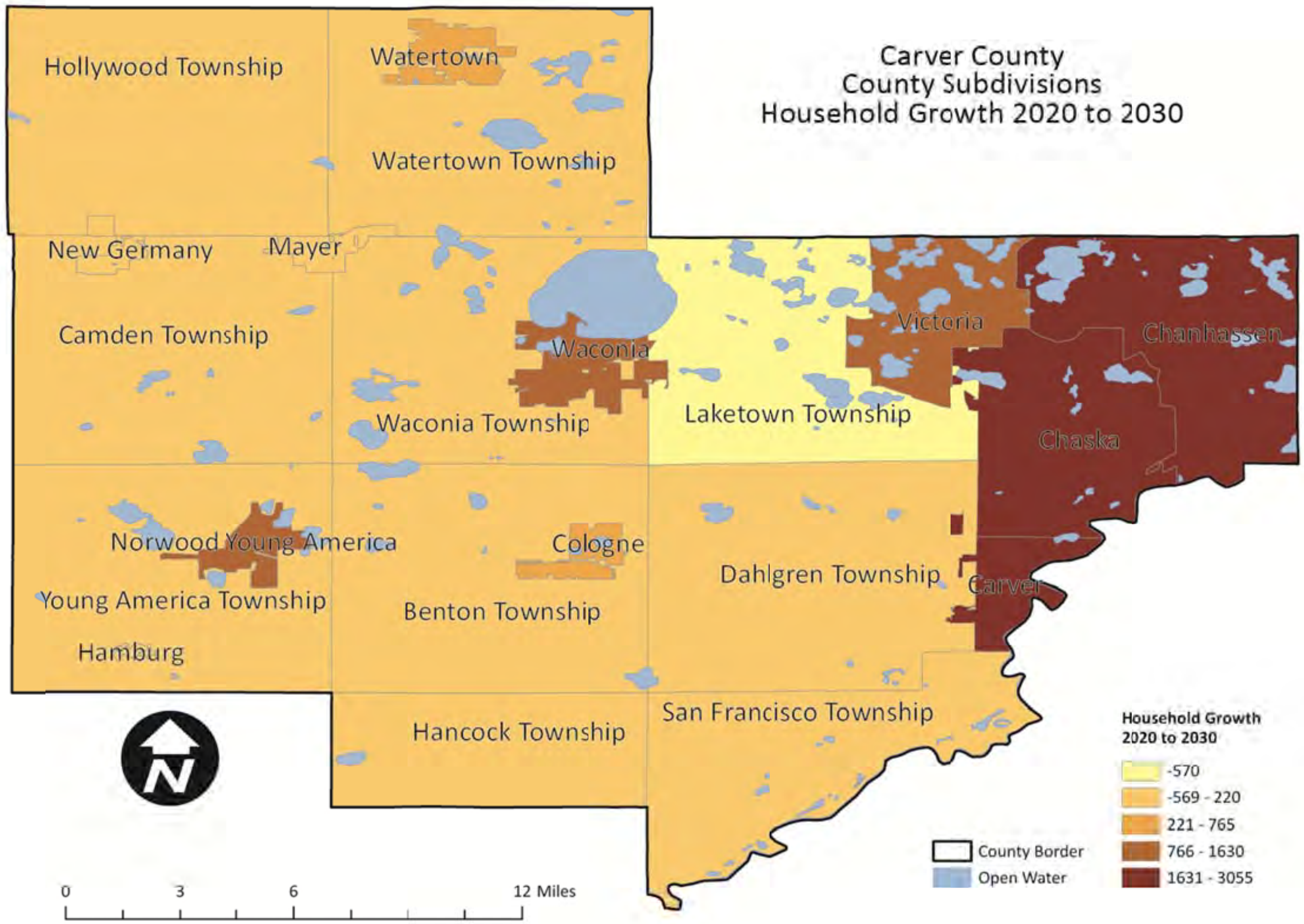
Map 2B – Population Growth – Carver County – 2020 to 2030



Map 2C – Household Growth Trends, Carver County, 2010 to 2020



Map 2D – Household Growth Trends, Carver County, 2020 to 2030



Annexation Agreements

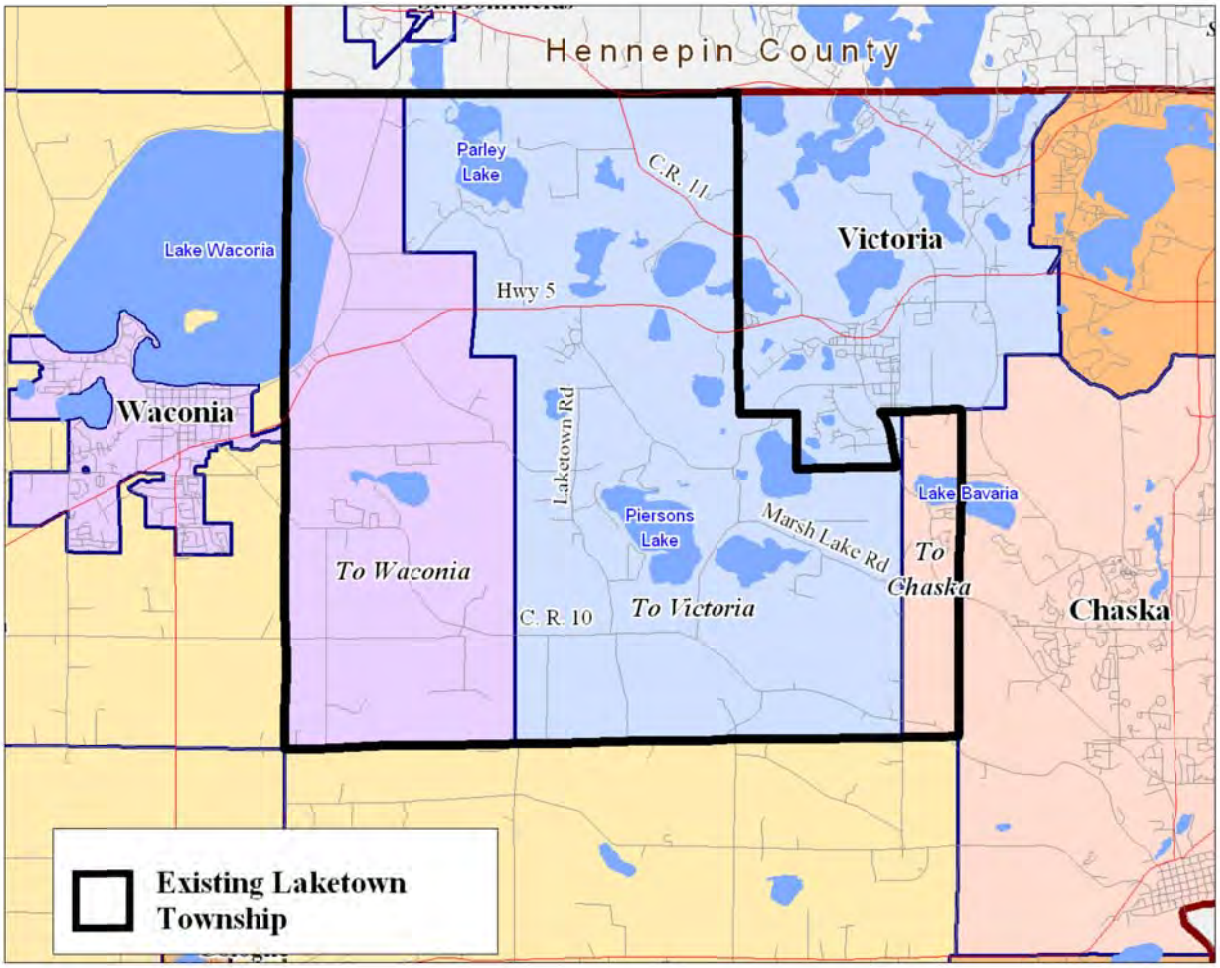
- Several communities in Carver County have orderly annexation agreements in place with adjacent townships. These are:

  Laketown Township w/Waconia, Victoria and Chaska
  Dahlgren Township w/Carver
  Mayer w/Camden, Watertown and Waconia Townships
  New Germany w/Hollywood and Camden Townships
  Waconia w/Waconia Township
  Cologne w/ Benton Township
  Chaska w/Chaska Township

- Several annexations have already occurred. Chaska Township was entirely annexed to the City of Chaska. Portions of Benton, Camden, Hollywood, Waconia and Watertown Townships have already been annexed to the respective cities shown above. A portion of Dahlgren Township has been annexed to the City of Carver. Additional areas of Dahlgren Township will be annexed into Carver city in the future.

- By 2030, Laketown Township is expected to have been entirely annexed by Waconia, Victoria, and Chaska. The rate however, at which these annexations will occur depends on housing development and growth. While 2030 is the current projection, portions of annexations could be delayed beyond 2030. Map 3 shows the designation of land to the three communities under the orderly annexation agreement with Laketown Township. Also, roughly the eastern half of Dahlgren Township has already been annexed by the City of Carver.

Map 3
Designation of Land Under Laketown Township Orderly Annexation Agreement



Population Age Distribution Trends

Table 3 shows the age distribution of Carver County's population in 2000 and 2010, as well as estimates and projections for 2020, 2030 and 2040. The 2000 and 2010 distributions are from the U.S. Census, while the estimates and projections were made by Maxfield Research Inc. based on data from the U.S. Census, ESRI, Inc., and the Metropolitan Council.

The following are key trends noted in the age distribution of Carver County's population:

- Strong growth in Carver County to 2040 will result in increases among all age groups over the next 20 years. As shown, an influx of younger and middle-aged individuals and families to the County will result in steady growth among 25-to-39-year-olds (from 17,354 people in 2010 to 28,617 people in 2020 – or 63% growth). This growth will result in continued demand for single-family homes and for-sale townhomes and additional rentals. Growth in this age cohort is projected to continue until 2030 after which time the older adult population (55+) is expected to increase rapidly, prompting a greater need for housing alternatives that may provide a higher degree of services.

- With the aging of the baby boom generation, people between the ages of 55 and 74 will experience the most rapid growth rates over this next decade. The younger portion of this age group (ages 55 to 64), moving into Carver County are still looking for move-up housing and considering alternative housing products to single-family homes.

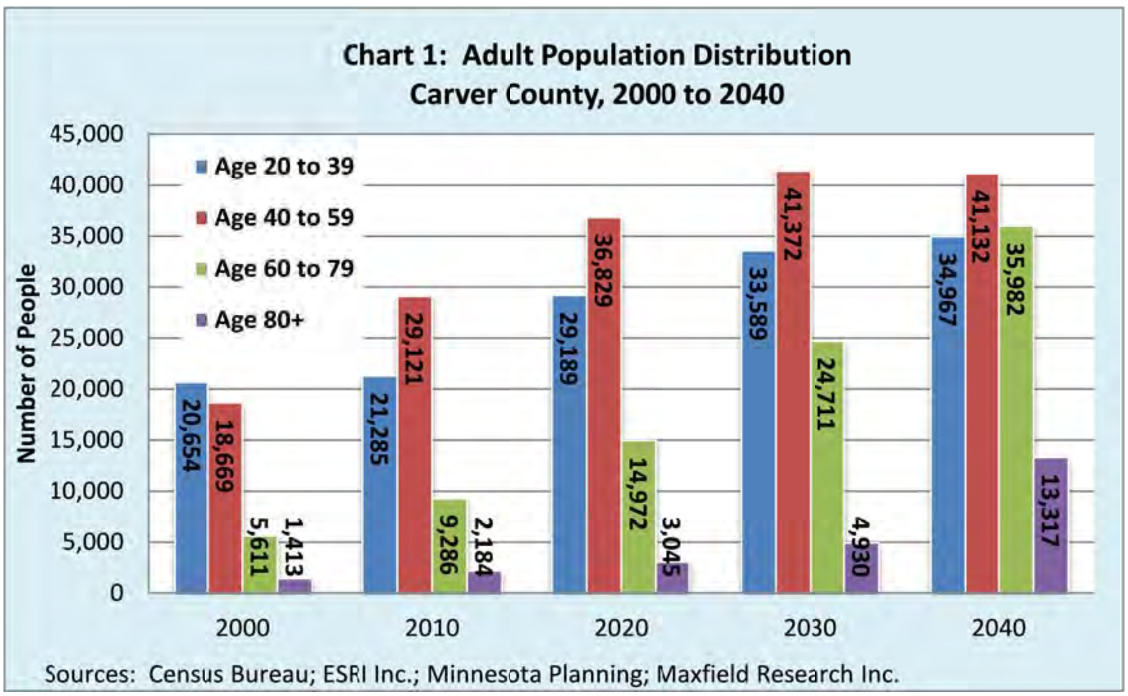
TABLE 3
POPULATION AGE DISTRIBUTION
CARVER COUNTY
2000 TO 2040

	Population					Change					
						2010-2020		2020-2030		2030-2040	
Age	2000	2010	2020	2030	2040	No.	Pct.	No.	Pct.	No.	Pct.
Under 20	23,704	29,167	38,390	41,024	43,431	9,223	31.6%	2,634	6.9%	2,407	5.9%
20 - 24	3,158	3,931	5,090	5,671	6,986	1,159	29.5%	581	11.4%	1,315	23.2%
25 - 29	3,863	5,025	6,883	7,912	6,744	1,858	37.0%	1,029	14.9%	-1,168	-14.8%
30 - 34	5,869	5,805	8,247	9,555	10,134	2,442	42.1%	1,308	15.9%	579	6.1%
35 - 39	7,764	6,524	8,969	10,451	11,103	2,445	37.5%	1,482	16.5%	652	6.2%
40 - 44	6,819	7,916	9,747	11,348	11,959	1,831	23.1%	1,601	16.4%	611	5.4%
45 - 49	5,335	8,664	10,294	11,615	11,128	1,630	18.8%	1,321	12.8%	-487	-4.2%
50 - 54	3,825	7,193	9,096	9,451	9,128	1,903	26.5%	355	3.9%	-323	-3.4%
55 - 59	2,690	5,348	7,692	8,958	8,917	2,344	43.8%	1,266	16.5%	-41	-0.5%
60 - 64	1,802	3,762	5,570	6,568	8,486	1,808	48.1%	998	17.9%	1,918	29.2%
65 - 69	1,525	2,485	4,444	5,925	8,979	1,959	78.8%	1,481	33.3%	3,054	51.5%
70 - 74	1,242	1,675	2,950	6,132	9,481	1,275	76.1%	3,182	107.9%	3,349	54.6%
75 - 79	1,042	1,364	2,008	6,086	9,036	644	47.2%	4,078	203.1%	2,950	48.5%
80 - 84	687	1,083	1,460	2,441	8,613	377	34.8%	981	67.2%	6,172	252.8%
85+	726	1,101	1,585	2,489	4,704	484	44.0%	904	57.0%	2,215	89.0%
Total	70,051	91,043	122,425	145,626	168,829	31,382	44.8%	23,201	25.5%	23,203	15.9%

Sources: U.S. Census, ESRI; Minnesota State Demographer, Maxfield Research, Inc.

- The future age distribution for each community will depend on each community's location. Communities in western Carver County will attract a larger percentage of young families seeking new affordable single-family homes. Communities in eastern Carver County will see a greater percentage of seniors, young adults, and older adults. These increases will be due to the aging of the existing population, young adults seeking rental housing near employment centers and older adults with greater means purchasing more expensive housing.

- Chart 1 below shows strong growth for all adult age groups through 2040. Each of the three age groups under age 80 is projected to grow by more than 30,000 people between 2000 and 2030. After 2030, growth is expected to slow for those ages 20 to 39 and ages 40 to 59. However, the 60-to-80-year-old age group is projected to increase significantly from its 2000 population, by far the fastest growth rate. Excluding children and teens, people ages 20 to 39 and 40 to 59 are expected to remain the largest age cohorts to 2030. After 2030, those ages 60 to 79 overtake those ages 20 to 39 as the second largest age cohort.



Household Income

The estimated distribution of households by income in Carver County for 2014 and 2019 is shown in Table 4. The data was estimated by Maxfield Research and is based on income trends provided by ESRI Inc., a national demographics firm. 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 less than 30% of a household's adjusted gross income. Maxfield Research Inc. 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 housing payments.

The following are key points from Table 4:

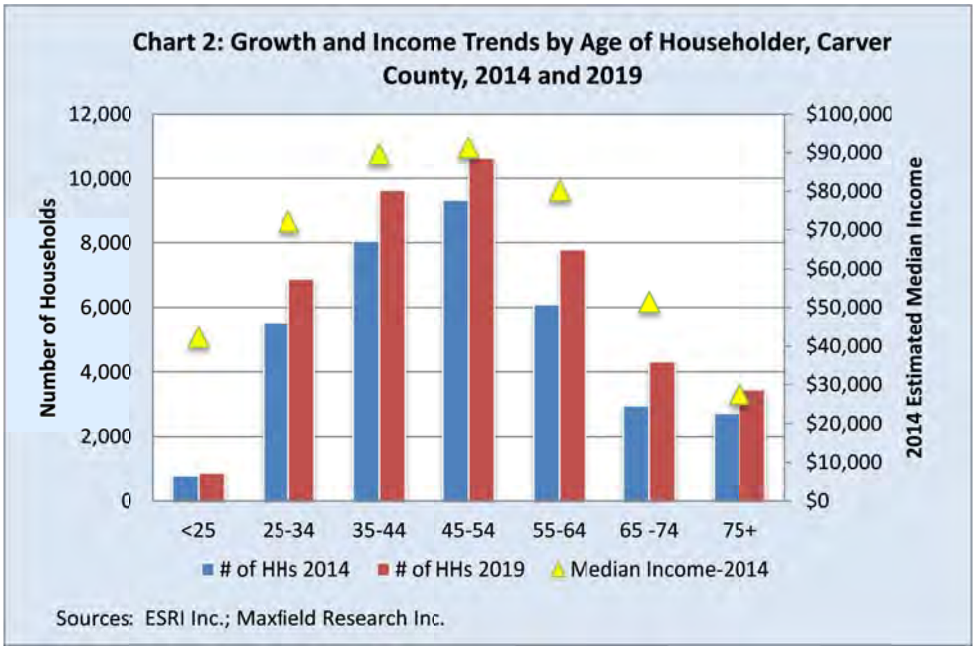
- The overall median household income in the County is estimated at about $79,952 in 2014. Median household income is expected to increase by 9.9%, ($7,973) by 2019.

TABLE 4
HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER
CARVER COUNTY
2014 & 2019

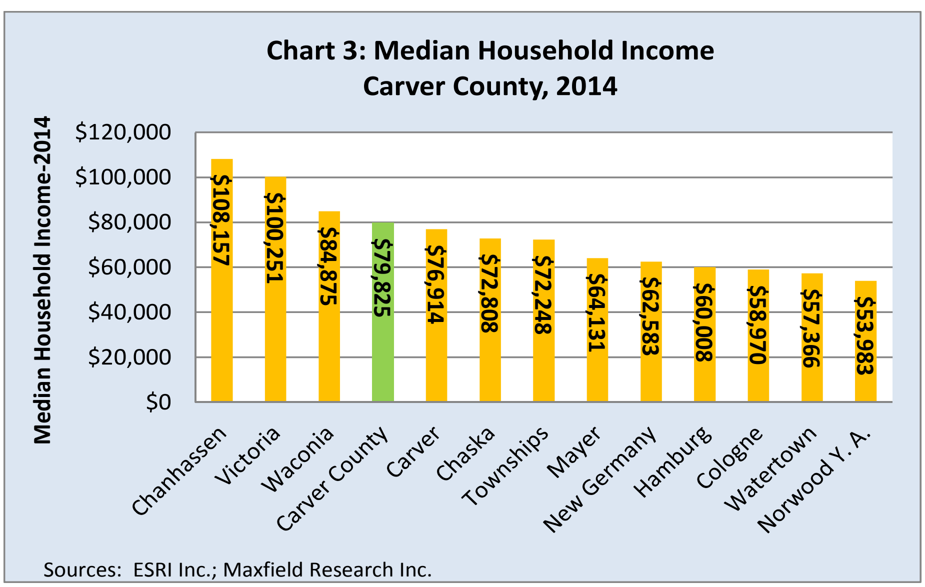
		Age of Householder						
	Total	**<25**	**25-34**	**35-44**	**45-54**	**55-64**	**65 -74**	**75+**
2014								
Less than $15,000	1,686	47	166	169	242	238	262	562
$15,000 to $24,999	2,179	151	177	177	354	256	450	614
$25,000 to $34,999	2,530	88	371	362	429	427	300	554
$35,000 to $49,999	3,596	178	614	644	643	604	406	508
$50,000 to $74,999	7,107	202	1,559	1,585	1,687	1,250	591	232
$75,000 to $99,999	6,129	49	1,200	1,642	1,799	1,030	332	76
$100,000 or more	12,220	66	1,443	3,468	4,167	2,292	600	183
Total	**35,448**	**780**	**5,530**	**8,047**	**9,323**	**6,097**	**2,942**	**2,729**
Median Income	**$79,952**	**$42,348**	**$72,110**	**$89,573**	**$91,391**	**$80,158**	**$51,492**	**$27,594**
2019								
Less than $15,000	1,936	50	172	144	223	250	367	730
$15,000 to $24,999	1,902	138	138	96	223	179	470	658
$25,000 to $34,999	2,128	75	296	241	287	328	323	578
$35,000 to $49,999	3,572	189	585	568	532	577	487	634
$50,000 to $74,999	7,634	240	1,680	1,550	1,605	1,380	841	337
$75,000 to $99,999	9,537	87	1,928	2,427	2,530	1,700	707	158
$100,000 or more	16,862	93	2,086	4,603	5,230	3,385	1,117	348
Total	**43,570**	**871**	**6,884**	**9,629**	**10,631**	**7,799**	**4,313**	**3,443**
Median Income	**$87,925**	**$48,264**	**$80,179**	**$97,029**	**$98,921**	**$90,423**	**$62,637**	**$30,006**
Change 2014 - 2019								
Less than $15,000	250	3	6	-25	-19	12	105	168
$15,000 to $24,999	-277	-13	-39	-81	-131	-77	20	44
$25,000 to $34,999	-402	-13	-74	-121	-142	-99	23	24
$35,000 to $49,999	-24	11	-29	-76	-112	-26	81	126
$50,000 to $74,999	526	38	120	-35	-82	131	250	105
$75,000 to $99,999	3,408	38	728	785	731	670	375	82
$100,000 or more	4,642	28	643	1,134	1,063	1,092	517	165
Total	**8,122**	**91**	**1,354**	**1,582**	**1,308**	**1,702**	**1,371**	**714**
Median Income	**$7,973**	**$5,916**	**$8,069**	**$7,456**	**$7,530**	**$10,265**	**$11,145**	**$2,412**

Sources: ESRI; US Census Bureau; Maxfield Research Inc.

- As highlighted in Chart 2, median household incomes peak in the 45-to-54-year-old age group at about $91,391, as these householders are generally in their peak earning years. Seniors over age 75 had the lowest median income at $27,594. Although their incomes are lower, most seniors also have fewer expenses and often own their homes free and clear of a mortgage.



Median household incomes differ between each of the Carver County communities. Chart 3 below highlights the high median incomes in Victoria and Chanhassen, which have seen substantial growth of upper-end single-family homes, and the Townships, which have little rental housing. Most of the County's smaller communities have an older housing stock that is more affordable to households with lower incomes – therefore, median incomes are lower.



Household Tenure

Table 5 shows the number of owner and renter households in Carver County from 2000 to 2040. Table 6 shows the number of owner and renter households by age of householder in each of the communities and townships in 2010. The 2000 and 2010 figures are from the Census Bureau. Household tenure projections for 2020 to 2040 were derived by Maxfield Research Inc. based on the following data points and projected trends:

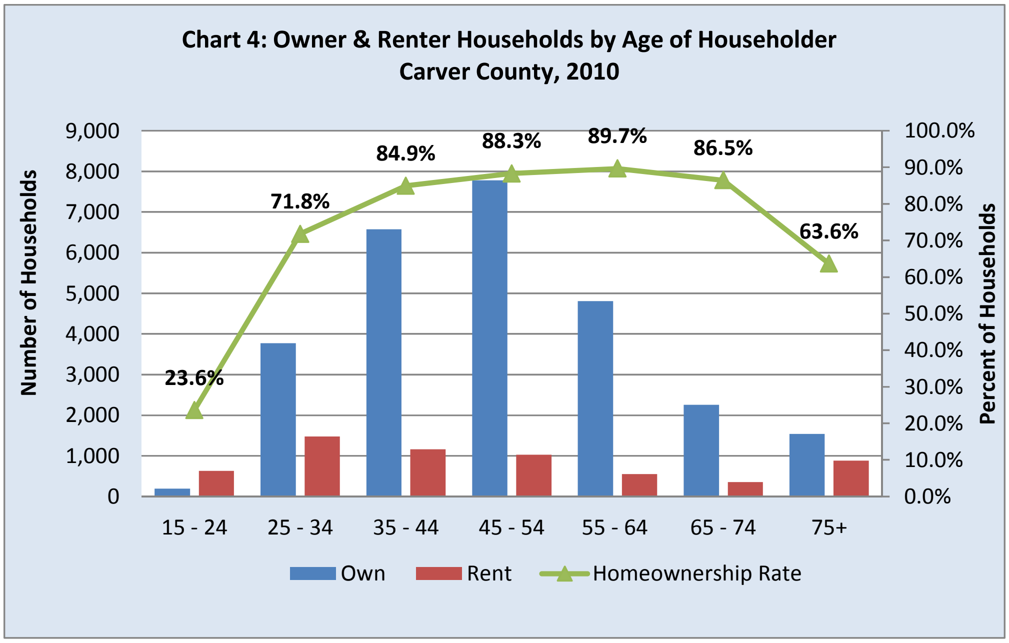
- Historical tenure patterns in Carver County and in other suburban counties in the Twin Cities;
- A review of tenure changes in Carver County and in other suburban counties in the Twin Cities since the housing market slowdown;
- The consideration of shifting patterns of tenure across the Upper Midwest due to the aging of the population and Millennials delaying home purchases;
- The need/demand for additional rental housing in Carver County to support long-term demand.

Key points derived from the tables are:

- In 2000, 83.5% of all households in Carver County owned their housing. By 2010, that percentage had decreased to 81.5%, as the nation emerged from a housing crisis. Although many new homes were constructed to 2006, many people were forced to reevaluate their living arrangements during the crisis. As households progress through their life cycle, housing needs change.

- Renter growth in Carver County from 2000 to 2010 was concentrated in Chaska, Chanhassen, Waconia and Watertown. These four communities combined to account for 95% of the County's new renters. These communities are attractive to many renters because of their close proximity to job centers, shopping, and services, although Watertown is not generally situated near to a high employment concentration. While the smaller communities also added renters during the 2000s, the rural areas lost renters.

- Chart 4 below shows that the proportion of renter households decreases significantly as households age out of their young-adult years. By the time households reach their senior years, rental housing often becomes a more viable option than homeownership, as seniors look for more maintenance-free housing options.



Source: US Census Bureau

- Between 2010 and 2040, renter growth is again projected to be concentrated Chaska, Chanhassen, Victoria and Waconia.

- Map 4 shows the distribution of renter households in Carver County in 2010. More renters resided in Chaska and Chanhassen than in the rest of the County combined.

- Since 2006, there have been only 119 new market rate general occupancy rental units added in Carver County. With the overall vacancy rate in the County at 2.1%, there is a substantial need for additional rental housing units at all income levels targeted to meet the needs of a growing workforce.

Map 4 – Number of Renter Households-Carver County-2010

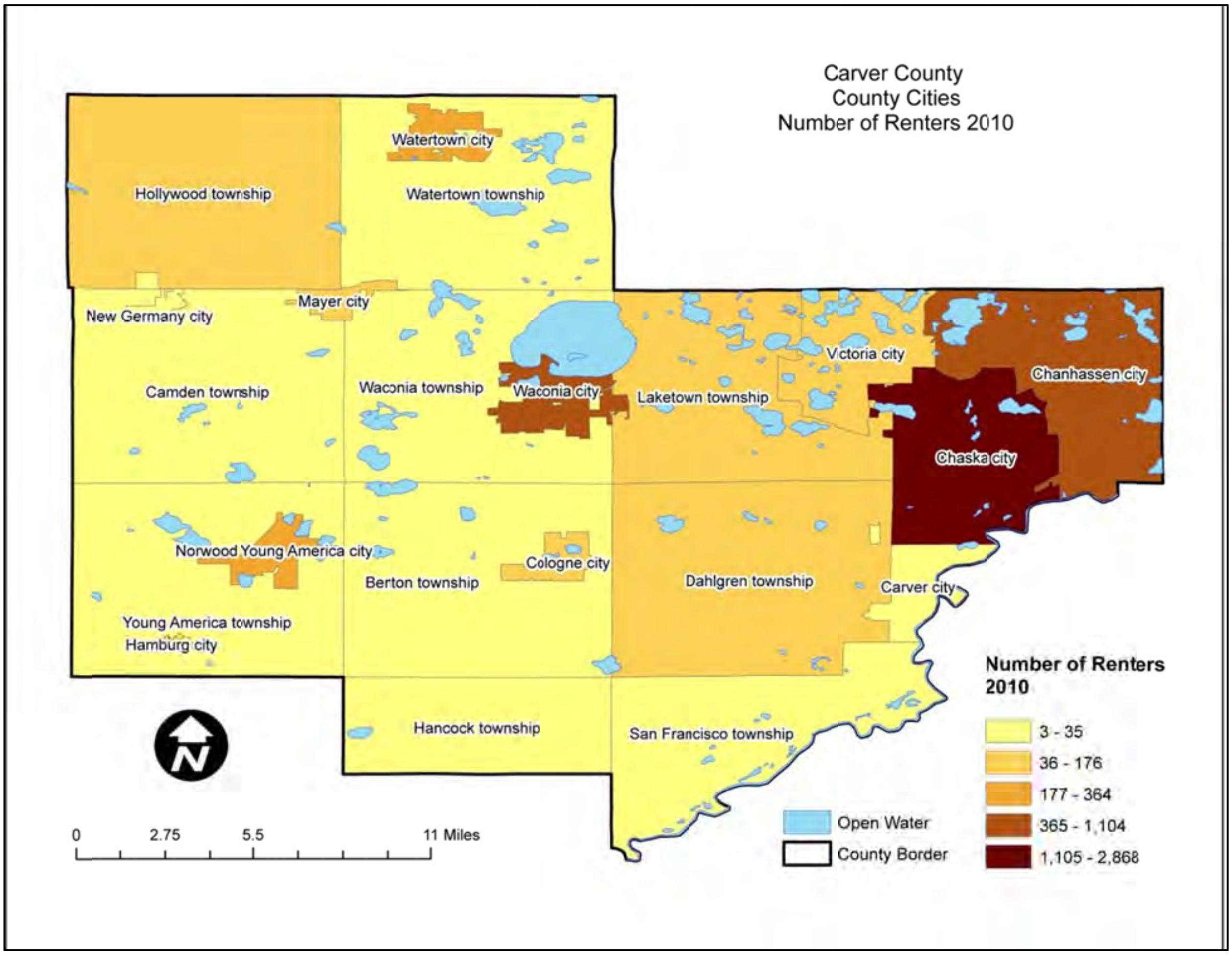


TABLE 5
HOUSEHOLD TENURE TRENDS AND PROJECTIONS
CARVER COUNTY
2000 - 2040

	Households										2020 Proportion		2030 Proportion		2040 Proportion	
	2000		2010		2020		2030		2040							
	Own	Rent	Own	Rent	Own	Rent	Own	Rent	Own	Rent	Pct. Own	Pct. Rent	Pct. Own	Pct. Rent	Pct. Own	Pct. Rent
Cities																
Carver	393	65	1,051	20	2,195	145	4,507	313	5,820	680	93.8%	6.2%	93.5%	6.5%	89.5%	10.5%
Chanhassen	6,195	719	7,229	1,104	9,839	1,736	11,569	2,286	12,416	3,104	85.0%	15.0%	83.5%	16.5%	80.0%	20.0%
Chaska	4,648	1,521	6,181	2,868	7,963	3,747	9,893	4,872	11,229	6,046	68.0%	32.0%	67.0%	33.0%	65.0%	35.0%
Cologne	334	51	459	78	637	108	1,111	209	1,541	359	85.5%	14.5%	84.2%	15.8%	81.1%	18.9%
Hamburg	168	38	171	54	190	60	233	77	265	95	76.0%	24.0%	75.3%	24.7%	73.6%	26.4%
Mayer	170	29	482	52	792	88	979	121	1,065	180	90.0%	10.0%	89.0%	11.0%	85.5%	14.5%
New Germany	111	32	157	26	148	37	338	62	520	80	80.0%	20.0%	84.5%	15.5%	86.7%	13.3%
Norwood Young America	853	318	976	364	1,119	466	1,987	754	2,950	950	70.6%	29.4%	72.5%	27.5%	75.6%	24.4%
Victoria	1,252	115	2,207	176	3,599	356	4,582	538	5,400	600	91.0%	9.0%	89.5%	10.5%	90.0%	10.0%
Waconia	1,960	608	3,176	722	4,754	901	6,130	1,155	7,500	1,300	84.1%	15.9%	84.1%	15.9%	85.2%	14.8%
Watertown	863	215	1,311	325	1,630	415	2,234	576	3,055	650	79.7%	20.3%	79.5%	20.5%	82.5%	17.5%
Subtotal	**16,947**	**3,711**	**23,400**	**5,789**	**32,866**	**8,059**	**43,563**	**10,962**	**51,761**	**14,044**	**80.3%**	**19.7%**	**79.9%**	**20.1%**	**78.7%**	**21.3%**
Townships																
Total	3,385	313	3,524	304	3,928	342	3,958	392	4,295	425	92.0%	8.0%	91.0%	9.0%	91.0%	9.0%
Carver County Total	**20,332**	**4,024**	**26,924**	**6,093**	**36,794**	**8,401**	**47,521**	**11,354**	**56,056**	**14,469**	**81.4%**	**18.6%**	**80.7%**	**19.3%**	**79.5%**	**20.5%**
Homeownership Rate	83.5%		81.5%		81.4%		80.2%		79.7%							

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

TABLE 6
TENURE BY AGE
CARVER COUNTY
2010

	Age 15 - 24		Age 25 - 34		Age 35 - 44		Age 45 - 54		Age 55 - 64		Age 65 - 74		Age 75+		Total	
	Own	Rent	Own	Rent	Own	Rent	Own	Rent	Own	Rent	Own	Rent	Own	Rent	Own	Rent
Cities																
Carver	0	0	184	20	449	0	279	0	67	0	59	0	13	0	1051	20
Chanhassen	16	78	911	270	1669	230	2154	143	1568	133	520	70	391	180	7229	1104
Chaska	69	288	970	838	1452	609	1801	531	1187	150	477	216	225	236	6181	2868
Cologne	17	20	110	8	159	20	93	24	32	3	25	0	23	3	459	78
Hamburg	4	6	33	20	39	3	30	11	39	5	16	0	10	9	171	54
Mayer	15	0	140	25	156	6	71	0	40	16	17	0	43	5	482	52
New Germany	0	1	46	5	23	4	56	6	16	7	12	0	4	3	157	26
Norwood Young America	10	14	150	22	250	35	240	120	114	82	85	13	127	78	976	364
Victoria	0	53	141	44	626	38	694	30	376	11	179	0	191	0	2207	176
Waconia	19	70	601	113	880	91	848	59	339	79	260	49	229	261	3176	722
Watertown	25	55	273	71	313	56	388	23	124	37	126	0	62	83	1311	325
Subtotal	**175**	**585**	**3,559**	**1,436**	**6,016**	**1,092**	**6,654**	**947**	**3,902**	**523**	**1,776**	**348**	**1,318**	**858**	**23,400**	**5,789**
Townships																
Benton Twp.	2	2	24	13	24	2	107	2	67	5	41	5	2	6	267	35
Camden Twp.	4	6	23	2	53	13	91	12	79	0	32	0	22	0	304	33
Dahlgren Twp.	4	0	29	3	49	17	159	25	125	3	50	0	36	7	452	55
Hancock Twp.	3	0	5	2	30	4	19	0	36	3	11	0	11	3	115	12
Hollywood Twp.	3	3	32	13	54	12	108	23	104	0	47	0	27	3	375	54
Laketown Twp.	4	22	22	0	151	0	245	18	105	7	70	0	30	3	627	50
San Francisco Twp.	0	0	13	0	17	10	92	0	82	0	53	0	10	0	267	10
Waconia Twp.	0	11	36	0	62	6	113	0	88	6	90	0	29	0	418	23
Watertown Twp.	0	2	3	12	68	9	117	0	152	6	62	0	39	0	441	29
Young America Twp.	0	0	25	0	48	0	78	3	69	0	22	0	16	0	258	3
Subtotal	**20**	**46**	**212**	**45**	**556**	**73**	**1,129**	**83**	**907**	**30**	**478**	**5**	**222**	**22**	**3,524**	**304**
Carver County Total	**195**	**631**	**3,771**	**1,481**	**6,572**	**1,165**	**7,783**	**1,030**	**4,809**	**553**	**2,254**	**353**	**1,540**	**880**	**26,924**	**6,093**

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

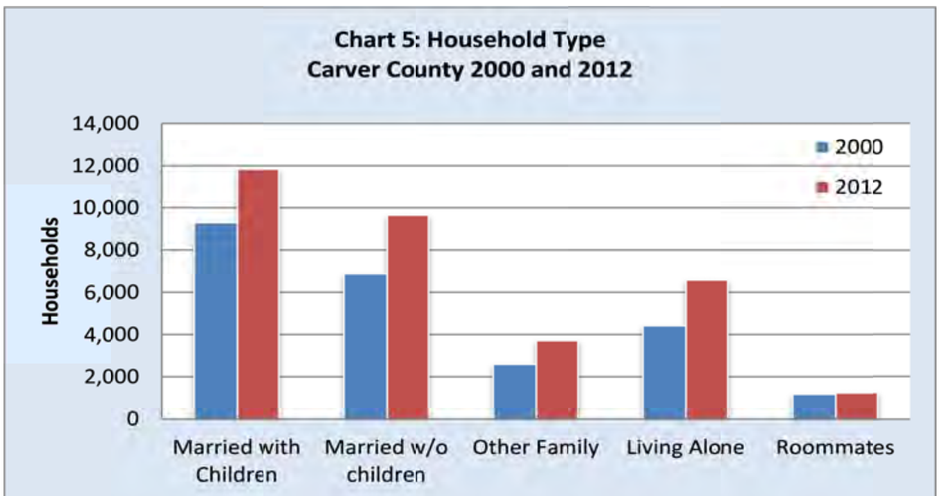
Household Type

Table 7 the on the following page shows a breakdown of the type of households in Carver County in 2000 and 2012. The data is from the Decennial U.S. Census and the American Community Survey and is useful in assessing housing demand since the household composition often dictates the type of housing needed and preferred.

Key points derived from the table are:

- During the 2000s, the County saw an increase in all types of households due to strong household growth. The proportion of each type of household however, remained relatively unchanged. This differs from the Metro Area, which experienced a decrease in the proportion of married couples with children and an increase in the proportion of non-family households and other family households. Metro wide, this was due to several factors, including couples waiting longer to have children, baby boomers aging into their empty nester years, an increase in single parents, and the societal trend of unmarried couples living together. In Carver County, however, strong in-migration of married couples with children to new single-family homes resulted in family households maintaining their share of the overall household base.

- In 2000, 77% of Carver County's households were families, compared to 67% of the Metro Areas. In 2012, 76% of Carver County's households were families, whereas in the Metro Area, the proportion of families fell to 64%. This disparity is largely the result of a high number of new families moving into the County, compared to young singles.



Source: US Census Bureau

- The County's "Other" family households grew by 43.5% during the 2000s and the first part of the 2010s. Other family households include single-parents and unmarried couples with children. With only one income, many single-parent families are likely to need affordable housing, both rental and for-sale. This trend is expected to continue.

TABLE 7
HOUSEHOLD TYPE TRENDS
CARVER COUNTY
2000 AND 2012

	Total Households		Non- Family: Persons Living Alone		Non- Family: Other (Roommates)		Family: Married With Children		Family: Married W/O Children		Family: Other Family	
	2000	2012	2000	2012	2000	2012	2000	2012	2000	2012	2000	2012
No. of Households												
Carver	458	1,071	79	58	29	8	153	614	150	291	47	100
Chanhassen	6,914	8,333	1,086	1,602	304	284	3,126	3,273	1,799	2,581	599	593
Chaska	6,169	9,049	1,290	2,082	347	368	2,270	2,787	1,375	2,244	887	1,568
Cologne	385	537	78	123	28	25	122	210	116	120	41	59
Hamburg	206	225	41	86	6	9	57	59	80	60	22	11
Mayer	199	534	40	82	12	28	65	228	68	149	14	47
New Germany	143	183	46	66	2	7	32	42	48	43	15	25
Norwood Young	1,171	1,340	283	379	54	36	364	362	317	341	153	222
Victoria city	1,367	2,383	154	223	72	132	576	1,066	463	787	102	175
Waconia city	2,568	3,898	599	947	121	95	854	1,517	712	961	282	378
Watertown	1,078	1,636	260	421	43	99	335	482	283	402	157	232
Subtotal	20,658	29,189	3,956	6,069	1,018	1,091	7,954	10,640	5,411	7,979	2,319	3,410
Townships	3,698	3,828	460	511	148	143	1,354	1,190	1,465	1,678	271	306
Carver County	**24,356**	**33,017**	**4,416**	**6,580**	**1,166**	**1,234**	**9,308**	**11,830**	**6,876**	**9,657**	**2,590**	**3,716**
Percent of All Households												
Carver	100.0%	100.0%	17.2%	5.4%	6.3%	0.7%	33.4%	57.3%	32.8%	27.2%	10.3%	9.3%
Chanhassen	100.0%	100.0%	15.7%	19.2%	4.4%	3.4%	45.2%	39.3%	26.0%	31.0%	8.7%	7.1%
Chaska	100.0%	100.0%	20.9%	23.0%	5.6%	4.1%	36.8%	30.8%	22.3%	24.8%	14.4%	17.3%
Cologne	100.0%	100.0%	20.3%	22.9%	7.3%	4.7%	31.7%	39.1%	30.1%	22.3%	10.6%	11.0%
Hamburg	100.0%	100.0%	19.9%	38.2%	2.9%	4.0%	27.7%	26.2%	38.8%	26.7%	10.7%	4.9%
Mayer	100.0%	100.0%	20.1%	15.4%	6.0%	5.2%	32.7%	42.7%	34.2%	27.9%	7.0%	8.8%
New Germany	100.0%	100.0%	32.2%	36.1%	1.4%	3.8%	22.4%	23.0%	33.6%	23.5%	10.5%	13.7%
Norwood Young	100.0%	100.0%	24.2%	28.3%	4.6%	2.7%	31.1%	27.0%	27.1%	25.4%	13.1%	16.6%
Victoria city	100.0%	100.0%	11.3%	9.4%	5.3%	5.5%	42.1%	44.7%	33.9%	33.0%	7.5%	7.3%
Waconia city	100.0%	100.0%	23.3%	24.3%	4.7%	2.4%	33.3%	38.9%	27.7%	24.7%	11.0%	9.7%
Watertown	100.0%	100.0%	24.1%	25.7%	4.0%	6.1%	31.1%	29.5%	26.3%	24.6%	14.6%	14.2%
Subtotal	100.0%	100.0%	19.1%	20.8%	4.9%	3.7%	38.5%	36.5%	26.2%	27.3%	11.2%	11.7%
Townships	100.0%	100.0%	12.4%	13.3%	4.0%	3.7%	36.6%	31.1%	39.6%	43.8%	7.3%	8.0%
Carver County	100.0%	100.0%	18.1%	19.9%	4.8%	3.7%	38.2%	35.8%	28.2%	29.2%	10.6%	11.3%
Metro Area	100.0%	100.0%	25.4%	29.0%	7.9%	7.5%	27.3%	22.9%	26.6%	26.2%	12.8%	14.4%

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

Employment Growth 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 the greater the distance from the core of the Twin Cities, making longer commutes acceptable for households concerned about housing affordability.

Employment growth trends and projections for Carver County are shown in Tables 8 through 10. The following are key trends derived from the employment data.

Jobs Located in Carver County

Table 8 shows employment growth trends for Carver County in 2000 and 2010 with projections for 2020, 2030 and 2040. The figures in Table 8 were compiled using data published by the Minnesota Department of Employment and Economic Development (MN DEED) and the Metropolitan Council and were adjusted by Maxfield Research Inc. to include agricultural workers and self-employed workers.

- As of 2010, Carver County had an estimated 37,500 jobs. About two-thirds of these jobs were located in Chaska (12,283 jobs) and Chanhassen (11,995 jobs) combined. Households tend to cluster near employment concentrations. We anticipate that low and moderate income households that desire rental housing will express a preference for communities which have higher proportions of jobs, goods and services and convenient transportation and/or public transit options. As of the end of 2013, Carver County was estimated to have slightly more than 866 agricultural workers. These workers were added to the employment counts, but are not counted under the covered employment figures.

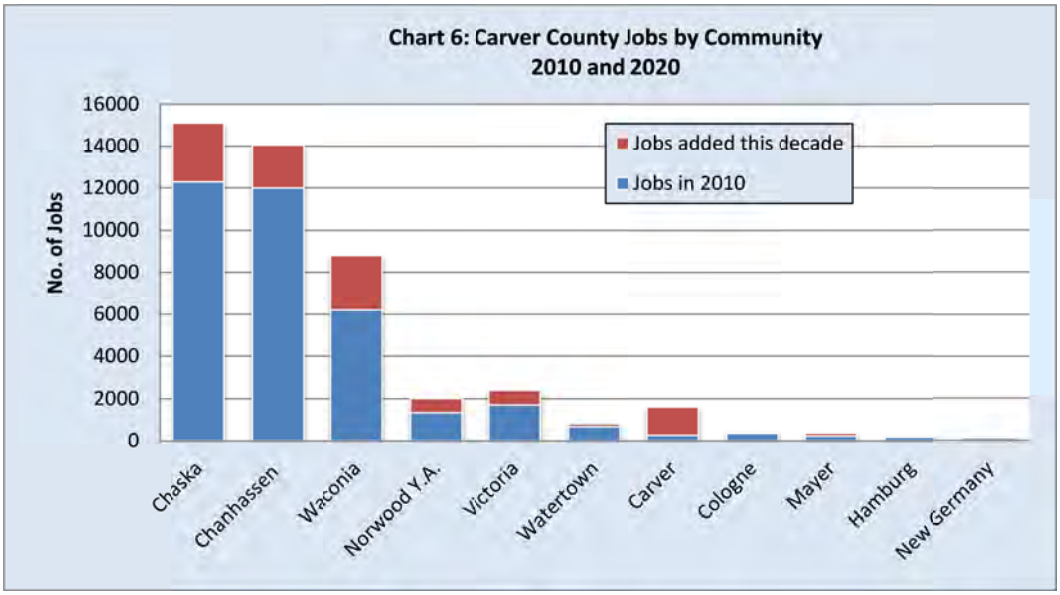
- Employment in Carver County is projected to grow by 10,724 jobs between 2010 and 2020 (+28.8%), by an estimated 7,680 jobs between 2020 and 2030 (+28.7%) and 6,350 jobs between 2030 and 2040. The projected rate of job growth for Carver County is much higher than that for the Twin Cities Metro Area, which is projected to increase its job base by 13.1% between 2010 and 2020, 9.6% between 2020 and 2030 and about 7.8% between 2030 and 2040. Overall, strong job growth in Carver County and in southwest Hennepin County will continue to enhance the desirability of living in the County.

- The greatest job growth over the next 26 years is projected to be centered in the larger cities including Chaska, Chanhassen, Waconia, Carver and Victoria. High proportional job growth is anticipated to occur in some of the smaller cities such as Mayer and Cologne.

TABLE 8
EMPLOYMENT GROWTH TRENDS AND PROJECTIONS
CARVER COUNTY
2000 TO 2040

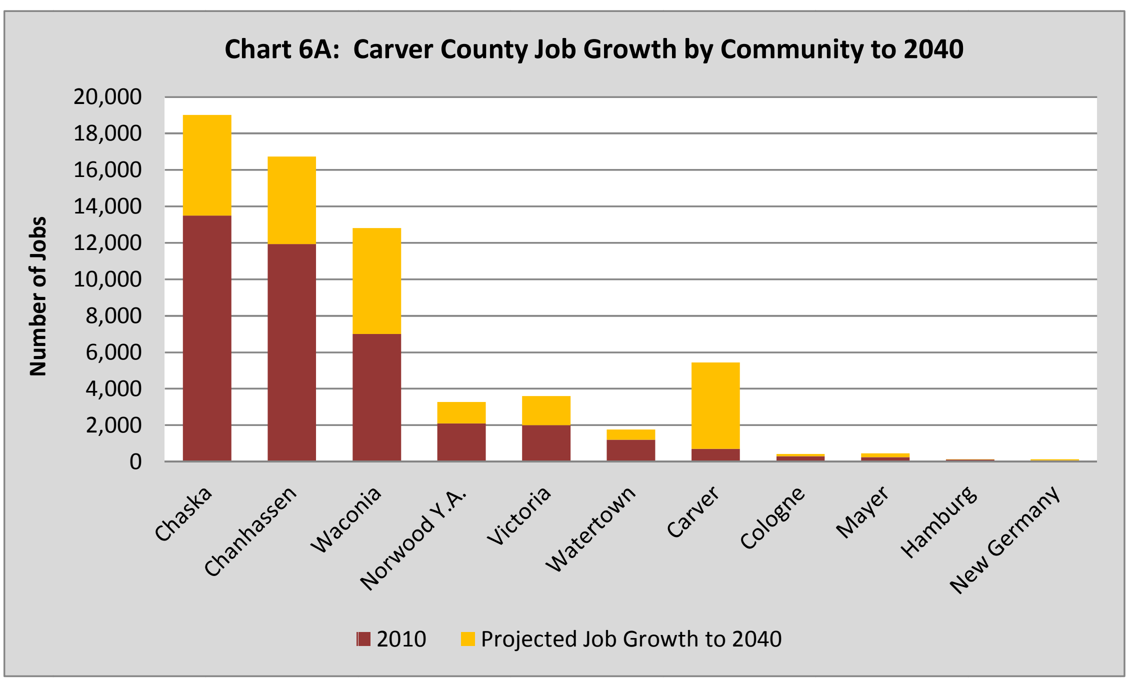
	Employment					Change					
	Metropolitan Council					2010-2020		2020-2030		2030-2040	
	2000	2010	2020	2030	2040	No.	Pct.	No.	Pct.	No.	Pct.
Cities											
Carver	224	254	1,600	3,000	5,000	1,346	529.9%	1,400	87.5%	2,000	66.7%
Chanhassen	8,366	11,995	14,050	15,540	16,800	2,055	17.1%	1,490	10.6%	1,260	8.1%
Chaska	11,003	12,283	15,100	16,600	17,800	2,817	22.9%	1,500	9.9%	1,200	7.2%
Cologne	342	345	400	450	470	55	15.9%	50	12.5%	20	4.4%
Hamburg	165	168	170	170	180	2	1.2%	0	0.0%	10	5.9%
Mayer	140	214	350	400	420	136	63.6%	50	14.3%	20	5.0%
New Germany	98	99	130	150	160	31	31.3%	20	15.4%	10	6.7%
Norwood Young America	1,607	1,330	2,000	2,300	2,500	670	50.4%	300	15.0%	200	8.7%
Victoria	980	1,700	2,400	3,000	3,300	700	41.2%	600	25.0%	300	10.0%
Waconia	4,130	6,184	8,800	11,000	12,000	2,616	42.3%	2,200	25.0%	1,000	9.1%
Watertown	730	660	800	1,000	1,220	140	21.2%	200	25.0%	220	22.0%
Subtotal	**27,785**	**35,232**	**45,800**	**53,610**	**59,850**	**10,568**	**30.0%**	**7,810**	**17.1%**	**6,240**	**11.6%**
Townships											
Benton Township	330	349	320	330	350	-29	-8.3%	10	3.1%	20	6.1%
Camden Township	63	110	40	50	60	-70	-63.6%	10	25.0%	10	20.0%
Dahlgren Township	251	270	150	200	220	-120	-44.4%	50	33.3%	20	10.0%
Hancock Township	83	59	40	50	50	-19	-32.2%	10	25.0%	0	0.0%
Hollywood Township	148	147	160	170	170	13	8.8%	10	6.3%	0	0.0%
Laketown Township	403	176	300	0	0	124	70.5%	--	--	--	--
San Francisco Township	109	99	60	80	100	-39	-39.4%	20	33.3%	20	25.0%
Waconia Township	120	156	400	450	460	244	156.4%	50	12.5%	10	2.2%
Watertown Township	255	479	530	550	570	51	10.6%	20	3.8%	20	3.6%
Young America Township	153	179	160	150	160	-19	-10.6%	-10	-6.3%	10	6.7%
Subtotal	**1,915**	**2,024**	**2,160**	**2,030**	**2,140**	**136**	**6.7%**	**-130**	**-6.0%**	**110**	**5.4%**
Carver County Total	**29,700**	**37,256**	**47,960**	**55,640**	**61,990**	**10,704**	**25.4%**	**7,680**	**28.7%**	**6,350**	**11.4%**
Metro Area Total	**1,563,245**	**1,690,757**	**1,780,000**	**1,943,000**	**2,094,380**	**89,243**	**8.2%**	**163,000**	**5.3%**	**151,380**	**7.8%**

Sources: Metropolitan Council, Maxfield Research, Inc.



Source: MN DEED

- As shown on Table 8, the City of Carver is expected to increase its job base exponentially as growth extends out to this community along Highway 212. The City of Carver is anticipated to experience strong growth to 2020 in all demographic segments, population, households and employment as growth resumes from the previous slowdown. Chaska, Chanhassen and Waconia are expected to continue to hold the largest employment concentrations in the County over the next 20 years.



Source: MN DEED

Place of Work Employment

Table 9 presents covered employment for Carver County in 2005, 2010 and 2013. Covered employment data is calculated as an annual average and show the number of jobs in the County, which are covered by unemployment insurance. Most farm jobs, self-employed people, and some other types of jobs are not covered by unemployment insurance and are excluded from the table. The data is published by MN DEED.

- Table 9 highlights that Carver County's job base increased from 2005 through 2013 in every industry sector except for Financial Activities, Manufacturing, and Other Services. There was a large contraction in the Manufacturing sector between 2005 and 2010, but the loss was made up from 2010 through 2013, which resulted in a modest net increase for the full period. Major gains occurred in Construction and in Education and Health Services, which added +1,762 jobs and +1,863 (+20.1%), respectively. The boom in Construction employment from 2005 to 2010 was directly related to the housing bubble, which eventually led to the Recession.

- Despite the decline in higher paying manufacturing jobs, the average weekly wage of jobs in the County increased from $754 in 2005 to $874 by the end of 2013, an increase of 16.0%. Annualized, the average weekly wage as of year-end 2013 equaled $45,450. Although dependent on household size, a household comprised of four people with a total household income of about $45,500 would typically qualify for housing that is income-restricted to households with low and moderate income households (50% of median income). Households with fewer than four people and earning the same annual income should be able to afford market rate housing or older, entry-level for-sale housing.

Employed People Living in Carver County

Table 10 presents resident employment data for Carver County from 2000 through January 2014. Resident employment is the number of County residents that are employed, but not necessarily working in Carver County.

- Table 10 shows that there were 48,874 employed people in the County as of the end of January 2014. This indicates that a large percentage of Carver County residents commute to jobs located outside of the County. Additional information on commuting patterns in Carver County is found on Tables 11 and 12.

TABLE 9
COVERED EMPLOYMENT BY INDUSTRY
CARVER COUNTY
ANNUAL AVERAGE 2005, 2010 AND 2013

	2005			2010			2013*			Change 2005 to 2010		Change 2010 to 2013	
Industry Sector	Employ.	Pct.	Avg. Wkly Wage	Employ.	Pct.	Avg. Wkly. Wage	Employ.	Pct.	Avg. Wkly. Wage	No.	Pct.	No.	Pct.
Construction	47	0.1%	$956	1,361	4.3%	$906	1,809	5.2%	$1,022	1,314	2795.7%	448	32.9%
Education and Health Services	6,003	18.9%	$725	7,212	22.7%	$765	7,866	22.4%	$861	1,209	20.1%	654	9.1%
Financial Activities	1,238	3.9%	$834	963	3.0%	$945	1,054	3.0%	$1,024	-275	-22.2%	91	9.4%
Information	422	1.3%	$820	528	1.7%	$1,073	68	0.2%	$645	106	25.1%	-460	-87.1%
Leisure and Hospitality	2,824	8.9%	$242	3,277	10.3%	$303	4,037	11.5%	$332	453	16.0%	760	23.2%
Manufacturing	9,502	29.9%	$1,067	8,030	25.3%	$1,140	9,556	27.2%	$1,129	-1,472	-15.5%	1,526	19.0%
Natural Resources and Mining	41	0.1%	-	141	0.4%	$481	179	0.5%	$457	100	243.9%	38	27.0%
Other Services	1,073	3.4%	$411	768	2.4%	$421	782	2.2%	$467	-305	-28.4%	14	1.8%
Professional and Business Services	3,010	9.5%	$738	3,095	9.8%	$987	2,882	8.2%	$898	85	2.8%	-213	-6.9%
Public Administration	-	-	-	1,340	4.2%	$822	1,354	3.9%	$873	-	-	14	1.0%
Trade, Transportation and Utilities	4,515	14.2%	$689	4,986	15.7%	$831	5,103	14.5%	$798	471	10.4%	117	2.3%
Total	**31,808**	**100%**	**$760**	**31,702**	**100%**	**$854**	**35,084**	**98.9%**	**$874**	**-106**	**-0.3%**	**3,382**	**10.7%**

*The Minnesota Department of Employment and Economic Development will at times suppress specific industry employment figures, but include them in the total figures, leading to a discrepancy in total sums. These jobs exist in Carver county, however they are not allocated to a specific industry for privacy reasons.

Sources: MN DEED, Maxfield Research, Inc.

- The unemployment rate in Carver County has been generally similar to that of the Metro Area as a whole, but usually slightly below that of the Twin Cities Metro Area. This indicates that the labor market in Carver County may be somewhat tight for specific types of positions and skills.

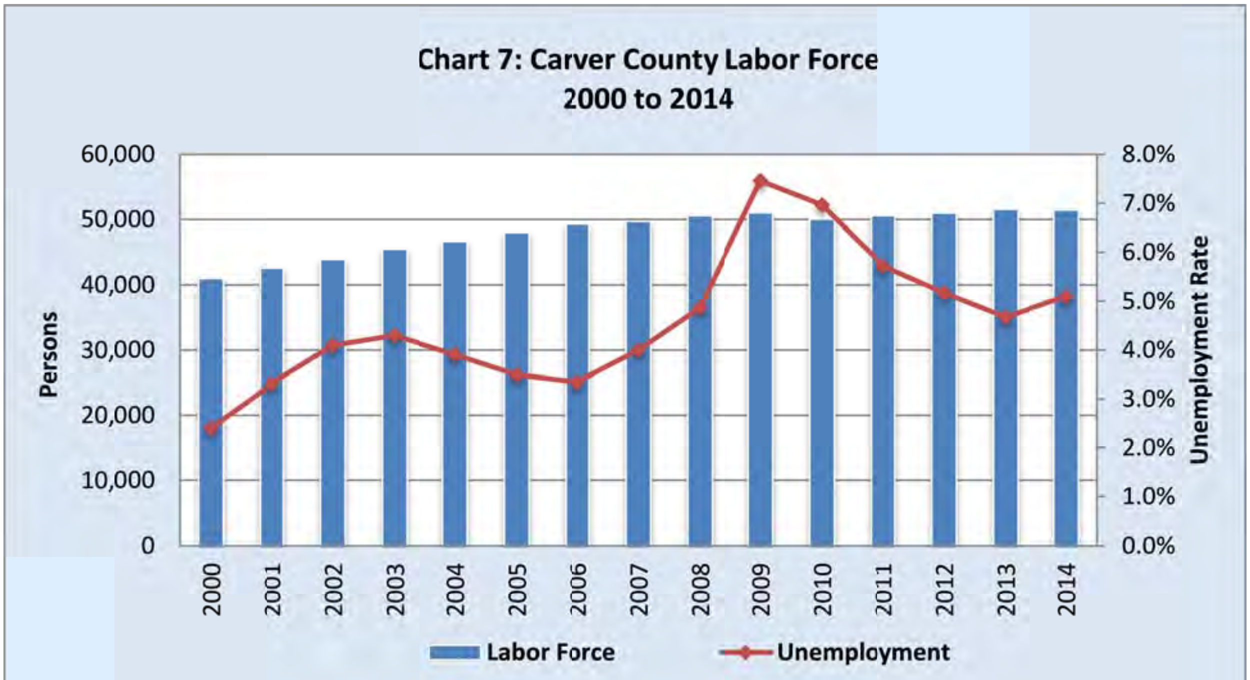
TABLE 10
RESIDENT EMPLOYMENT
CARVER COUNTY
2000 TO 2014

				Unemployment Rate	
Year	Labor Force	Employment	Unemployment	Carver County	Metro Area
2000	41,004	40,023	981	2.4%	2.6%
2001	42,614	41,204	1,409	3.3%	3.5%
2002	43,925	42,127	1,798	4.1%	4.3%
2003	45,527	43,569	1,958	4.3%	4.6%
2004	46,695	44,869	1,826	3.9%	4.3%
2005	48,058	51,585	1,678	3.5%	3.8%
2006	49,305	47,654	1,651	3.3%	3.7%
2007	49,721	47,732	1,989	4.0%	4.2%
2008	50,587	48,125	2,462	4.9%	5.0%
2009	51,053	47,238	3,815	7.5%	7.7%
2010	50,051	46,567	3,484	7.0%	7.2%
2011	50,614	47,708	2,907	5.7%	6.3%
2012	51,008	48,370	2,638	5.2%	5.4%
2013	51,585	49,177	2,408	4.7%	4.8%
2014*	51,501	48,874	2,627	5.1%	4.9%
Change 2000 to 2010					
Number	9,047	6,544	2,503	4.6%	4.6%
Percent	22.1%	16.4%	255.2%	190.3%	172.8%
Change 2010 to 2014					
Number	1,450	2,307	-857	-1.9%	-2.3%
Percent	2.9%	5.0%	-24.6%	-26.8%	-31.8%

*2014 is not an annual average, it is the January, 2014 report, which might vary from the end of year average.

Sources: MN DEED, Maxfield Research, Inc.

- Chart 7 highlights the steady employment growth in the County from 2000 through January 2014. Over the period, the labor force increased by an average of about 750 people annually. From 2008 through January 2014, the labor force remained steady, holding at about 51,000.



Source: MN DEED

Commuting Patterns

Table 11 shows commute patterns to and from Carver County as of 2011. This data is derived from Census data for Local Employment Household Dynamics (LEHD). The data shows work destinations of people who live in the County and where employees live who work in the County.

- As illustrated in the Table 11, there is a large out-migration of workers from Carver County. In 2011, only about 25.5% of Carver County residents also worked in Carver County.

TABLE 11
COMMUTUING PATTERNS
CARVER COUNTY
2011

Home Destination			Work Destination		
Place of Residence	**Count**	**Share**	**Place of Employment**	**Count**	**Share**
Chaska city, MN	3,094	10.7%	Minneapolis city, MN	4,421	9.4%
Chanhassen city, MN	1,872	6.5%	Eagan city, MN	3,931	8.4%
Waconia city, MN	1,836	6.4%	St. Paul city, MN	3,888	8.3%
Shakopee city, MN	1,179	4.1%	Apple Valley city, MN	3,576	7.6%
Eden Prairie city, MN	1,155	4.0%	Rosemount city, MN	2,799	5.9%
Victoria city, MN	832	2.9%	Bloomington city, MN	2,488	5.3%
Minneapolis city, MN	804	2.8%	Burnsville city, MN	2,022	4.3%
Norwood Young America city, MN	745	2.6%	Lakeville city, MN	1,560	3.3%
Minnetonka city, MN	565	2.0%	Edina city, MN	1,392	3.0%
Watertown city, MN	530	1.8%	Eden Prairie city, MN	1,215	2.6%
All Other Locations	16,218	56.3%	All Other Locations	19,778	42.0%
Distance Traveled			**Distance Traveled**		
Total Primary Jobs	28,830	100.0%	Total Primary Jobs	47,070	100.0%
Less than 10 miles	13,845	48.0%	Less than 10 miles	16,365	34.8%
10 to 24 miles	10,329	35.8%	10 to 24 miles	20,325	43.2%
25 to 50 miles	3,311	11.5%	25 to 50 miles	5,485	11.7%
Greater than 50 miles	1,345	4.7%	Greater than 50 miles	4,895	10.4%

Home Destination = Where workers live who are employed in the selection area
Work Destination = Where workers are employed who live in the selection area

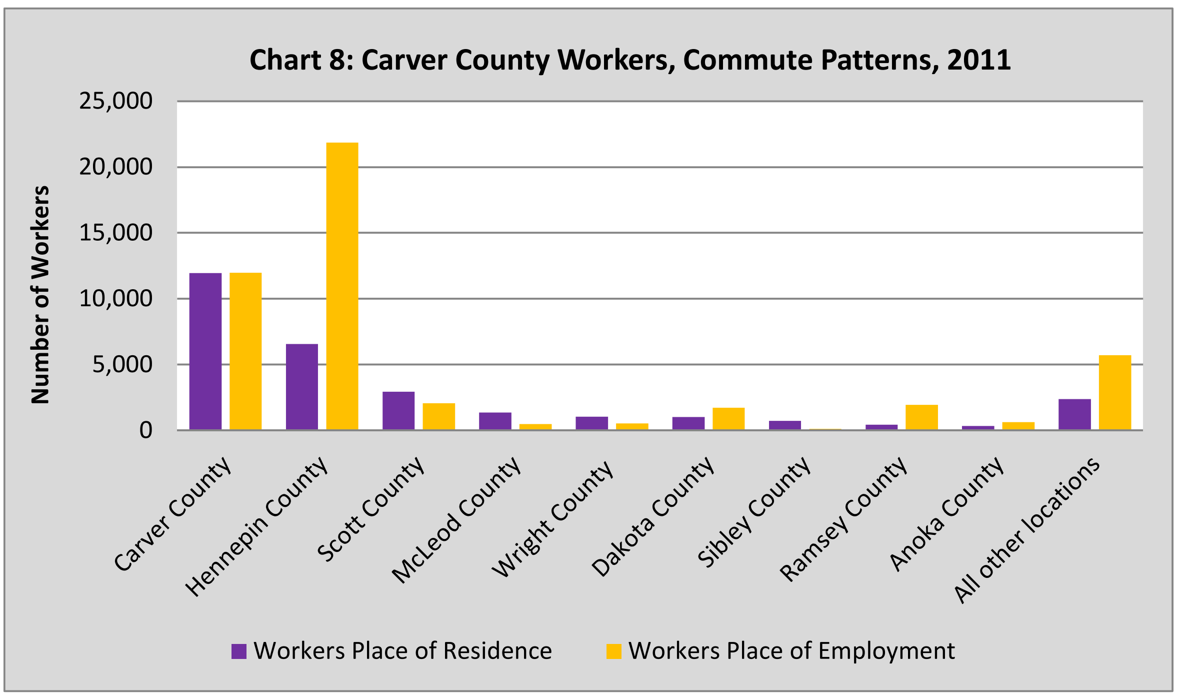
Sources: US Census Bureau Local Employment Dynamics; Maxfield Research, Inc.

- Table 12 shows that just under 60% of jobs in Carver County in 2011 were filled by people living outside of the County. Most of these people lived in Hennepin County (23%), Scott County (10%) and McLeod County (about 5%). As employment increases in Carver County over the next 26 years, we anticipate that a higher proportion of residents will relocate to Carver County to reside in closer proximity to their jobs, thereby increasing housing demand.

TABLE 12
COMMUTING OUTFLOW/INFLOW CHARACTERISTICS
CARVER COUNTY
2011

	Outflow		Inflow		Interior Flow	
County Total	**35,087**	**100%**	**16,847**	**100%**	**11,983**	**100%**
By Age						
Workers Aged 29 or younger	7,505	21.4%	3,774	22.4%	2,881	24.0%
Workers Aged 30 to 54	21,866	62.3%	10,229	60.7%	6,794	56.7%
Workers Aged 55 or older	5,716	16.3%	2,844	16.9%	2,308	19.3%
By Monthly Wage						
Workers Earning $1,250 per month or less	5,755	16.4%	2,410	14.3%	3,075	25.7%
Workers Earning $1,251 to $3,333 per month	8,506	24.2%	5,474	32.5%	3,908	32.6%
Workers Earning More than $3,333 per month	20,826	59.4%	8,963	53.2%	5,000	41.7%
By Industry						
"Goods Producing"	5,636	16.1%	6,306	37.4%	2,736	22.8%
"Trade, Transportation, and Utilities"	7,903	22.5%	2,160	12.8%	1,995	16.6%
"All Other Services"	21,548	61.4%	8,381	49.7%	7,252	60.5%

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



Source: US Census Bureau: Local Employment Household Dynamics

The data on Chart 8 is from the U.S. Census Bureau for the year 2011, and shows the destinations of workers to jobs in other counties. Key findings from the data are as follows:

- Carver County residents typically commute to jobs in Hennepin, Carver or Scott Counties.

The data below shows top job destinations for the cities in Carver County from the US Census Bureau, Local Employment Household Dynamics data.

- Waconia was a greater job destination than Chanhassen/Chaska among residents in Hamburg, New Germany and Mayer. Chaska was a greater job destination for residents in Carver, Chaska and Cologne. More residents in Chanhassen and Victoria tend to have jobs in Eden Prairie and Minneapolis.

Community	**Top Three Work Destinations**
Carver	Chaska, Eden Prairie, Chanhassen
Chanhassen	Minneapolis, Chanhassen, Eden Prairie
Chaska	Chaska, Eden Prairie, Chanhassen
Cologne	Cologne, Chaska, Norwood Young America
Hamburg	Norwood Young America, Waconia, Chaska
Mayer	Mayer, Watertown, Waconia
New Germany	Waconia, Chanhassen, Chaska
Norwood Young America	Waconia, Norwood Young America, Chaska
Victoria	Eden Prairie, Minneapolis, Chanhassen
Waconia	Waconia, Eden Prairie, Chanhassen
Watertown	Watertown, Mayer, Delano

Major Employers

Table 13 shows the major employers in Carver County based on the most recent data provided by MN DEED's MNPRO database and information collected from individual cities. Some companies may decline to provide the number of employees they have for privacy reasons and they are not listed. The following are a few key points from Table 13:

- Chanhassen and Chaska account for most of the largest employers in the County. Together these two cities have 18 of the top 24 largest employers. Ridgeview Medical Center, Rosemount, Inc., Young America Corp., IWCO Direct and Entegris, Inc., are estimated to each employ more than 1,000 people in Carver County.

TABLE 13
MAJOR EMPLOYERS
CARVER COUNTY
2013

Employer	City	Product/Service	Estimated Employees
Rosemount Inc	Chanhassen	Measuring Machines (Mfrs)	1,600
Ridgeview Medical Ctr	Waconia	Hospitals	1,500
Young America Corp	Young America	Marketing Programs & Services	1,200
IWCO Direct	Chanhassen	Mailing & Shipping Services	1,043
Entegris Inc	Chaska	Semiconductor Manufacturing Equip (Mfrs)	1,000
Lifetime Fitness Inc.	Chanhassen	Fitness Centers	899
Beckman Coulter Inc	Chaska	Laboratory Equipment & Supplies-Mfrs	780
Carver County	Chaska	Government Offices-County	600
General Mills Inc	Chanhassen	Bakers-Retail	600
Lake Region Medical	Chaska	Hospital Equipment & Supplies-Mfrs	600
Medallion Cabinetry Inc	Waconia	Cabinets	500
Mt Olivet Rolling Acres	Chanhassen	Social Service & Welfare Organizations	400
Super Target	Chaska	Department Stores	400
City of Chaska	Chaska	Government Offices	400
RR Donnelly	Chanhassen	Print, Digital and Supply Chain Solutions	368
ISD Eastern Carver County Schools	Chanhassen	Elementary and Secondary Education	350
General Mills Inc.	Chanhassen	Food Products Manufacture and Distribution	300
T-Chek Systems Inc	Chanhassen	Data Processing Service	300
Bongards' Creameries	Norwood	Cheese Processors (Mfrs)	250
Chanhassen Dinner Theater	Chanhassen	Theatres-Dinner	252
Minnesota Landscape Arboretum	Chanhassen	Gardens	242
HEI Inc	Victoria	Semiconductors & Related Devices (Mfrs)	235
Mackenthun's Supermarket	Waconia	Grocers-Retail	220
Check View Corp	Chanhassen	Security Control Equip & Systems-Whls	200

Sources: MN DEED, MN PRO, Maxfield Research, Inc.

- Waconia also has a sizable employment base from major employers. Ridgeview Medical Center, employing about 1,500 people, is the largest employer in the County. In May 2013, Ridgeview broke ground on a 45,000 sq. ft. expansion to the Two Twelve Medical Center, which opened in 2011 as a free standing urgent and emergency care facility. Ridgeview Medical Center expanded rapidly in the past decade, with new additions being planned or completed about every two years.

- Major employers in Chanhassen and Chaska tend to provide goods and services to the regional and national economy as a whole. These large employers are driving economic and population growth in the County as their market base expands and they require more workers. Examples of this type of employer include manufacturers and corporate headquarters. IWCO Direct, for example, in Chanhassen employs an estimated 1,043 people.

- Major employers in smaller communities in the County tend to provide goods and services for the communities themselves – for example, school districts, local government, grocery stores, etc. As such, the market base for those businesses does not have as significant an expansion potential and they do not provide as much growth potential for the community.

Age of Housing Stock

Table 14 shows the age distribution of Carver County's housing stock from five-year estimates from the American Community Survey to 2010 and then supplemented with building permit data for each community for the period 2010 or later. The table includes the number of housing units built in each community/township prior to 1950 and during six time periods:

- Prior to 1950
- 1950 to 1969
- 1970 to 1989
- 1990 to 1999
- 2000 to 2010
- 2010 or later

These periods were selected because they reflect major shifts in housing market product offerings. Key points derived from Table 14 are:

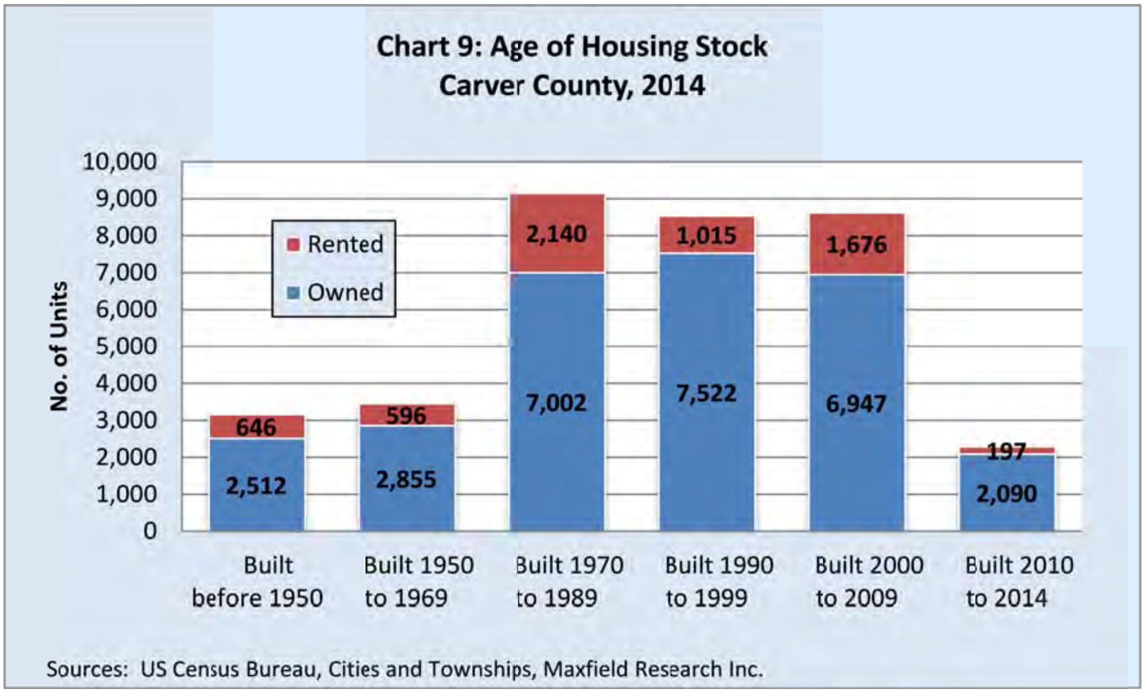
- Overall, the County's housing stock is relatively new. As of 2012, only 20% of the housing units in the County were built before 1970. In addition, 80% of the rental units were built after 1970.

- While development of rental housing in the County slowed during the 1990s, for-sale housing accelerated. (See Chart 9). Homes built during the 1990s accounted for 28% of the owned housing stock but only 17% of the rental stock.

TABLE 14
AGE OF HOUSING STOCK
CARVER COUNTY
Year-end 2013

	Owner Occupied					
	Before 1950	1950 to 1969	1970 to 1989	1990 to 1999	2000 to 2009	2010 to 2014
Cities						
Carver	109	39	119	275	509	166
Chanhassen	159	788	2,560	2,551	1,133	714
Chaska	306	419	1,749	1,910	1,797	364
Cologne	98	56	38	133	134	6
Hamburg	59	45	22	17	28	0
Mayer	42	50	47	31	312	29
New Germany	67	31	37	6	16	2
Norwood Y. A.	176	181	281	111	227	26
Victoria	128	202	319	617	927	358
Waconia	203	459	364	1,005	1,127	365
Watertown	176	128	304	284	407	16
Subtotal	*1,523*	*2,398*	*5,840*	*6,940*	*6,617*	*2,046*
Townships						
Benton	102	42	77	36	10	3
Camden	124	43	63	39	35	4
Dahlgren	147	39	137	94	35	6
Hancock	33	17	35	15	15	1
Hollywood	112	72	117	31	39	4
Laketown	80	81	304	113	49	8
San Francisco	43	33	97	73	21	2
Waconia	88	46	159	73	52	8
Watertown	145	44	110	89	53	5
Young America	115	40	63	19	21	3
Subtotal	*989*	*457*	*1,162*	*582*	*330*	*44*
Carver County Total	**2,512**	**2,855**	**7,002**	**7,522**	**6,947**	**2,090**
	Renter Occupied					
	Before 1950	1950 to 1969	1970 to 1989	1990 to 1999	2000 to 2009	2010 to 2014
Cities						
Carver	20	0	0	0	0	0
Chanhassen	20	62	303	420	279	100
Chaska	154	115	1,140	471	988	0
Cologne	29	22	21	0	6	0
Hamburg	22	0	29	3	0	0
Mayer	5	2	32	0	13	0
New Germany	17	7	1	0	1	0
Norwood Y. A.	52	67	104	4	137	0
Victoria	0	7	120	38	11	0
Waconia	96	156	234	74	162	97
Watertown	65	89	110	0	61	0
Subtotal	*480*	*527*	*2,094*	*1,010*	*1,658*	*197*
Townships						
Benton	15	16	4	0	0	0
Camden	16	11	3	0	3	0
Dahlgren	31	18	3	3	0	0
Hancock	6	1	3	2	0	0
Hollywood	43	0	8	0	3	0
Laketown	28	5	6	0	11	0
San Francisco	0	0	10	0	0	0
Waconia	3	11	9	0	0	0
Watertown	21	7	0	0	1	0
Young America	3	0	0	0	0	0
Subtotal	*166*	*69*	*46*	*5*	*18*	*0*
Carver County Total	**646**	**596**	**2,140**	**1,015**	**1,676**	**197**

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



- Rental housing development was strong during the 1970s/1980s and again during the 2000s. In total, 68% of the rental housing stock was built in these timeframes. As older properties age, they may need upgrading or improvements to continue to maintain their appeal in the market.

- Not surprisingly, the communities closest to the core of the Twin Cities have newer housing stock, as they have captured a larger share recent housing development. About 88% of Chanhassen, Chaska, and Victoria's housing stocks were built after 1970. This percentage decreased to about 68% or less among communities located in the western portion of the County. As of 2010, Mayer had also had a relatively high amount of new home development.

Residential Construction Trends 2006 through 2013

Data on the number of housing units approved through building permits issued for new residential construction were obtained from the Metropolitan Council and the US Census Bureau (2006 through 2013) are presented in Table 15. The following are key points from the Table.

- Permits were issued in Carver County for the construction of 4,107 new residential units from 2006 through 2013, for an average of about 510 new units annually.

- Single-family homes are the predominant housing type for new construction (70% of all permits). The remaining 30% are multifamily units including general-occupancy rental, townhomes, senior housing, and condominiums. In the early 2000s, the proportion of new multifamily development was a much higher than single-family. When home prices dropped during the Recession, buyers gravitated back to single-family homes as more of them could now afford that product. Prices of new construction homes however, continue to remain somewhat high, beginning at about $300,000 for a basic new single-family home.

TABLE 15
ANNUAL RESIDENTIAL BUILDING ACTIVITY (Number of Units from Permits Issued)
CARVER COUNTY
2006 through 2013

	Year								
City/Township	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**Total '06-13'**
	Total Units								
Benton Township	3	1	0	0	0	0	3	0	7
Camden Township	4	3	1	1	0	4	0	0	13
Carver	73	82	33	52	39	45	33	37	394
Chanhassen	179	169	66	85	101	167	185	175	1,127
Chaska	201	66	110	48	43	54	119	148	789
Cologne	19	11	3	4	4	0	0	0	41
Dahlgren Township	4	5	1	0	2	0	2	2	16
Hamburg	0	0	0	0	0	0	0	0	0
Hancock Township	2	0	1	0	1	0	0	0	4
Hollywood Township	4	0	2	4	0	2	1	1	14
Laketown Township	2	2	2	0	0	1	5	2	14
Mayer	60	28	8	9	1	1	15	12	134
New Germany	5	4	0	0	0	0	2	0	11
Norwood Young America	7	6	0	50	3	0	7	16	89
San Francisco Township	4	1	0	1	0	1	1	0	8
Victoria	97	106	43	50	55	68	73	119	611
Waconia	99	119	86	51	45	125	88	107	720
Waconia Township	0	6	0	2	2	4	2	0	16
Watertown	44	14	2	5	6	5	1	4	81
Watertown Township	3	2	1	2	1	4	0	0	13
Young America Township	2	0	0	0	0	0	3	0	5
Carver County	**812**	**625**	**359**	**364**	**303**	**481**	**540**	**623**	**4,107**

TABLE 15 (continued)
Single Family

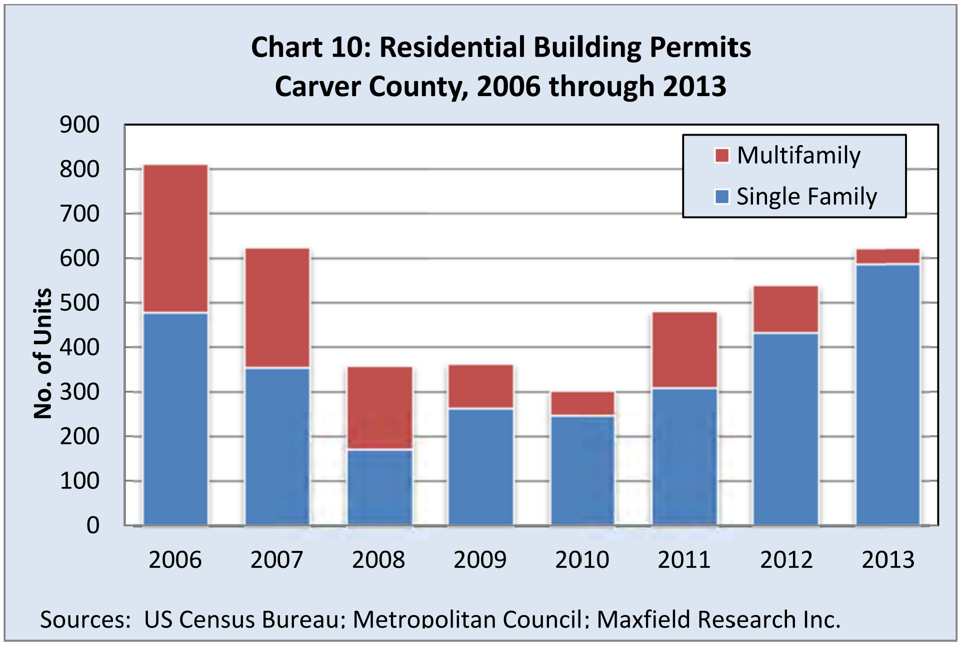
City/Township	2006	2007	2008	2009	2010	2011	2012	2013	Total '06-'13
Benton Township	3	1	0	0	0	0	3	0	7
Camden Township	4	3	1	1	0	4	0	0	13
Carver	51	18	13	23	23	45	27	31	231
Chanhassen	89	65	28	71	71	105	107	159	695
Chaska	68	46	36	48	43	54	115	134	544
Cologne	19	11	3	4	4	0	0	0	41
Dahlgren Township	4	5	1	0	2	0	2	2	16
Hamburg	0	0	0	0	0	0	0	0	0
Hancock Township	2	0	1	0	1	0	0	0	4
Hollywood Township	4	0	2	4	0	2	1	1	14
Laketown Township	2	2	2	0	0	1	5	2	14
Mayer	52	26	6	9	1	1	15	12	122
New Germany	5	4	0	0	0	0	2	0	11
Norwood Young America	7	6	0	0	3	2	7	16	41
San Francisco Township	4	1	0	1	0	1	1	0	8
Victoria	76	80	37	44	45	53	55	119	509
Waconia	68	67	38	51	45	28	86	107	490
Waconia Township	0	6	0	2	2	4	2	0	16
Watertown	15	12	2	3	6	5	1	4	48
Watertown Township	3	2	1	2	1	4	0	0	13
Young America Township	2	0	0	0	0	0	3	0	5
Carver County	**478**	**355**	**171**	**263**	**247**	**309**	**432**	**587**	**2,842**

TABLE 15 (continued)
Multi Family

City/Township	2006	2007	2008	2009	2010	2011	2012	2013	Total '06-'13
Benton Township	0	0	0	0	0	0	0	0	0
Camden Township	0	0	0	0	0	0	0	0	0
Carver	22	64	20	29	16	0	6	6	163
Chanhassen (Carver Co. p	90	104	38	14	30	62	78	16	432
Chaska	133	20	74	0	0	0	4	14	245
Cologne	0	0	0	0	0	0	0	0	0
Dahlgren Township	0	0	0	0	0	0	0	0	0
Hamburg	0	0	0	0	0	0	0	0	0
Hancock Township	0	0	0	0	0	0	0	0	0
Hollywood Township	0	0	0	0	0	0	0	0	0
Laketown Township	0	0	0	0	0	0	0	0	0
Mayer	8	2	2	0	0	0	0	0	12
New Germany	0	0	0	0	0	0	0	0	0
Norwood Young America	0	0	0	50	0	-2	0	0	48
San Francisco Township	0	0	0	0	0	0	0	0	0
Victoria	21	26	6	6	10	15	18	0	102
Waconia	31	52	48	0	0	97	2	0	230
Waconia Township	0	0	0	0	0	0	0	0	0
Watertown	29	2	0	2	0	0	0	0	33
Watertown Township	0	0	0	0	0	0	0	0	0
Young America Township	0	0	0	0	0	0	0	0	0
Carver County	**334**	**270**	**188**	**101**	**56**	**172**	**108**	**36**	**1,265**

Sources: Metropolitan Council; Maxfield Research.

As Chart 10 shows, single-family development has accounted for the majority of new housing construction in Carver County since 2008.



Market Conditions General-Occupancy Rental Housing

Introduction

This section summarizes the current supply of general-occupancy rental housing options in Carver County. Senior rental options are summarized in a following section.

This section considers the market conditions for general-occupancy rental housing in Carver County by examining data on:

- performance of market rate rental developments,
- performance of subsidized rental developments,
- cost burdens for renter households in the County,
- usage trends of Housing Choice Vouchers,
- planned and proposed rental housing developments, and
- interviews with housing professionals and municipal staff members familiar with the rental market.

This section of the report includes summary totals for rental housing trends in the County. More detailed information regarding individual rental housing developments is located in the Appendix.

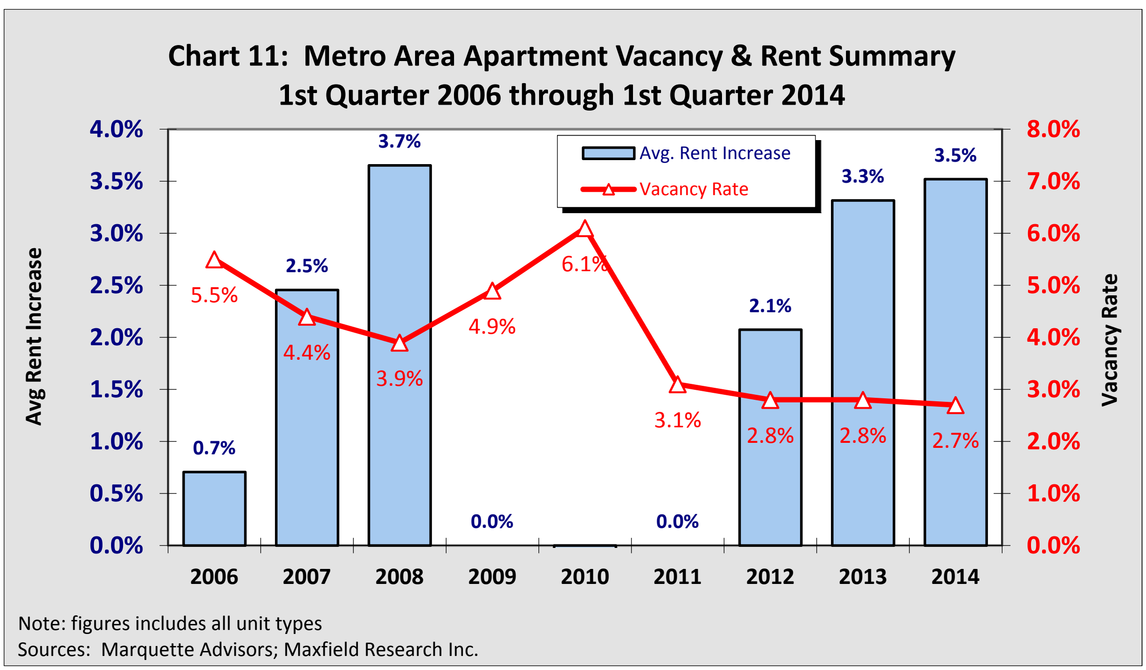
Twin Cities Rental Market Overview

While Carver County has its own employment base that drives housing demand, housing demand and growth is affected to a degree by overall housing market conditions in the Twin Cities Metro Area. In the mid-2000s, the market rate apartment vacancy rate was high, above 5% in some submarkets (the market equilibrium rate for a balanced market). During the Recession, housing prices deflated and a significant rise in foreclosures pushed many households back into the rental market. With limited construction of new rental units during the Recession, housing vacancies have decreased to a point where the general rental market is very tight. The Twin Cities rental market remained above the stabilized vacancy rate of 5.0% until 3rd Quarter 2006, when it began to decrease. As of 1st Quarter 2013, the Twin Cities apartment vacancy rate is 2.8%, but many suburban submarkets are currently experiencing vacancy rates of less than 2.0%.

Chart 11 displays vacancy rate trends and average rent increases for the market rate rental units in the Twin Cities Metropolitan Area.

- The Twin Cities Metro Area's rental vacancy rate increased dramatically between 2000 and 2003, when it reached a high of 7.0%. Since then, the vacancy rate has decreased slowly to its current low of 2.7%.

- The average rent increase in Metro Area apartments has decreased in correlation to the rising vacancy rates. Rents in 2006 increased 0.7% from 2005. From 2006 to 2008, rents increased by 2.5% and 3.7% after which there was no change between 2009 and 2011. In 2012, as the vacancy rate dropped, average rents rose by 2.1% to 3.5% over the next three years.



- While land, labor, and material costs have all risen substantially over the past couple of years, Chart 12 shows that average monthly rents for market rate units are only now starting to catch up. Although rents are rising, construction costs have risen more rapidly. The result is that it is difficult to develop new rental apartments because the costs to build are often higher than the monthly rents achievable. This is particularly true in second- and third-tier Twin Cities' suburbs, such as those in Carver County, where rents tend to be less than in inner-ring suburbs.

Carver County Rental Housing

Maxfield Research Inc. surveyed rental developments in Carver County to analyze current market conditions for rental housing. The survey was conducted in January and February 2014 and primarily encompassed buildings with 16 or more units in large communities (Chaska and Chanhassen) and eight or more units in smaller communities. In total, more than 2,500 units were surveyed, including market rate, affordable, and subsidized units.

Since 2007, we identified five new general-occupancy rental developments added in Carver County with a total of 332 units. Cloverfield Marketplace (138 units), located in Chaska is a mixed-income property incorporating market rate, moderate rent and low-income units. Highland Shores (58 units), also located in Chaska is entirely market rate. Gateway Place, located in Chanhassen, has units targeted to households with moderate incomes, a total of 48 units. Creek's Run Townhomes is also affordable with units targeted to moderate-income households, as is Interlachen Place in Waconia with 48 units. No other new market rate or mixed-income general occupancy developments have been added since 2007.

A summary of the survey findings is shown in Tables 16 and 17. Information on individual properties is shown in the Appendix. Altogether, the survey included 47 market rate properties, 17 shallow-subsidy properties and ten subsidized properties. The following are key points about rental conditions in the County.

<u>Market Rate Rental Housing</u>

- Most of the market rate rental units in Carver County are concentrated in Chaska and Chanhassen, which together account for an estimated 83% of all market rate units surveyed in the County. The smaller communities typically have a limited number of older market rate buildings with building sizes of about four to 12 units. Additional rental units are found in other housing product types such as duplexes or single-family homes. According to the 2012 American Community Survey, rental units in buildings of less than three units totaled an estimated 2,396 units, a significant portion of the rental stock in Carver County.

- According to the Maxfield survey, the overall vacancy rate for market rate units at the time of the survey was 1.9%--or much lower than the stabilized vacancy rate of 5.0%, which indicates a balanced rental market, providing for sufficient consumer choice and turnover. No properties are currently in their initial lease-up periods and all properties surveyed had reach stabilized occupancy (at least 95% occupancy). The highest market rate rents in the County were found at newer rental properties located in Chanhassen and Chaska.

TABLE 16
RENTAL VACANCY SUMMARY
CARVER COUNTY - SURVEYED RENTAL DEVELOPMENTS
February 2014

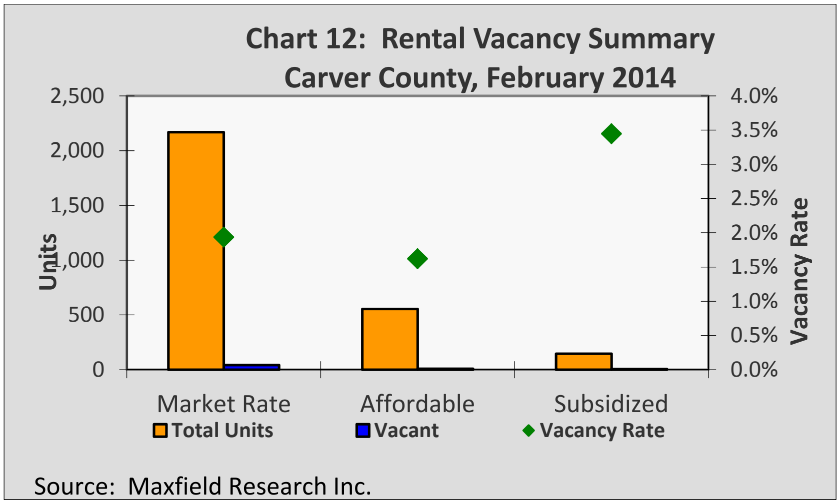
	Market Rate			Affordable			Subsidized			Total		
	Total Units	Vacant	Vac. Rate	Total Units	Vacant	Vac. Rate	Total Units	Vacant	Vac. Rate	Total Units	Vacant	Vac. Rate
Chanhassen	608	18	3.0%	48	1	0.0%	0	0	0.0%	656	19	2.9%
Chaska	1,203	9	0.7%	381	3	0.8%	57	0	0.0%	1,641	12	0.7%
Victoria	36	0	0.0%	--	--	--	--	--	--	36	0	0.0%
Carver	14	0	0.0%	--	--	--	--	--	--	14	0	0.0%
Waconia	150	0	0.0%	58	0	0.0%	54	2	3.7%	262	2	0.8%
Norwood YA	101	14	13.9%	12	2	16.7%	12	2	16.7%	125	18	14.4%
Watertown	28	1	3.6%	50	3	6.0%	20	1	5.0%	98	5	5.1%
Cologne	--	--	--	--	--	--	--	--	--	--	--	--
New Germany	5	0	0.0%	6	--	--	2	0	0.0%	13	4	30.8%
Mayer	--	--	--	--	--	--	--	--	--	--	--	--
Hamburg	24	0	0.0%	--	--	--	--	--	--	24	0	0.0%
Total	2,169	42	1.9%	555	9	1.6%	145	5	3.4%	2,869	60	2.1%

Note: The surveyed units are those in larger rental buildings and a sampling of those in smaller buildings. The surveyed units account for 83% of the County's total general-occupancy units in buildings with three or more units. Scattered site public housing units are included in the subsidized category in Chaska.

Source: Maxfield Research Inc.

- Chart 12 on the following page highlights that the overall vacancy rate for market rate units in the County (1.9%) is slightly higher than the vacancy rate for shallow-subsidy units (1.6%) and somewhat lower than the vacancy rate for deep-subsidy units (3.4%).

- The overall vacancy rate for each rental sub-sector was below the 5.0% market equilibrium rate indicating pent-up demand exists for rental units in Carver County. The overall vacancy rate for shallow-subsidy (affordable) units was very low (1.6%) as was the rate for market rate units (1.9%). The rate for deep-subsidy units was slightly higher (3.4%). Several rental properties in the County accounted for a disproportionate share of the vacancies. Most of the vacancies were found in properties located in western Carver County including Watertown and Young America.



- The average monthly rent for market rate rental properties built in 2000 or later was $1,050 for one-bedroom units, $1,247 for two-bedroom units and $1,413 for three-bedroom units. Rents for these newest properties have increased by 24% for one-bedroom units, 16% for two-bedroom units and 4% for three-bedroom units since the previous study in 2007. The large rent increases for one-bedroom units indicates that this unit type is currently in high demand.

- Average monthly rents at all market rate properties in the County ranged from $587 for one-bedroom units to $1,654 for three-bedroom units. Average rents were highest in Chanhassen and Chaska, which have greater proportions of newer units.

TABLE 17
RENT SUMMARY
CARVER COUNTY - SURVEYED RENTAL DEVELOPMENTS
February 2014

	Market Rate				Affordable			
	Total	--- Avg. Rent ---			Total	--- Avg. Rent ---		
City	Units	1BR	2BR	3BR	Units	1BR	2BR	3BR
Chanhassen	608	$754	$1,086	$1,464	48	$853	$1,023	$1,181
Chaska	1,201	$824	$1,049	$1,654	305	$561	$817	$1,089
Remainder of Carver County	358	$587	$528	$879	118	$563	$677	$988
Total	**2,167**	**$765**	**$973**	**$1,473**	**471**	**$592**	**$808**	**$1,076**

Note: Deep subsidy units are not included as rents are typically set at no more than 30% of the households' adjusted gross income.
Source: Maxfield Research Inc.

- Rents at market rate developments ranged from 20% to 36% higher than those at affordable developments in the County. In the smaller communities, however, average rents at affordable developments are about the same or higher than those in market rate developments. This is common in Greater Minnesota, where affordable developments are generally much newer than market rate developments.

- To be eligible for use with the *Housing Choice Voucher* program, units must have rents at or below the Metro HRA Payment Standard:

Chaska, Chanhassen		**Other Communities**	
Efficiency	$651	Efficiency	$651
1BR	$809	1BR	$800
2BR	$1,012	2BR	$970
3BR	$1,425	3BR	$1,305

Overall, about 60% of the County's market rate units had rents below the payment standard. Almost all of the units in developments built before this decade had qualifying rents.

Affordable Rental Housing

A total of 517 general-occupancy rental units in Carver County were identified as shallow-subsidy (affordable) or restricted to homeowners with low to moderate incomes (50% to 60% of area median income). Affordable developments offer a "shallow" subsidy whereby income-qualified households pay reduced rents. Table 17 shows that average monthly rents at affordable developments were $563 for one-bedroom units, $677 for two bedroom units and $988 for three-bedroom units.

The affordable rental communities surveyed in Carver County are listed in Table 18, along with subsidized rental communities. The following are key points.

- The shallow-subsidy developments have a total of 517 units, of which 1.7% were vacant. Those that had vacancies only had one or two units vacant.

- Table 18 shows that eight of the shallow-subsidy developments are located in Chaska, one is located in Chanhassen and the remainder is spread out throughout the County with a second concentration in Watertown. The Chaska units combine for 343 units and a vacancy rate of less than 1%. A vacancy rate of less than 1% indicates a very tight market in that community for shallow-subsidy rentals.

- Nearly all of the shallow-subsidy rental developments were fully-occupied at the time of the survey.

- The shallow-subsidy (affordable) units located in Carver County have been developed primarily under three programs:
  - Low-Income Housing Tax Credits (LIHTC) (MN Housing)
  - Tax Exempt Bonds (Carver County HRA)
  - Rural Development (US Department of Agriculture)

TABLE 18
SHALLOW-SUBSIDY & DEEP-SUBSIDY GENERAL OCCUPANCY RENTAL DEVELOPMENTS
CARVER COUNTY
February 2014

Project	City	Total Units	Vacant
Shallow-Subsidy (Affordable)			
Brickstone Townhomes	Chaska	30	0
Brickyard Apts.*	Chaska	32	0
Carver Ridge Townhomes	Chaska	82	0
Clinic View Apts.	Chaska	25	2
Crosstown Commons	Chaska	33	0
Cloverfield Marketplace	Chaska	59	1
Creek's Run Townhomes	Chaska	36	0
Deutchland Apts.	New Germany	6	0
East Creek Carriage Homes	Chaska	39	0
Fox Run Apts.	Waconia	10	0
Gateway Place	Chanhassen	48	1
Hilltop I & II Apts.	Watertown	16	1
Hillside Apts.	Watertown	4	0
Interlaken Place	Waconia	48	0
Lake Grace Apartments	Chaska	45	0
Popular Ridge	Nor. YA	12	2
Waters Edge Townhomes	Watertown	30	2
Subtotal		555	9
Deep-Subsidy (Subsidized)			
Cloverfield Marketplace	Chaska	21	0
Chaska Village Townhomes	Chaska	28	0
Creek's Run Townhomes	Chaska	4	0
Deutchland Apts.	New Germany	2	0
Fox Run Apts.	Waconia	10	0
Hillside Apts.	Watertown	4	0
Hilltop I & II Apts.	Watertown	16	1
Lake Grace Apartments	Chaska	4	0
Old City Hall Apts	Waconia	13	0
Poplar Ridge Apts.	Nor. YA	12	2
Spruce Apts.	Waconia	31	2
Subtotal		145	5

** Rents at Brickyard are kept affordable, but there are no income-restrictions.*
Note: Income-qualified residents pay 30% of their income for rent at deep-subsidy properties and a fixed rent at affordable properties. Residents at deep-subsidy properties tend to have incomes lower than residents at affordable properties.

Source: Maxfield Research Inc.

- Properties developed with tax exempt bond financing have rents that are modestly below-market, but households are not required to meet an income requirement in order to reside at the property. Most of the shallow-subsidy units developed by the Carver CDA are designated as senior 55+, but the overall portfolio of CDA owned and managed properties is general occupancy.

- Several communities in Western Carver County have had properties funded through Rural Development. Most of these properties were funded in the late 1980s through mid-1990s. However, Cloverfield Marketplace, built in 2008, also had a portion of its affordable units funded through Rural Development. Rent levels for properties funded through Rural Development are typically affordable to households with incomes of between 50% and 60% of the area median household income. Additional funding is sometimes made available to assist households with incomes of less than 50% of the area median household income through additional "rental assistance." Rental assistance is tied to a number of rental units, but not to a specific unit at the property. Therefore, if rental assistance is available for 10 units at the property and all of those units are currently occupied by households that meet the lower income requirement, then there would be no more rental assistance available until a household relinquished their assistance by moving out.

Properties funded under MN Housing's LIHTC program have published income guidelines and maximum rent limits for these types of properties. Properties placed in service on varying dates may have different rent limits associated with them. For properties placed in service after 12/18/2013, the most recent income limits available, the maximum income limits at 50% and 60% of area median household income are shown below by household size.

Maximum Income Limits

	50%	**60%**
1 Person	$29,050	$34,860
2 Person	$33,200	$44,820
3 Person	$41,450	$53,760
4 Person	$48,100	$57,720

- Demand for all types of rental units across all income ranges are in high demand at this time. The limited amount of new market rate rental product being placed into suburban and rural locations has caused new renters to stay put further reducing the already tight vacancy rates. For those looking for shallow-subsidy or deep-subsidy housing, demand is also tight and vacancy rates are typically at or near 0.0%. New housing is needed, but with the current need so great, the competition for capital and funding has also become tighter.

Subsidized Rental Housing

There are ten rental developments in Carver County that offer "deep" subsidies in which the monthly rents are based on 30% of a qualified household's Adjusted Gross Income. Properties that provide deep-subsidy units include public housing, mixed-income properties, and Rural Development. Rural Development properties offer additional subsidy or "rental assistance" which increases the affordability of the moderate income units to those whose incomes are at or below 50% of the area median household income. Rental assistance makes up the difference between the moderate rent and the household paying no more than 30% of their income for housing.

Public housing's income requirement is at or below 80% of the area median household income adjusted for household size and then the resident pays no more than 30% of their gross adjusted income for rent. With a public housing requirement set at 80%, public housing units span a broad range of incomes providing housing for those with low and moderate incomes. For mixed-income properties, a portion of the units have been set aside for households with very low incomes (at or below 50% of the area median household income) and then the resident pays no more than 30% of their adjusted gross income for their rent.

In addition to deep-subsidy units located in larger size properties, there are also scattered site housing units across the County where households pay no more than 30% of their adjusted gross income by household size for these units. Scattered site housing is often single-family homes that are rented.

- The ten properties combine for a total of 131 units. Scattered site housing adds another 51 units to this total for a combined total of 182.

- Five vacancies were identified, for an overall vacancy rate of 2.7%. Vacancies were located at properties in Watertown and Norwood Young America. No vacancies were found in Chaska, Waconia or New Germany. Most often, vacancies found through any one survey are usually the cause of unit turnover where one household is vacating the unit and another household may be ready to move in. Considering the vacancies that were found, this may be more of an issue of connections to services, transportation and perhaps some property improvements needed in addition to qualifying households from a waiting list to locate to the units.

- The overall unit mix found at the deep-subsidy properties consists of 27% one-bedroom units, 46% two-bedroom units, and 27% three- or four-bedroom units.

Housing Choice Voucher Program

The Housing Choice Voucher Program (also known as Section 8) utilizes the existing private rental market in Carver County to provide decent, safe and sanitary housing opportunities for low-income families, elderly, handicapped and disabled persons at an affordable cost. As of September 1, 2011, the CDA no longer administers the Section 8 Voucher program for Carver County. Currently, Metro HRA assists 161 households in Carver County through this program. According to Metro HRA, there are currently 800 applicants on the waiting list for the Housing Choice Voucher Program for Carver County. The estimated wait for these individuals to obtain a Voucher is seven to nine years. The wait list for Carver County for the Housing Choice Voucher program has been closed as of 2007 and there is no estimated date at this time for the wait list to open again. These statistics highlight the significant need for housing that would meet the needs of households with income at or below 50% of the area median household family income which is currently $41,450 for a family of four people.

Program participants pay a minimum of 30% of their monthly adjusted income toward rent. The program provides rental assistance, which is the difference between the participants' rent portion and the contract rent.

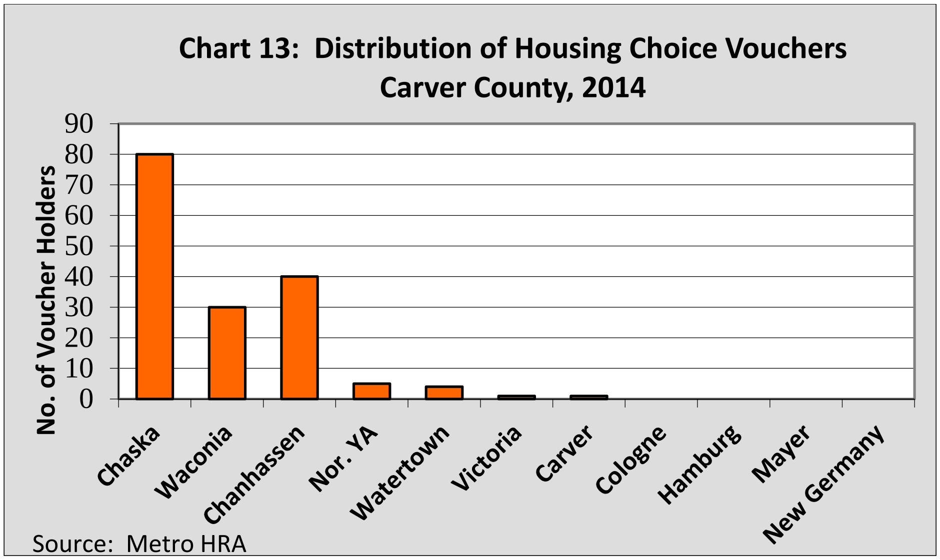
The assistance a household is eligible to receive is equal to the difference between 30% of a household's monthly adjusted income and the units' monthly rents, which are capped by the Voucher Payment Standards as set by Metro HRA. Carver County's Voucher Payment Standards as set by Metro HRA are as follows:

To be eligible for use with the *Housing Choice Voucher* program, units must have rents at or below the Metro HRA Payment Standard:

Chaska, Chanhassen		**Other Communities**	
Efficiency	$651	Efficiency	$651
1BR	$809	1BR	$800
2BR	$1,012	2BR	$970
3BR	$1,425	3BR	$1,305

Housing Choice Vouchers are mobile. Therefore, utilization by community may vary from year to year depending on where voucher holders choose to live. As Chart 13 shows, most Housing Choice Vouchers are utilized in Chaska, Waconia, and Chanhassen – or where the majority of the County's rental housing stock exists. Chaska has the most, with 73 voucher holders, or roughly half of the County's total.

The Metro HRA's wait list for the Housing Choice Voucher Program for Carver County is currently closed. The estimated wait time for households currently on the list is estimated at five to seven years or longer.



The public housing wait list for Carver County is currently open. For households seeking public housing (at or below 80% of AMI), households may submit an application for unit types from 0BR up to 5BR.

Cost-Burdened Renters

Table 19 shows the number and percent of cost-burdened renter households by community in Carver County. This information is compiled through American Community Survey data 2012 which is published by the US Census Bureau. The table shows the number and percent of renter households that pay 35% or more of their income for rent (cost-burdened) and those that pay 50% or more of their income for rent (severely cost-burdened).

As shown on the table, the proportion of cost-burdened renter households as compared to the total number of renter households in Carver County decreased somewhat between 2000 and 2012. However, the number of cost-burdened households grew substantially since 2000 primarily due to growth in the renter household base as a whole in Carver County.

In 2000, among the cities in the County, cost-burdened households comprised almost 24% of all households. These households paid 35% or more of their income for rent. By 2012, that proportion had decreased to about 20% of all renter households.

However, the number of severely cost-burdened households, those that pay 50% or more of their income for rent increased dramatically as a proportion of all renter households. In 2000, the proportion of households paying 50% or more of their income for rent stood at about 13%. By 2012, that proportion had risen to nearly 31% of all renter households. The number of renter households paying 50% or more of their income for rent more than doubled, a total of 700 or an increase of 143%.

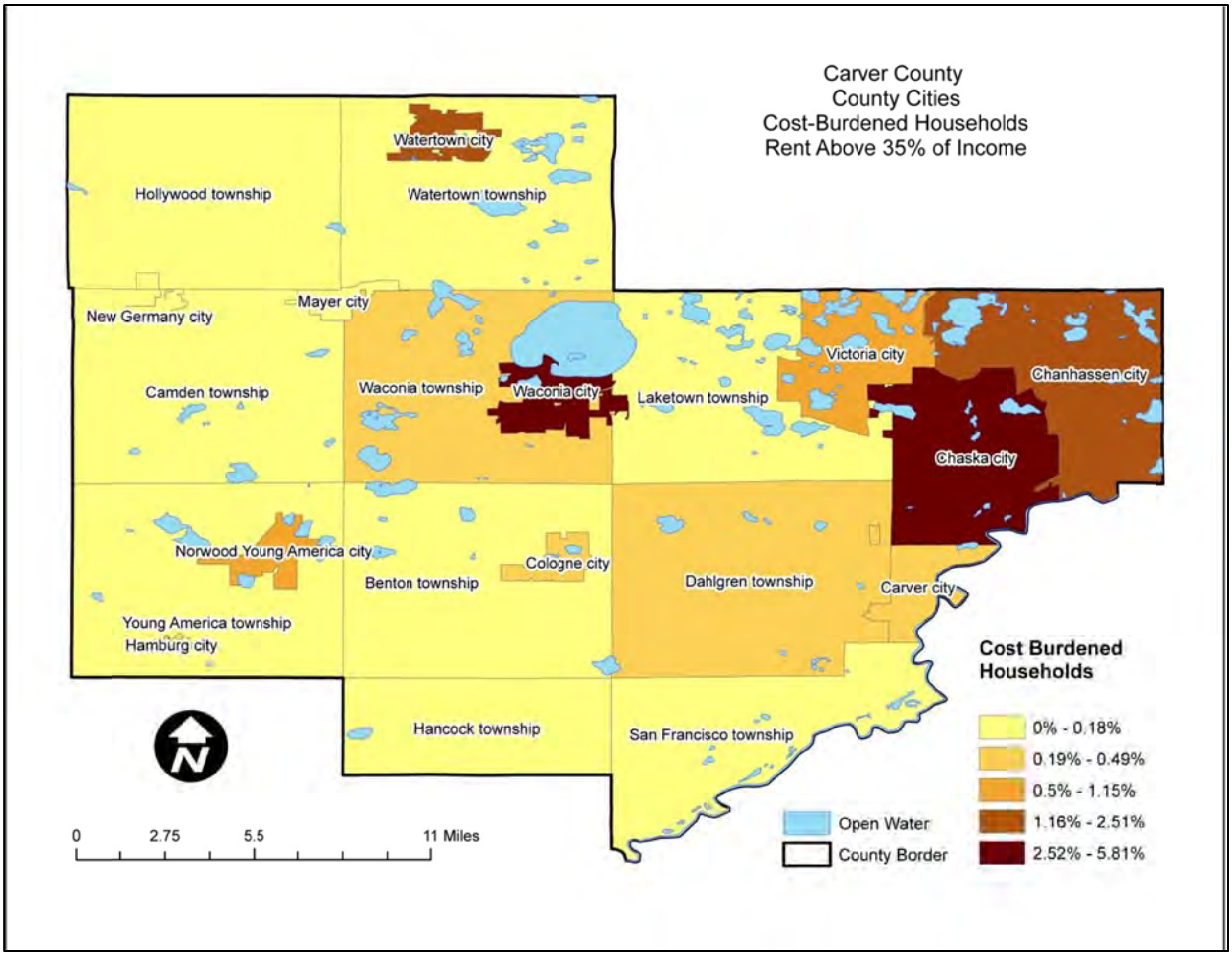
TABLE 19
COST-BURDENED RENTER HOUSEHOLDS
CARVER COUNTY
2000 TO 2012

	Cost-Burdened Renter HHs (35% or greater)				Change		Cost-Burdened Renter HHs (50% or greater)				Change	
	Census				2000 - 2012		Census				2000 - 2012	
	2000		2012				2000		2012			
	No.	Pct.*	No.	Pct.*	No.	Pct.	No.	Pct.*	No.	Pct.*	No.	Pct.
Cities												
Carver	10	0.26%	30	0.49%	20	200.0%	6	0.15%	0	0.00%	-6	0.00%
Chanhassen	152	3.92%	153	2.51%	1	0.7%	50	1.29%	290	7.48%	240	480.00%
Chaska	360	9.29%	354	5.81%	-6	-1.7%	193	4.98%	524	13.52%	331	171.50%
Cologne	7	0.18%	25	0.41%	18	257.1%	0	0.00%	10	0.26%	10	0.00%
Hamburg	11	0.28%	23	0.38%	12	109.1%	4	0.10%	9	0.23%	5	125.00%
Mayer	5	0.13%	11	0.18%	6	120.0%	3	0.08%	9	0.23%	6	200.00%
New Germany	5	0.13%	9	0.15%	4	80.0%	5	0.13%	1	0.03%	-4	-80.00%
Norwood Young America	76	1.96%	62	1.02%	-14	-18.4%	36	0.93%	23	0.59%	-13	-36.11%
Victoria	25	0.64%	70	1.15%	45	180.0%	9	0.23%	0	0.00%	-9	-100.00%
Waconia	209	5.39%	326	5.35%	117	56.0%	151	3.89%	246	6.35%	95	62.91%
Watertown	61	1.57%	138	2.26%	77	126.2%	31	0.80%	76	1.96%	45	145.16%
Subtotal	**921**	**23.76%**	**1,201**	**19.71%**	**280**	**30.4%**	**488**	**12.59%**	**1,188**	**30.64%**	**700**	**143.44%**
Townships												
Benton Twp.	0	0.00%	0	0.00%	0	0.0%	0	0.00%	0	0.00%	0	0.0%
Camden Twp.	2	0.05%	3	0.05%	1	50.0%	2	0.05%	0	0.00%	-2	-100.0%
Dahlgren Twp.	2	0.05%	17	0.28%	15	750.0%	2	0.05%	17	0.28%	15	750.0%
Hancock Twp.	2	0.05%	0	0.00%	-2	-100.0%	0	0.00%	0	0.00%	0	0.0%
Hollywood Twp.	2	0.05%	0	0.00%	-2	-100.0%	2	0.05%	0	0.00%	-2	-100.0%
Laketown Twp.	2	0.05%	4	0.07%	2	100.0%	0	0.00%	4	0.07%	4	0.0%
San Francisco Twp.	0	0.00%	0	0.00%	0	0.0%	0	0.00%	0	0.00%	0	0.0%
Waconia Twp.	3	0.08%	17	0.28%	14	466.7%	3	0.08%	17	0.28%	14	466.7%
Watertown Twp.	6	0.15%	0	0.00%	-6	-100.0%	6	0.15%	0	0.00%	-6	-100.0%
Young America Twp.	0	0.00%	0	0.00%	0	0.0%	0	0.00%	0	0.00%	0	0.0%
Subtotal	**19**	**0.49%**	**41**	**0.67%**	**22**	**115.8%**	**15**	**0.39%**	**38**	**0.62%**	**23**	**153.3%**
Carver County Total	**940**	**24.2%**	**1,242**	**20.4%**	**302**	**32.1%**	**503**	**13.0%**	**1,226**	**31.6%**	**723**	**143.7%**

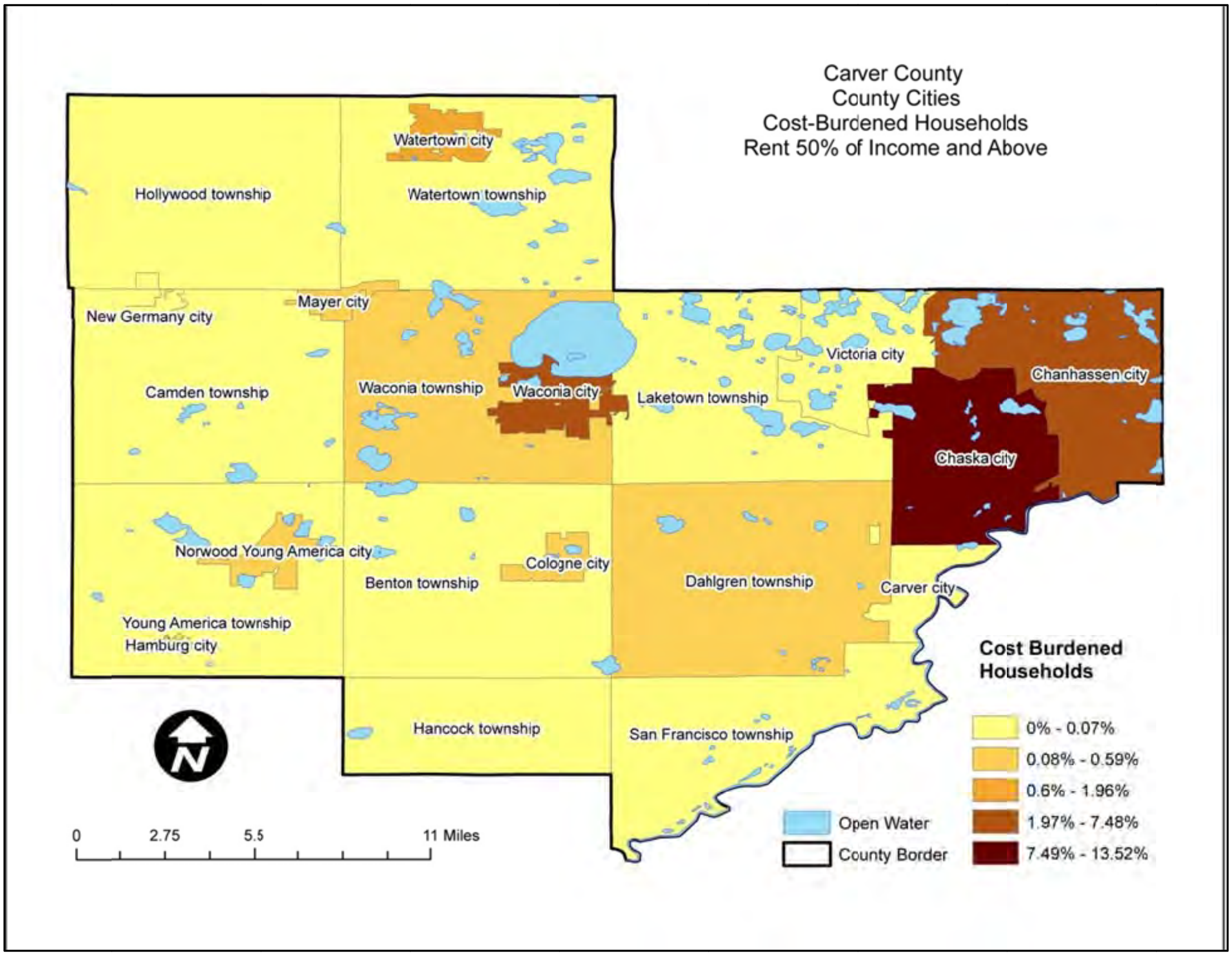
Note: * Percent equals percent of all renter households in Carver County.

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

Map 5- Cost-Burdened Renter Households-Carver County
Households Paying More than 35% of their Income for Rent
2012



Map 6- Cost-Burdened Households-Carver County
Households Paying More than 50% of their Income for Rent
2012



Cost-burdened renter households in the Townships represent less than 1% of renter households. Although the proportion of cost-burdened households in the Townships has also increased, the increase has been minimal and generally not significant.

For those with the lowest incomes, a tight rental market and rising rents has resulted in a higher proportion of renter households in the County that are severely cost-burdened. This highlights the continued need for affordable rental options in the County.

Pending Rental Developments

Interviews were conducted with representatives of communities in the County to reveal planned and pending general-occupancy rental developments that may come on-line in the near future.

Carver

Ron Clark Construction is currently exploring the potential to develop a general occupancy tax credit property that would be located in Carver near to the proposed transit station. The development concept has not yet been finalized, but this property could have up to 50 units of housing affordable to households with low- and moderate-incomes.

Chanhassen

Oppidan Inc. had proposed to develop a market rate general occupancy property at 7750 Galpin Boulevard. The property was proposed to have 155 rental units. Oppidan is currently seeking an investment partner for this project. It is unclear at this time if this development will proceed in the near future.

Other sites are being considered in Chanhassen for market rate apartments, but there are no formal proposals at this time.

Chaska

Wallingford Properties Inc. was considering the potential development of market rate rental housing on property that is located north of Pioneer Trail near Lake Jonathan in Chaska. The property is currently occupied by a small commercial building that would be removed to make way for market rate apartments. At this time, there is no further information regarding this proposal and depending on the situation with the commercial building, a new apartment property on this site may not move forward. Approximately 100 rental units would be built on the property if this development proceeds.

Goodman Group proposed to develop market rate rental housing on property located west of County Road 41 and north of Pioneer Trail near Upper Lake Grace. Additional property is available for the development of high-density multifamily housing. K. Hovnanian Homes sold its interest in the property to Lonny Kornavich who was planning to develop senior assisted living housing. That concept did not move forward. Then the Goodman Group was considering purchasing the property for market rate apartments to build out the site which was originally platted for five condominium buildings. This project has been before the City Planning Commission and the City Council previously, but it is believed that this project is currently stalled.

Victoria

Community Partners of Nebraska had proposed to develop approximately 150 units of rental townhomes in Victoria. This project has been placed on hold and there have been other conversations regarding the development of for-sale townhomes on the property instead of rental. At this time, the rental townhome concept is not moving forward.

Waconia

The Carver CDA is proposing to develop 76 units of workforce general occupancy rental housing at 885 and 905 Airport Road in Waconia. The property is titled Trails Edge South. The property is anticipated to include one-, two- and three-bedroom units. Construction is expected to start by next spring or summer of 2015.

Market Conditions
Senior Housing

Introduction

This section evaluates market conditions for senior housing in Carver County by examining data on:

- performance of market rate and subsidized senior housing developments,
- planned and proposed senior housing developments, and
- interviews with housing professionals and municipal staff members who are familiar with senior housing trends.

This section of the report includes summary data of current market conditions. More detailed information regarding each community's senior housing stock is located in the Appendix.

Senior Housing Defined

The term "senior housing" refers to any housing development that is restricted to people age 55 or older. Senior housing includes an entire spectrum of housing alternatives, with overlapping markets making the differences somewhat ambiguous. However, the level of support services offered best distinguishes them. Maxfield Research Inc. classifies senior housing developments into four categories based on the level of support services:

Adult/Few Services; where few, if any, support services are provided. "Adult" housing includes both rental and ownership (such as senior condominiums, cooperatives, or townhomes).

Congregate; where support services such as meals and light housekeeping are provided, either on an optional basis for an additional fee (optional-service) or included in the monthly fee (service-intensive).

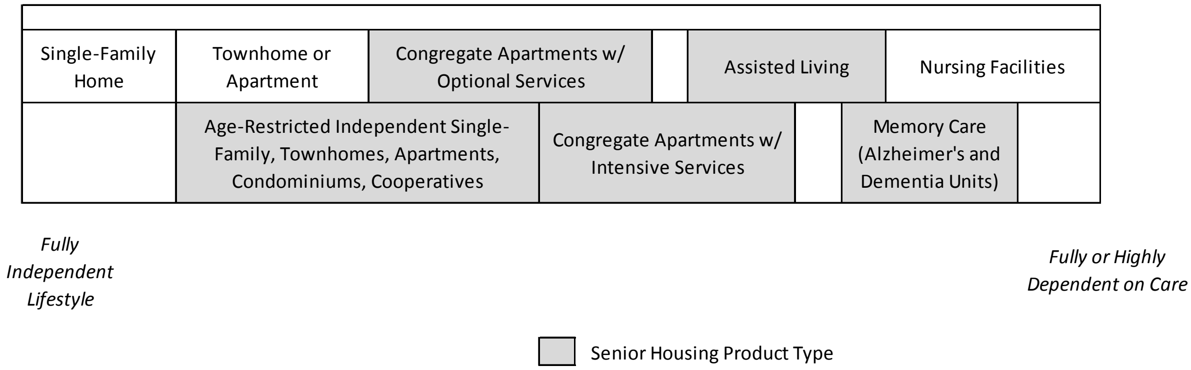
Assisted Living; where two or three daily meals as well as basic support services such as transportation, housekeeping and/or linen changes are included in the fees. Personal care services such as assistance with bathing, grooming, and dressing is included in the monthly fees or is available for an additional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

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

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

The four senior housing products offered today form a continuum of care (Figure 1), from a low level to a fairly intensive one. Often the service offerings at one type overlap with those at another. In general, however, adult developments tend to attract younger, more independent seniors, while assisted living and memory care developments tend to attract older, frailer seniors.

FIGURE 2
CONTINUUM OF HOUSING AND SERVICES FOR SENIORS



Source: Maxfield Research Inc.

Twin Cities Senior Housing Market Trends

Growing acceptance of senior housing along with absolute growth in the number of senior households has contributed to remarkable growth of senior housing in the Twin Cities since 1990. In 1990, there were an estimated 11,000 market rate senior units in the seven-county Twin Cities Metro Area. During the 1990s, another 9,000 units were added bringing the total to about 20,000 units in 2000. During the 2000s, another 10,000 units were added, increasing the total market rate senior housing supply in the 7-County Metropolitan Area to about 30,000 units by 2010. Since 2010, development of market rate senior housing has slowed somewhat. Although senior housing developers continue to seek out market niches, several local senior housing developers have indicated they plan on reducing their level of development activity for market rate senior housing because of the current lower numbers among people ages 74 to 85 (Depression Era babies), the primary market for service-enriched senior housing (housing with services).

The Twin Cities Metro Area currently has a wide array of housing product choices for market rate senior housing in most submarkets. Households can choose almost any type of housing style (e.g., single-family home versus high-rise apartment) that meets their ownership preference (rental or owner-occupied) and lifestyle needs (services available or not available). Such choice has broadened the market for age-restricted housing.

The substantial amount of development that has occurred has resulted in an increasingly competitive market. However, demand remains in some submarkets for various senior product types to fill out market needs. Active adult (independent living) and ownership products marketed to active and healthy households are expected to expand as the baby boom generation begins to consider these products as alternatives to residing in a single-family home.

Market Rate Senior Developments in Carver County

Maxfield surveyed market rate senior housing developments in Carver County to analyze current market conditions. The developments are listed in Table 20, by service level, along with information on location, year built, total units, and vacant units.

Information on Carver County's market rate senior housing market is summarized in the following charts and tables. The following are key points.

- Since 2007, market rate service-enhanced senior housing developments have opened in Chanhassen, Chaska, Victoria, Norwood Young America and Waconia. Additional market rate senior housing is desired in several communities in Carver County and as the senior population expands, it is likely that new product will be added, primarily in the larger communities. No market rate senior developments existed in the County before Westview Acres opened in Waconia in 1985. Only two other senior developments opened during the 1980s – Elim Meadows and Westwood Place in Watertown. Two developments with 54 units were added during the 1990s. In the 2000's, five market rate senior developments were added with a total of 352 units and there is interest in developing additional senior housing. In effect, 60% of Carver County's market rate senior housing supply was added during the 2000s.

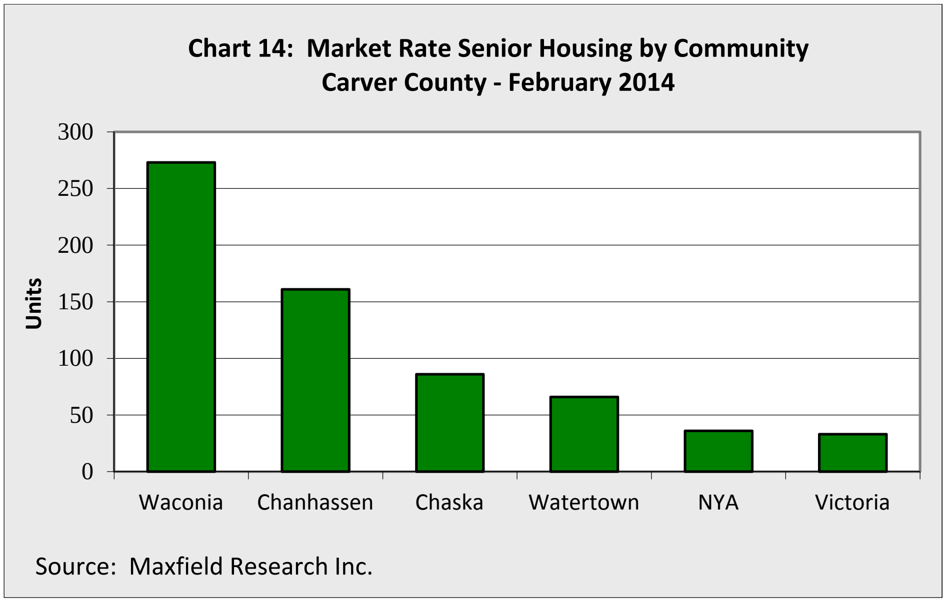
- Table 20 on the following page shows that there are no market rate adult rental buildings in Carver County. River Gables in Chaska is a 104-unit building that opened as adult rental in 2001. However, it converted to general-occupancy. Other adult rental buildings located in Carver County are all considered to be affordable, but have no income restrictions. These include The Crossings, Centennial Hill and Oak Grove.

TABLE 20
MARKET RATE SENIOR HOUSING UNITS BY COMMUNITY
CARVER COUNTY
February 2014

Project	City	Year Built	Total Units	Vacant
Adult Rental				
None				
Adult Ownership				
Village Grace	Chaska	2003	40	0
Subtotal			*40*	*0*
Congregate				
Summerwood of Chanhassen	Chanhassen	2004	90	0
Elim Meadows	Watertown	1989	11	0
Westview Acres	Waconia	1985	94	0
Subtotal			*195*	*0*
Assisted Living				
Summerwood of Chanhassen	Chanhassen	2004	53	0
Auburn Courts	Chaska	1997	39	5
Lighthouse at Waconia	Waconia	2005	65	9
Westwood Place	Watertown	1989	55	15
The Harbor	Nor. Y.A.	2006	36	0
Auburn Meadows	Waconia	2012	44	0
Westview Acres	Waconia	1985	36	0
Subtotal			*328*	*29*
Memory Care				
Summerwood of Chanhassen	Chanhassen	2004	18	0
Auburn Courts	Chaska	1997	7	0
Lighthouse at Waconia	Waconia	2005	37	6
Auburn Reflections	Waconia	2012	17	0
Emerald Crest of Victoria	Victoria	2005	33	10
Subtotal			*112*	*16*

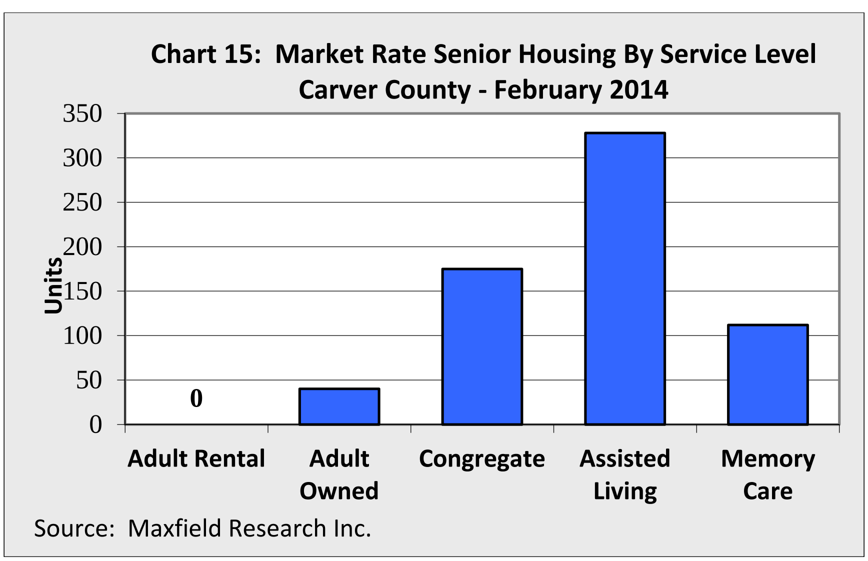
Source: Maxfield Research Inc.

- Chart 14 on the following page, shows all of the market rate senior housing developments in the County are located in six communities. Waconia, Chanhassen, and Chaska, which have the largest senior populations in the County, have the greatest number of market rate senior housing units, accounting for over three-quarters of all the units in the County.



- Chanhassen has the second highest number of market rate senior units in the County, but has only one property –Summerwood of Chanhassen. Summerwood is a 161-unit campus with three levels of service (congregate, assisted living, and memory care). It opened in 2004 and has been well-received in the marketplace. There are no vacant units currently at Summerwood. Chanhassen also has an adult/few services rental building (Centennial Hill), which is affordable.

- Chart 16 highlights the distribution by service level of the County's senior housing supply. Less than 7% of the units are active adult (rental and owner) and another 34% are congregate. In comparison, 36% and 38% of the Twin Cities senior housing supply are adult and congregate, respectively. Combined with the fact that there are no vacancies among three of the four adult and congregate buildings indicates that the County has a need for additional adult and congregate units marketed toward independent seniors.



- Overall, the market rate senior housing developments in Carver County are performing well. As of 2014, all of the congregate facilities were fully-occupied. The current average vacancy rates for assisted living and memory care facilities were 8.8% and 7.0%, respectively. Westwood Place, Lighthouse at Waconia, Emerald Crest of Victoria, and Auburn Courts all had vacancy rates higher than the average. Additional units were recently brought to the market in Waconia by Lighthouse at Waconia and Auburn Courts.

- As highlighted in Table 21, the average monthly rents for market rate senior facilities in the County reflect the level of services of the building. For one-bedroom units, the average monthly rent increases from $970 in congregate developments to $2,730 in assisted living and $2,805 in memory care.

TABLE 21
RENT SUMMARY
MARKET RATE SENIOR RENTAL HOUSING
CARVER COUNTY
April 2014

	Average Rents			
City	**Studio**	**1BR**	**1BR/D**	**2BR**
Adult Rental		None		
Congregate	--	$1,081	$1,388	$1,396
Assisted Living	$2,581	$2,974	$3,295	$3,570
Memory Care	$4,200	$3,209	--	$4,291

It should be noted that often times the rent is a base rate, especially with Assisted Living and Memory Care units, and individuals will pay more according to the level of care they require.

Source: Maxfield Research Inc.

- Seniors with greater care needs can allocate a higher portion of their income toward housing because they have fewer other expenses. Typically, seniors are able and willing to allocate 40% of their income for adult units, 65% for congregate and 85% to 90% for assisted living and memory care. In addition, most seniors allocate at least a portion of the equity from their single-family home and other savings to pay for senior housing with services. Thus, seniors with lower incomes can often afford market rate senior housing. This is particularly true for assisted living where many seniors are willing to spend down assets to avoid placement in a nursing home.

Shallow-Subsidy and Deep-Subsidy Senior Housing

A total of 639 shallow-subsidy and deep-subsidy senior housing units in 18 developments were identified in Carver County. These properties are listed on Table 22, along with their location, total units, and number of vacant units. The following are key points about senior housing that is considered subsidized or affordable in the County.

- The Crossings, Centennial Hill and Oak Grove are affordable senior buildings that do not have income-limits. Rents however, have been set below market rate. Monthly rents range from $830 to $857 for one-bedroom units and from $937 to $1,428 for two-bedroom units.

- Several older senior properties in Carver County were financed through the Rural Development's housing program. Properties funded in this manner require the resident to meet income limits, but charge a fixed rent (called the basic rent). The basic rent is the minimum rent that must be paid by the resident depending on their income unless the property also has additional "rental assistance." If the resident's income allocation results in a rent that is between the basic and the market rent, the resident pays that amount up to the market rent. Additional rental assistance allows residents with incomes lower than the amount for the "basic" rent to be able to reside at the property utilizing the additional funds provided by rental assistance. The following senior properties were funded through the Rural Development Program: Peace Villa, Maplecrest Commons, Mayer Elderly and Riverside Apartments.

- Residents that live at properties that have project-based Section 8 or were funded through the HUD 202 program or have rental assistance available pay monthly rents that are based solely on 30% of their Adjusted Gross Income. Residents residing in these properties typically have very low incomes and could not afford monthly rents at affordable senior rental developments. The average rent paid by residents of the Rural Development apartments ranges from about $100 to $300 per month.

- Senior apartment properties that provide project-based Section 8 assistance include Evergreen Apartments in Waconia, Talheim, Waybury and the Landings Apartments in Chaska. All of the remaining subsidized senior developments are Rural Development apartments developed during the 1970s and 1980s. In addition to those in Table 20, other small towns had Rural Development senior apartments as well, but due to low occupancies, they were converted to general-occupancy.

- Senior properties classified as deep- and shallow-subsidy had a total of 14 units vacant of 639, which equals a vacancy rate of 2.2%. Except for five units that were vacant at The Landings, a new facility which opened just a short time ago, vacancies were dispersed among the other properties. Many of the facilities had no vacancies. Because low-income and moderate income housing is often need-driven, vacancy rates are usually quite low. A vacancy rate of 2.2% indicates that the market is in balance, but that there is a continued need/demand for additional rental units targeted to seniors with very low and moderate incomes.

TABLE 22
DEEP-SUBSIDY/SHALLOW-SUBSIDY SENIOR RENTAL PROPERTIES
CARVER COUNTY
APRIL 2014

Project	City	Total Units	Vacant
The Crossings*	Waconia	68	0
Centennial Hill*	Chanhassen	65	0
Oak Grove*	Norwood Young-America	50	0
Evergreen Apts.	Waconia	46	1
Hillside Apts.	Watertown	8	0
Hilltop I & II	Watertown	19	0
Hilltop I & II*	Watertown	32	0
Landing Apartments	Chaska	54	5
Maplecrest Commons	Waconia	20	1
Mayer Elderly Apts.	Mayer	9	0
Mayer Elderly Apts.*	Mayer	1	0
Peace Villa Apts.	Norwood Young America	33	0
Peace Villa Apts.*	Norwood Young America	28	0
Riverside Apts.	Watertown	17	2
Riverside Apts.*	Watertown	5	0
Talheim Apts.	Chaska	58	0
Waybury at Chaska	Chaska	114	4
Lakeside Villa Apts.	Cologne	12	1
Total		639	14

*The Crossings, Centennial Hill and Oak Grove are affordable; remainder is deep-subsidy.

Source: Maxfield Research Inc.

- A total of 12 senior properties had no vacancies at the time of the survey. According to the managers, most residents leaving independent senior properties often move over to to assisted living facilities where they can obtain an Elderly Waiver for their housing and services.

Pending Senior Housing Developments

Interviews with representatives of communities in the County revealed that there are currently two senior housing developments in the planning stages.

The Goodman Group has proposed the development of a luxury senior housing continuum of care facility on land adjacent to its corporate offices and the Hazeltine Golf Course in Chaska. The development would feature between 100 and 120 units and would have independent living, assisted living and memory care. This project has been approved by the City, but the developer is still trying to secure funding. The development timeframe for this project remains somewhat uncertain at the moment.

Peace Villa in Norwood Young America has been approved for a Rural Development loan to construct a 37-unit assisted living and memory care facility that is planned to open spring 2015. “The Haven” will have 25 assisted living and 12 memory care units.

St. Gertrude’s of Shakopee is partnering with a private developer to develop a small assisted living facility that would be located north of Highway 212 in Chanhassen. The facility would primarily serve high acuity residents for enhanced assisted living and memory care.

The City of Victoria continues to solicit interest from developers in a market rate senior housing property that would provide some services to residents that needed them.

The Carver County CDA continues to explore the potential to develop additional adult/few services properties similar to The Crossings and Oak Grove.

Market Conditions
For-Sale Housing

Introduction

This section of the report summarizes recent trends and the current supply of for-sale housing in Carver County, including single-family, townhomes, and condominiums.

This section examines the market conditions for for-sale housing in Carver County by examining data on:

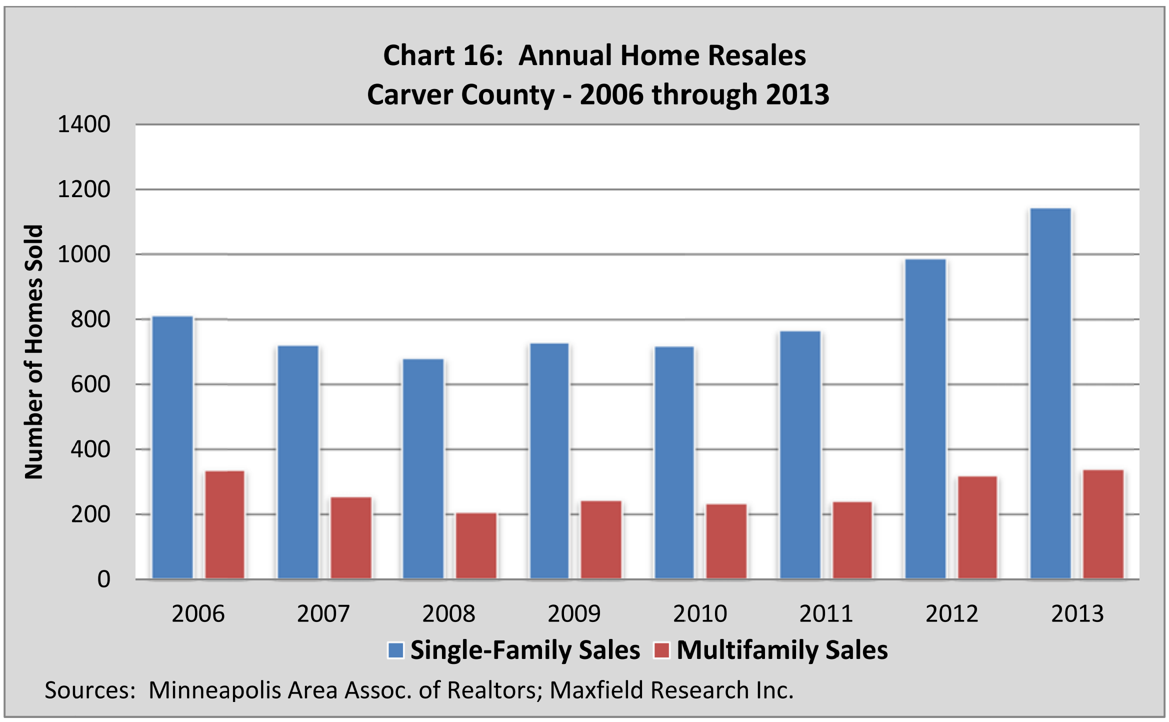
- home resale value trends since 2006,
- pricing and trends of new construction housing,
- planned and proposed for-sale housing developments, and
- interviews with housing professionals and municipal staff members who are familiar with for-sale housing trends.

Detailed information on home resale trends and actively marketing single-family and multifamily subdivisions is presented in the Appendix.

Single-Family and Townhome/Condominium Resales

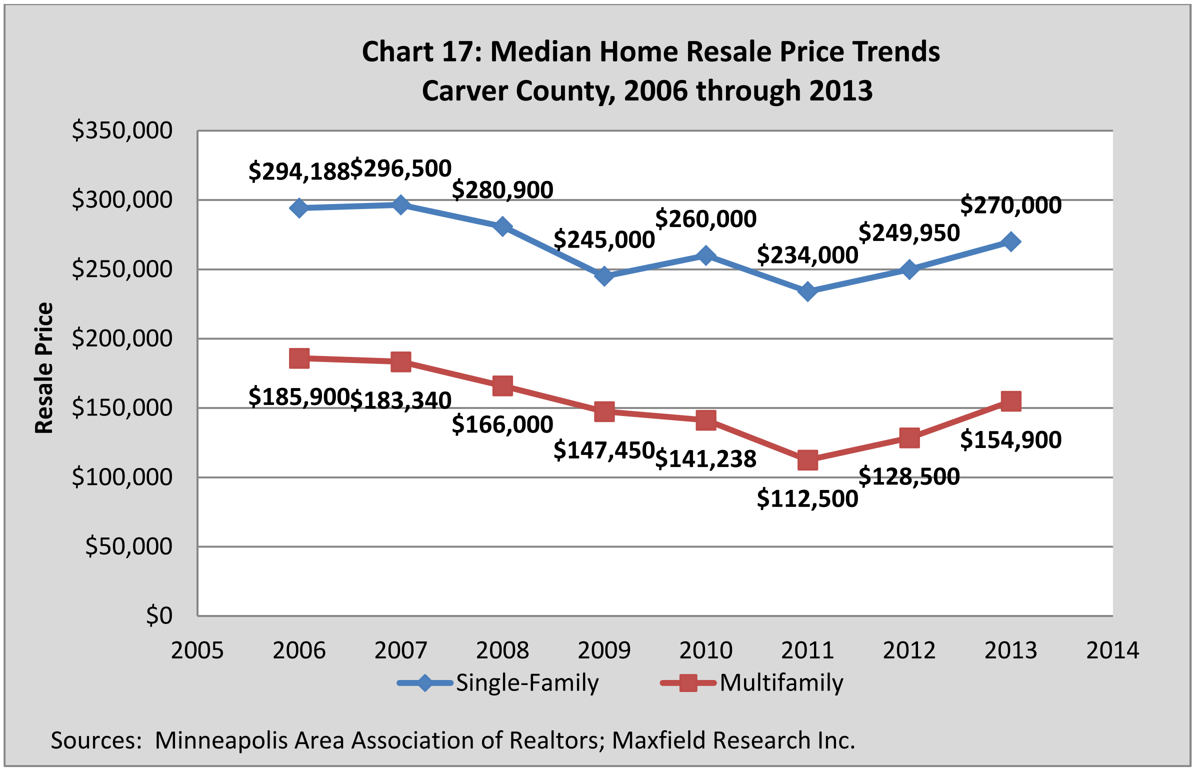
Tables 23 and 24 and the accompanying charts show trends in the average resale price of single-family homes and townhomes/condominiums in Carver County from 2006 through 2013. Data on resales of existing homes was developed from information compiled by the Minneapolis Area Association of Realtors. The following are key findings about the resale housing market.

- As shown on the following chart, the number of single-family home resales decreased from 2006 through 2008 after which time they fluctuated slightly through 2011. In 2012 and 2013, single-family home resales rose to almost 1,000 homes in 2012 and to more than 1,100 home sales in 2013. Resales of townhomes and condominiums also decreased over the same period and then rose slightly in 2012 and 2013.



- The average resale price of single-family and multifamily owned homes in Carver County gradually decreased from 2007 to their lowest price point in 2011, after which home prices began to rise again. As of year-end 2013, the median single-family home price was $270,000 and the median multifamily home price was $154,900.

- From 2007 through 2011, single-family home prices decreased by 21% and multifamily home prices decreased by 39% from 2006 through 2011. The housing slowdown affected the entire Metro Area as well as the nation, although different communities experienced varying degrees of housing price deflation.



- Table 23 shows that between 2006 and 2007, the median resale price of single-family homes continued to increase in most communities in Carver County, except for New Germany, Victoria and Watertown. After 2007, home values in all communities began to show consistent decreases, a result of the housing market slowdown and the deepening of the Recession. Cumulative days on market or the time that a home is available on the market fluctuated during this period increasing and decreasing. Market times began to increase overall again between 2010 and 2012 before decreasing again in 2013, indicating more interest in home sales.

- Federal tax incentives offered to homeowners in 2010 boosted the price of homes and reduced market times temporarily. After the tax incentive had expired, prices decreased again and market times increased.

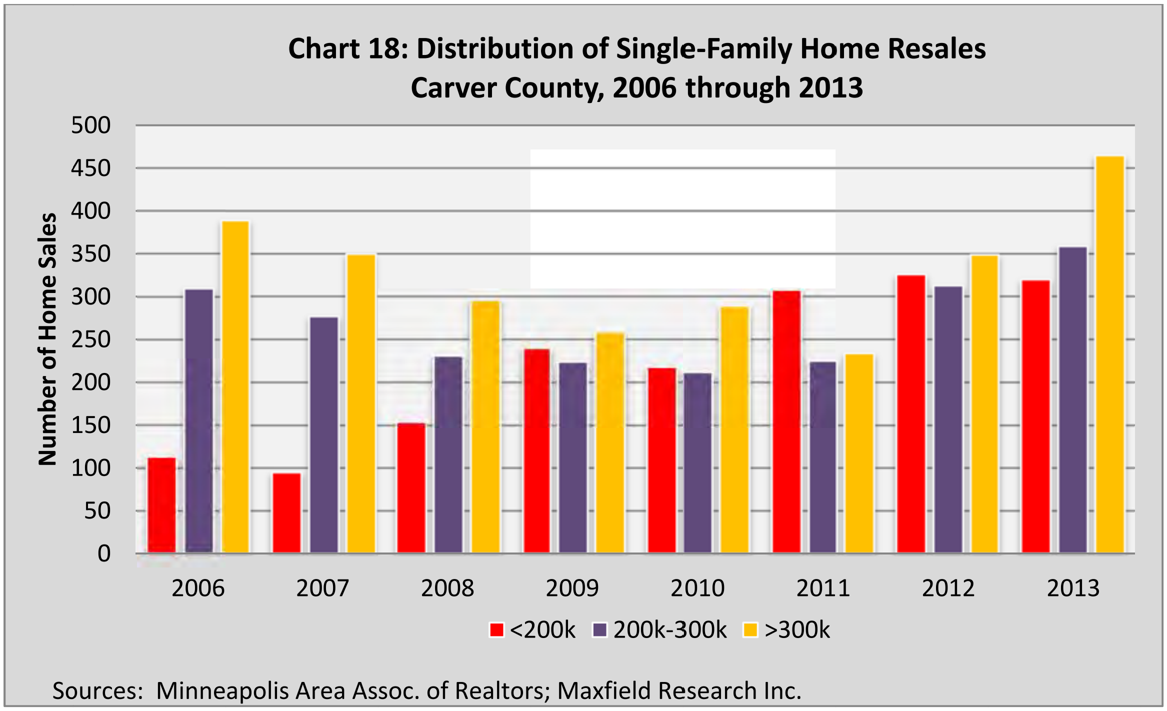
TABLE 23
SINGLE FAMILY RESALES-CARVER COUNTY
MEDIAN RESALE PRICE
2006 through 2013

Cities	2006	2007	2008	2009	2010	2011	2012	2013
Carver- Total Sales	84	56	57	58	61	70	90	114
Median Sold Price	$280,000	$285,000	$329,000	$261,000	$244,900	$225,000	$241,000	$293,000
*Average DOM**	58	134	177	151	180	147	154	106
Chanhassen-Total Sales	300	370	314	325	287	343	407	502
Median Sold Price	$392,700	$404,750	$412,500	$353,500	$390,000	$334,950	$355,000	$360,000
*Average DOM**	63	115	128	140	152	152	127	83
Chaska-Total Sales	101	328	302	293	291	277	409	430
Median Sold Price	$270,000	$285,000	$278,300	$229,500	$228,500	$219,000	$242,000	$272,500
*Average DOM**	74	142	136	130	147	160	119	95
Cologne-Total Sales	13	25	24	22	22	40	39	55
Median Sold Price	$224,350	$230,000	$197,850	$217,000	$181,000	$174,500	$158,500	$164,500
*Average DOM**	63	149	149	108	153	160	188	54
Hamburg-Total Sales	2	7	4	5	2	8	7	8
Median Sold Price	$164,650	$157,000	$82,325	$124,900	$102,450	$64,600	$111,500	$88,750
*Average DOM**	73	131	94	257	392	138	184	227
Mayer-Total Sales	22	44	36	35	15	37	40	45
Median Sold Price	$244,250	$245,450	$212,500	$169,000	$175,000	$171,650	$165,000	$194,850
*Average DOM**	68	140	170	191	107	125	119	60
New Germany-Total Sales	2	12	8	11	7	11	11	12
Median Sold Price	$196,860	$194,000	$89,900	$109,000	$105,000	$110,000	$100,000	$142,450
*Average DOM**	83	164	103	120	181	257	308	102
Norwood Young America-Total S	17	45	41	48	31	49	61	62
Median Sold Price	$172,950	$178,190	$156,000	$140,000	$165,000	$121,200	$129,000	$132,450
*Average DOM**	243	167	196	154	135	192	171	142
Victoria-Total Sales	16	133	103	97	144	125	176	215
Median Sold Price	$476,000	$403,750	$390,000	$322,450	$380,000	$348,750	$377,500	$400,000
*Average DOM**	79	176	168	131	167	147	172	112
Waconia-Total Sales	57	171	171	166	167	161	187	239
Median Sold Price	$278,700	$260,000	$248,000	$217,100	$229,000	$212,000	$215,435	$225,000
*Average DOM**	59	144	137	150	149	157	112	86
Watertown-Total Sales	18	58	55	54	41	63	58	86
Median Sold Price	$227,707	$220,800	$191,989	$177,263	$159,750	$130,000	$156,000	$177,000
*Average DOM**	58	156	169	138	158	163	137	135
Townships-Total Sales	2	2	7	26	26	24	13	23
Median Sale Price	$512,125	$622,450	$206,950	$237,000	$219,500	$236,750	$247,500	$210,000
*Average DOM**	102	258	145	149	242	230	198	172
Carver County-Total Sales	**634**	**1,251**	**1,122**	**1,140**	**1,094**	**1,208**	**1,498**	**1,791**
Median Sale Price	$294,188	$296,500	$280,900	$245,000	$260,000	$234,000	$249,950	$270,000
*Average DOM**	124	139	145	146	156	159	138	97

* As of 2007, the Minneapolis Association of Realtors started recording the Cumulative Days on Market for a given listing, which is a more realistic indicator of how long a property has been on the market.

Sources: Minneapolis Association of Realtors, Maxfield Research, Inc.

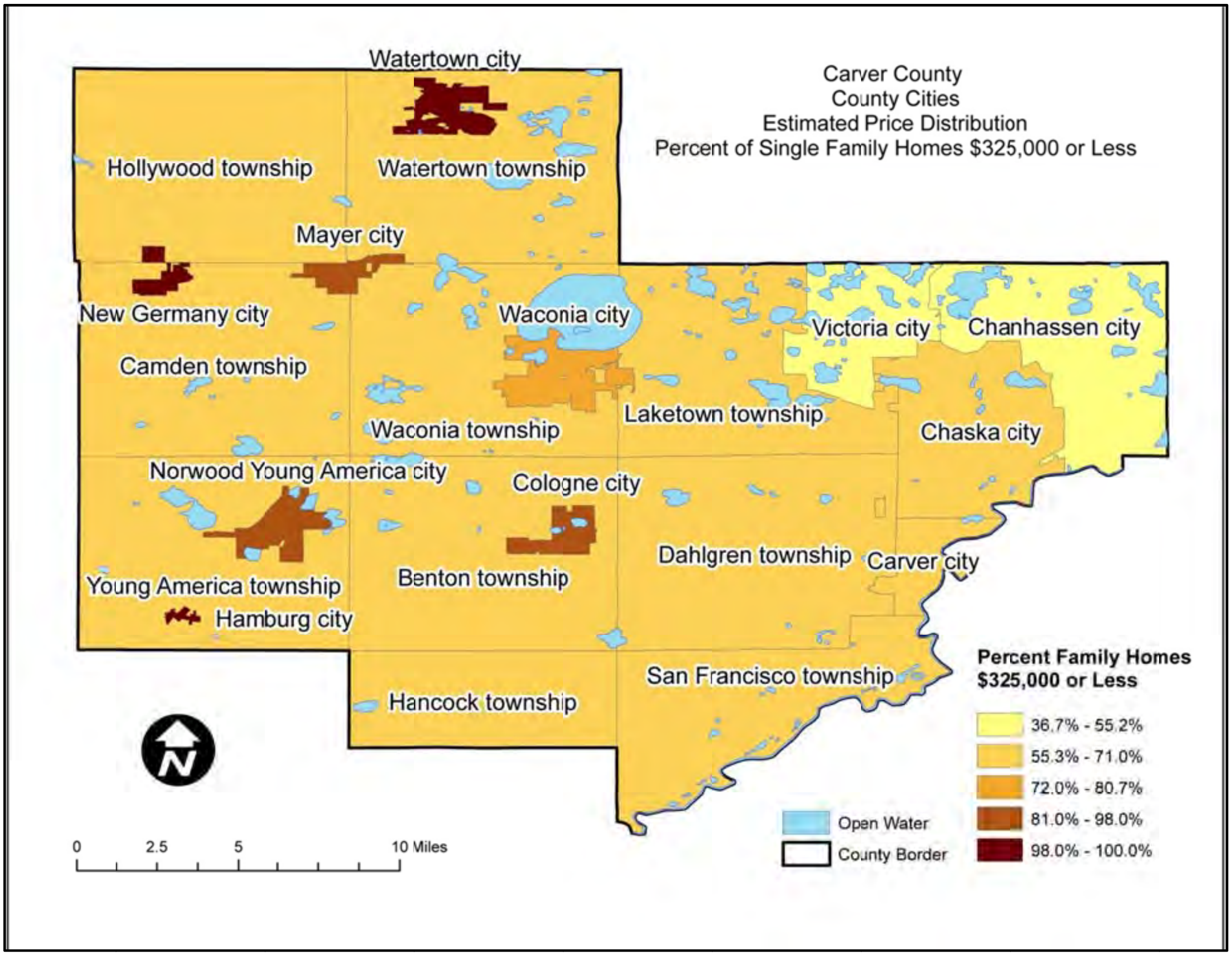
- Chart 18 shows the distribution of single-family home resales in Carver County in three price ranges from 2006 through 2013. The Chart shows that, in 2006, a little over 100 homes were priced below $200,000 and about 380 homes were priced were priced above $300,000. By 2011, about 300 homes were priced below $200,000 with about 350 homes priced above $300,000. As the market has recovered, an increasing number of homes are priced above $300,000. The higher proportion of single-family homes priced above $300,000 reflects larger lot sizes for rural homesteads in addition to a higher proportion of new construction homes than would be found in more developed counties.



- Table 23 on the previous page shows that the median resale price of single-family homes sold in the County in 2006 was about 294,200. The Townships had the highest average resale price ($512,100), followed by the City of Victoria ($476,000) and Chanhassen ($392,700). New Germany, Norwood Young America, and Hamburg all had median resale values under $200,000.

- While there are pockets of entry-level and move-up homes across Carver County, the communities with the most affordable single-family housing stock overall were the communities in the western half of the County. Prices in these communities are generally lower because of their greater distance from the core of the Twin Cities. In addition, they contain a greater proportion of older homes, as they have not experienced the high volume of home construction over the past decade that has occurred in Chaska, Chanhassen, Victoria and Waconia.

Map 7-Estimated Price Distribution of Resale Single-Family Homes $325,000 or Less



Map 8-Estimated Price Distribution of Resale Single-Family Homes $525,000 or More

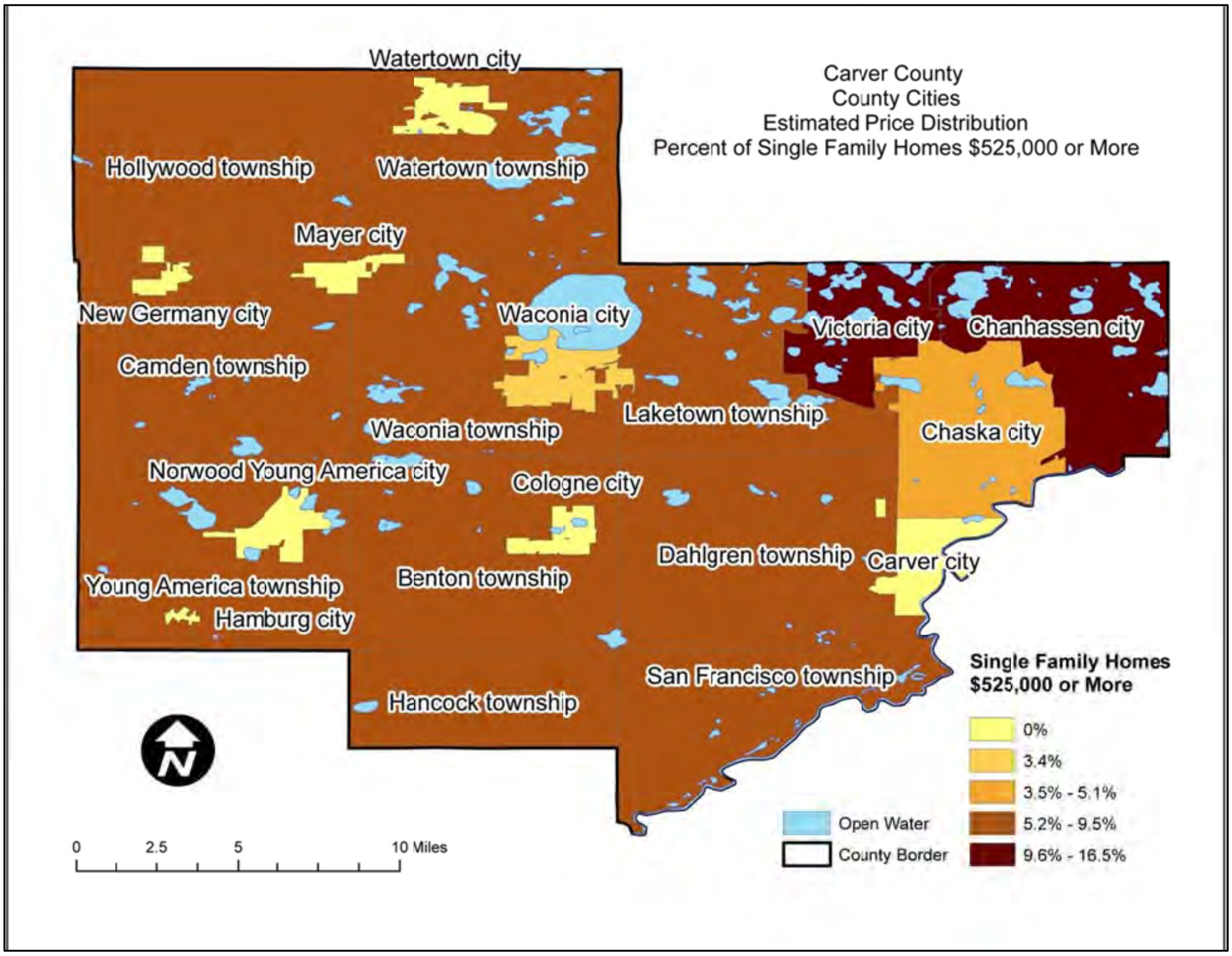


TABLE 24
MULTIFAMILY RESALES-CARVER COUNTY
MEDIAN RESALE PRICE
2006 THROUGH 2013

Cities	2006	2007	2008	2009	2010	2011	2012	2013
Carver			1			4	4	16
Median Sold Price	-	-	$177,000	-	-	$109,880	$133,500	$150,500
*Average DOM**	-	-	82	-	-	202	101	73
Chanhassen	167	111	77	78	81	80	112	128
Median Sold Price	$183,000	$188,000	$178,000	$158,750	$146,500	$112,450	$144,000	$163,700
*Average DOM**	109	115	132	166	136	168	124	63
Chaska	112	95	92	104	95	91	127	104
Median Sold Price	$190,000	$181,000	$161,000	$147,450	$141,900	$111,950	$117,300	$144,000
*Average DOM**	127	156	162	171	150	154	117	78
Cologne			1					2
Median Sold Price	-	-	$170,000	-	-	-	-	$147,500
*Average DOM**	-	-	143	-	-	-	-	54
Hamburg								
Median Sold Price	-	-	-	-	-	-	-	-
*Average DOM**	-	-	-	-	-	-	-	-
Mayer							1	1
Median Sold Price	-	-	-	-	-	-	$133,900	$120,000
*Average DOM**	-	-	-	-	-	-	93	92
New Germany								
Median Sold Price	-	-	-	-	-	-	-	-
*Average DOM**	-	-	-	-	-	-	-	-
Norwood Young America	2	5	3	7	9	5	7	9
Median Sold Price	$172,950	$195,000	$119,900	$87,000	$119,000	$75,500	$110,000	$89,900
*Average DOM**	243	243	231	78	164	164	29	84
Victoria	8	8	10	10	13	15	24	35
Median Sold Price	$288,750	$296,250	$282,750	$231,600	$218,000	$215,000	$237,500	$262,000
*Average DOM**	75	220	118	257	172	168	99	80
Waconia	42	31	22	39	34	38	40	40
Median Sold Price	$151,030	$142,500	$147,500	$123,433	$130,200	$96,500	$108,650	$120,250
*Average DOM**	108	123	179	134	171	180	139	69
Watertown	7	5	1	6	2	7	4	4
Median Sold Price	$185,000	$164,900	$136,000	$116,250	$159,750	$95,000	$156,000	$135,125
*Average DOM**	40	83	156	275	158	412	137	135
Townships								
Median Sold Price	-	-	-	-	-	-	-	-
*Average DOM**	-	-	-	-	-	-	-	-
Carver County	**338**	**255**	**207**	**244**	**234**	**240**	**311**	**338**
Median Sale Price	$185,900	$183,340	$166,000	$147,450	$141,238	$112,500	$128,500	$128,500
*Average DOM**	112	137	151	167	151	172	118	118

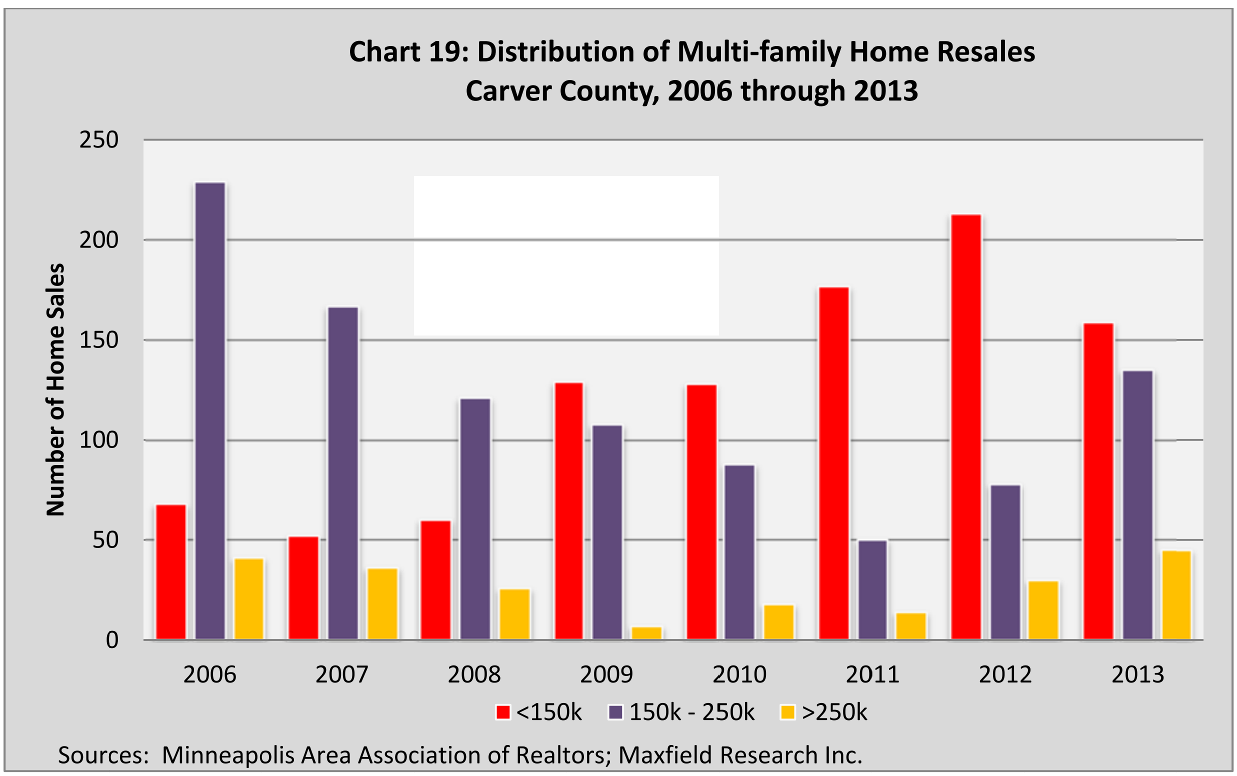
*As of 2007, the Minneapolis Association of Realtors started recording the Cumulative Days on Market for a given listing, which is a more realistic indicator of how long a property has been on the market.

Sources: Minneapolis Association of Realtors, Maxfield Research, Inc.

- The median resale price of multifamily owned units in Carver County decreased from $185,900 in 2006 to a low of $112,500 in 2011, or by an average of 5.3% annually. After 2011, prices began to rise again. The median resale price of multifamily owned units increased to $128,500 by the end of 2013. Price decreases for multifamily units were steeper than for single-family homes.

- The median resale price of owned multifamily units was more than twice as low than for single-family homes. Multifamily owned units which include condominiums, townhomes, twinhomes and duplex units, are providing more affordable housing options in the County. Assuming that households can generally afford to purchase a home priced at 3.5 times their income (not taking into account savings or debt that households may have), an income of about $80,000 would be needed to afford the median price single-family home while an income of only $40,000 would be needed to afford the median priced multifamily home. Affordability of homes increased across the board during the Recession as sales prices decreased.

- Chart 19 shows multifamily home resale trends in the County by price range. Of all of the multifamily home resales in the County from 2006 through 2013, most of the sales occurred in Chanhassen and Chaska. This is primarily due to the higher proportion of multifamily units that have been developed in these communities. Demand for multifamily product has been focused primarily on younger households for entry-level townhomes and older households for single-level living (townhomes and condominiums). Single adults also tend to be a strong market segment for multifamily owned units.



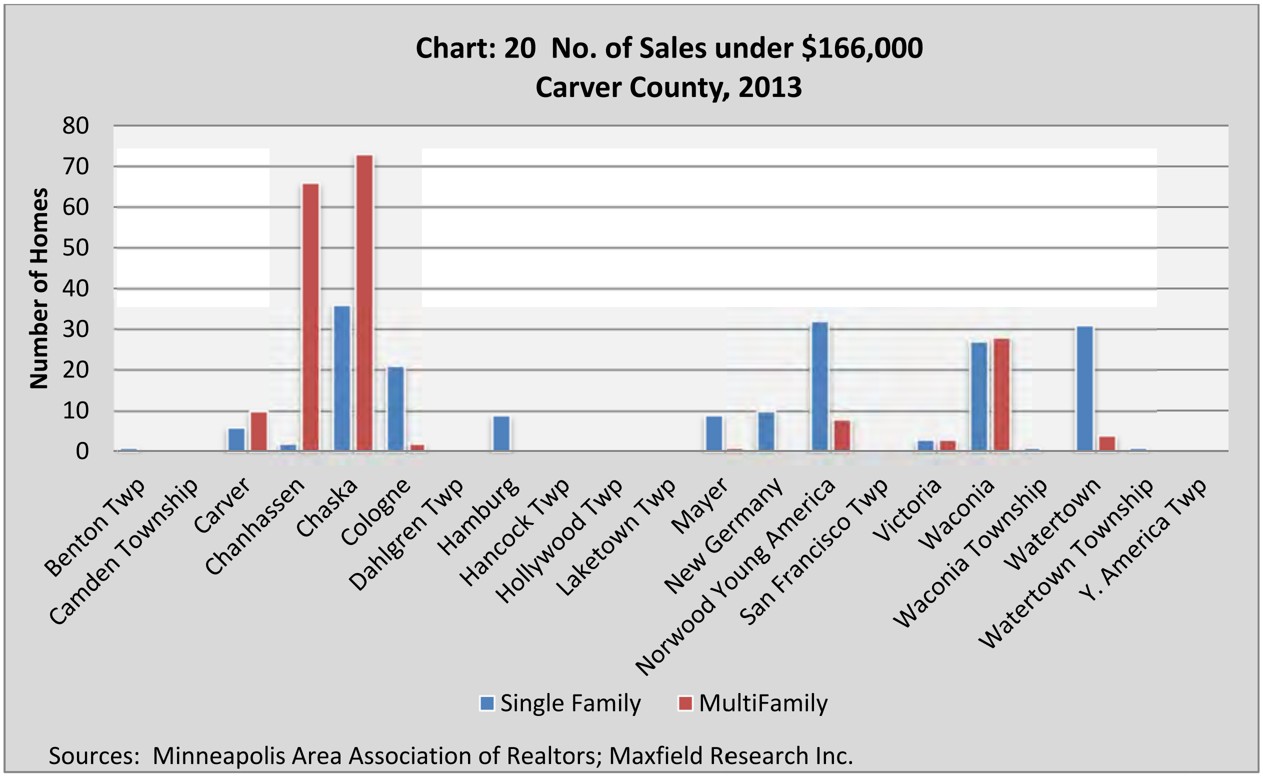
- Chart 17 on a previous page highlights decreasing home values in Carver County from 2006 through 2011 and then the subsequent rise after that. The median resale price of single-family homes and multifamily owned homes combined decreased from $296,000 in 2007 to $234,000 in 2011 or a 21% decrease. During this time period, the median price of a home decreased from 4.5 times the median household income in 2006 to 2.9 times the median household income in 2013. Very low interest rates have effectively kept the cost of purchasing a home affordable to many people. However, the financial crisis of the Recession resulted in much stricter lending standards that have reduced the number of people that can qualify to purchase a home post-Recession. While this situation is beginning to correct itself, lenders have been slow to relax underwriting criteria for prospective homebuyers.

As of 2014, the Metropolitan Council set the affordable housing limit maximum of 60% of Area Median Income for a family household size of four people for qualification for the purposes of the Livable Communities programs. With a 2014 HUD income limit for a family of four set at $49,750 and utilizing additional qualifications for downpayment, housing and mortgage costs, the affordable housing maximum limit for 2014 is set at $166,000 for ownership. Resale data from the Multiple Listing Services reveals that 189 single-family homes were sold in Carver County at $166,000 or less in 2013, or 16.5% of all single-family resales. This is a slightly higher percentage of home sales than in 2006 when only 14% of homes sold at a price of $201,800 (the threshold price for Livable Communities programs in 2006) or less. This demonstrates how single-family homes have become more affordable since the late 2000s. In addition to the 189 single-family homes, there were also 195 condo/townhomes resales with prices at or below $166,000 (58% of all condo/townhome sales). Multifamily owned housing products have become more affordable since the market downturn. These products continue to remain affordable for many households and these products tend to be newer than some of the single-family homes in the County that are of lower value. However, in Western Carver County, households can still purchase a home that is priced below $100,000. That home may be somewhat small (two bedrooms or less) and because of its significant age, may require additional rehabilitation and improvement.

Carver County Homes Sales-2013

	$166,000 or less	$166,001 or higher
Single-Family	189	956
Condo/Townhome	195	144

The following chart shows the distribution of affordable home resales in the County in 2013. As shown, there were higher numbers of home resales among multifamily owned units which are concentrated in Chanhassen, Chaska and Waconia.



New For-Sale Housing Development

Maxfield Research Inc. compiled information on actively marketing subdivisions in Carver County as of January 2014. The inventory includes 55 single-family subdivisions and 14 townhome developments, with a total of 4,700 single-family lots and 1,250 multifamily units. Some developments have multiple products and/or multiple phases. We counted each subdivision once. Tables 25 and 26 summarize lot/unit inventory, available lots/unit, and pricing for each community. The tables also show the average annual new home starts by community between 2006 and 2013 from building permit data. The tables include the estimated average price and distribution by price in 2013 dollars. Key points from Tables 25 and 26 follow.

Single-Family New Construction

- Table 25 shows that between 2006 and 2013, Carver County averaged roughly 357 new single-family starts annually. Of those, the majority were located in the communities (versus townships), and 78% were located in Chanhassen, Chaska, Victoria, and Waconia.

TABLE 25
ACTIVE SINGLE-FAMILY HOUSING DEVELOPMENTS
CARVER COUNTY
January 2014

	Avg. Home Starts (2006 -2014)*	Total Lots	Total Hsg. Inv.	Vacant Dev. Lots	Future Lots	Est. Mos. VDL Supply	Estimated New Home Prices^ <$325K	$325 -$525K	$525K+	Estimated Average Price^
Cities										
Carver	29	115	23	68	24	29	25%	70%	5%	$307,890
Chanhassen	87	479	77	118	284	9	0%	80%	20%	$385,179
Chaska	68	671	56	256	359	25	5%	75%	20%	$371,951
Cologne	5	1,456	7	100	1,349	50	50%	50%	0%	$272,822
Mayer	15	0	0	n/a	n/a	n/a	45%	55%	0%	$330,000
New Germany	1	0	0	0	0	n/a	100%	0%	0%	$220,000
Norwood Young America	5	39	0	39	0	n/a	50%	50%	0%	$250,000
Victoria	64	502	61	106	335	13	0%	50%	50%	$384,893
Waconia	61	481	39	144	298	18	15%	65%	20%	$285,302
Watertown	6	385	0	385	n/a	n/a	30%	55%	15%	$300,000
Townships	16	0	0	0	0	0	--	--	--	--
Carver County Total	**357**	**4,128**	**263**	**1,216**	**2,649**	**21**	**32%**	**55%**	**13%**	**$310,804**

* Home starts are an average of permits issued from 2006 through 2013
^ Estimates are for 2013 and are based on an inventory of active subdivisions (See Table D-3).

Source: Maxfield Research Inc.

- There were 55 actively marketing single-family subdivisions in the County. These subdivisions vary and market activity for subdivisions located in western Carver County slowed considerably during the Recession. New single-family subdivision activity is occurring again primarily in Chanhassen, Chaska, Victoria and Waconia, although we anticipate that Carver city will begin to attract much more development this decade.

- The estimated average price for newly-constructed single-family homes in the County was $310,804 in 2014. This is substantially lower than in 2006, when the estimated average price for new construction was above $500,000. Based on new construction housing data as of 2014, we estimate 32% of all newly-constructed single-family homes are priced below $325,000. About 13% of new single-family homes are priced above $525,000.

- Overall, the largest supply of new modestly priced single-family homes is located in the smaller communities and western Carver County. No new homes in Chanhassen or Victoria are currently modestly-priced.

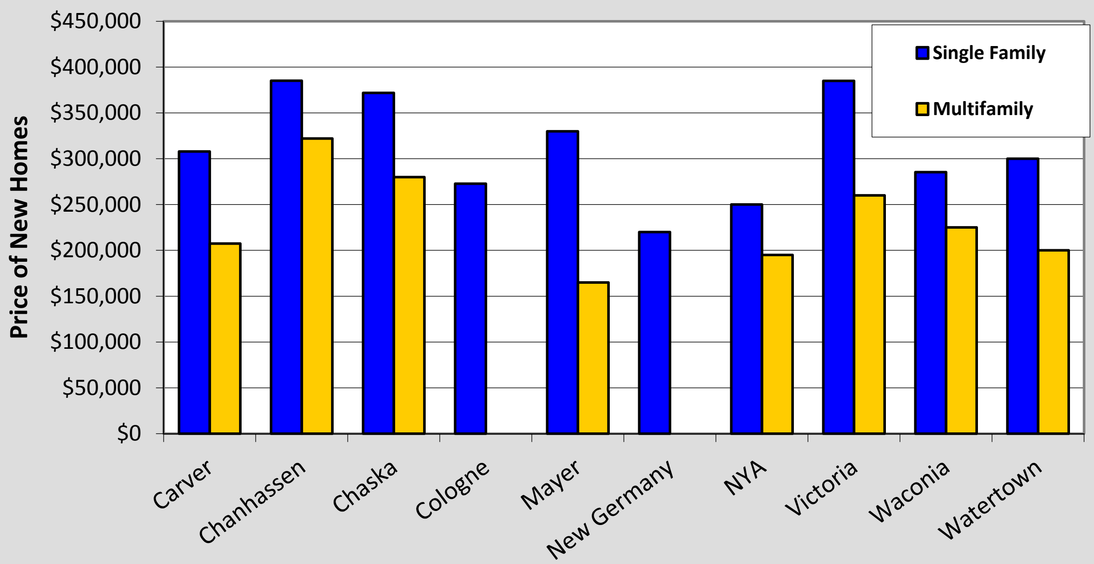
- Pricing for new single-family homes dropped considerably since 2006 and in some communities by as much as $100,000. Some of the decrease in new home construction was a result of lower land costs due to land foreclosures. New single-family homes in Chanhassen and Victoria are targeted primarily toward move-up buyers. Current average home prices in Chanhassen and Victoria are starting in the $350,000 to $380,000 range. This is quite different from 2006 when average pricing in these communities was about $500,000 and above.

- The average price of new homes in Chaska is about $370,000. This compares to an average price of $513,400 as of the end of 2006. Currently, Chevalle, a large subdivision continues to build out.

- As mentioned previously, lower single-family prices are largely related to lower land costs due to foreclosures. Average lot costs for homes in Chanhassen and Chaska is approximately $120,000 to $150,000 per lot. Lot prices are lower in western Carver County.

- Chart 21 highlights the average price for new single-family and multifamily homes by community in Carver County. Prices in Chanhassen, Chaska, and Victoria are much higher than in the smaller communities, which is largely a reflection of their closer proximity to the core of the Twin Cities. This fact is highlighted in Map 6.

**Chart 21: Estimated Average Pricing of New Housing
Carver County Communities, 2013**



Sources: MetroStudy; Maxfield Research Inc.

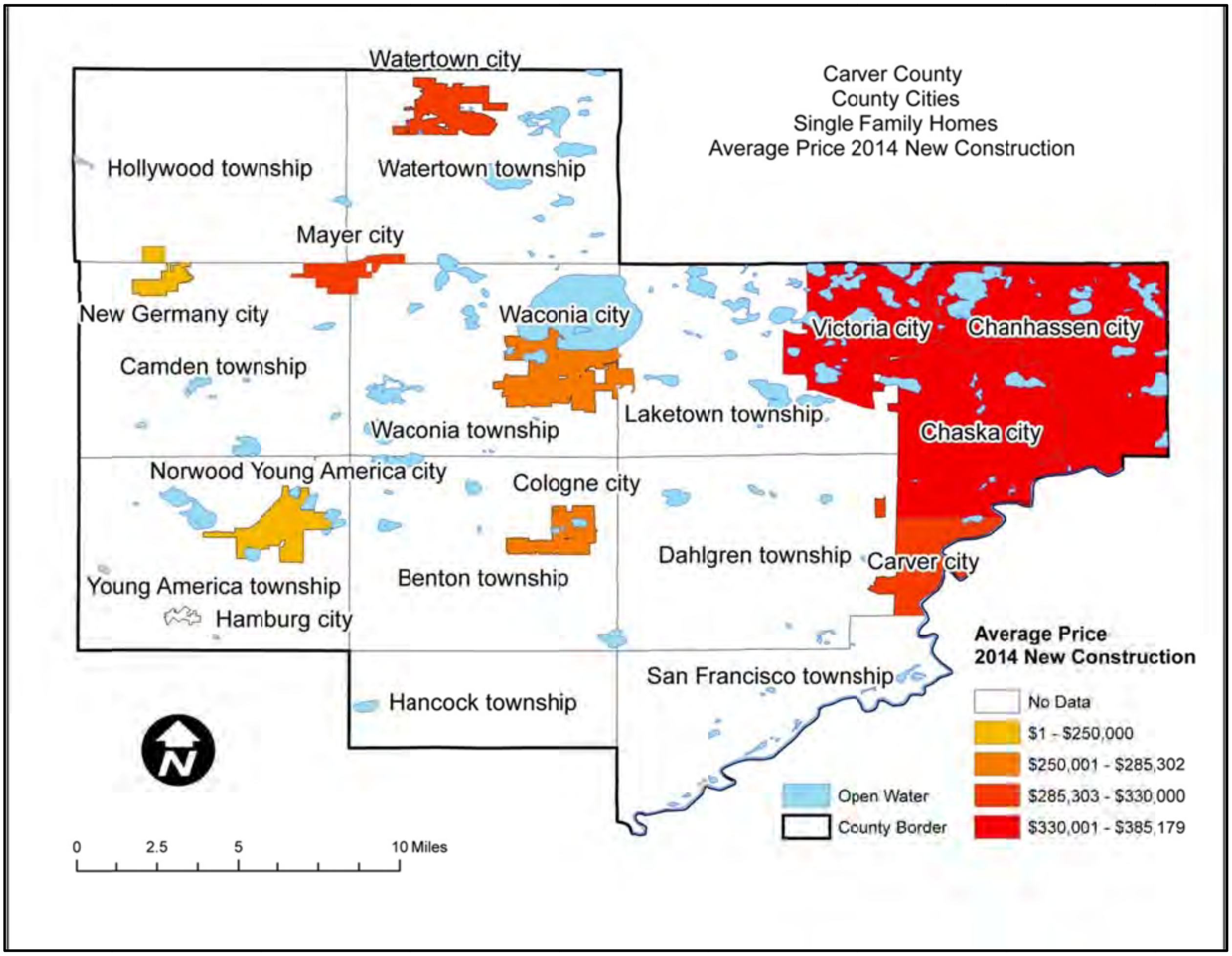
- Pricing for new single-family homes generally deceases from east to west across Carver County. However, pricing of new single-family in Carver County has decreased across the Board, in the east as well as in the west. While growth continues to push west further out along Highway 212 and Highway 5, the difference in pricing has compressed to about $100,000 difference versus $300,000 difference that was occurring back in 2006.

- Many buyers in Carver County's western communities are households who work in Chanhassen, Chaska, and other south and western Hennepin County suburbs and want a new single-family home but are looking for more moderate price points.

- Table 25 shows that the inventoried subdivisions have approximately 4,125 single-family platted lots, of which about 1,216 remain available. This figure includes only platted lots that are ready for development in the surveyed subdivisions and not lots in future phases/additions of the subdivisions, although figures are shown for lots that would be developed in future components. Overall, there are an estimated 2,649 future lots in the subdivisions

- A three-year lot supply is an industry standard to allow for adequate consumer choice but not prolonged developer carrying costs. Using the County's average annual housing starts of 357 homes since 2006, there is a currently supply of only 3.4 years for developed lots.

Map 9-Average Price Distribution of New Single-Family Homes, 2014



- More importantly, various communities may have higher lot supplies and other communities have lower lot supplies. For example, Cologne's lot supply is much greater than that of Chanhassen or Chaska because their annual lot absorption is much lower. It is important to consider the potential lot absorption rate for each community in order to maintain an adequate lot supply across the entire County. We have recently seen available lot supplies drop quite rapidly and new plats are now in the approval process for most of the larger communities.

Multifamily New Construction

- Table 26 shows that between 2006 and 2013, Carver County averaged about 159 newly-constructed multifamily units per year. Most of these units were located in the larger cities of Chanhassen, Chaska, and Waconia.

- During the first half of the 2000s, Chaska led the County in townhome and condominium development, with an average of 250 units per year. The development of multifamily owned units decreased considerably with the overall deflation in housing prices. For the period from 2006 through 2013, communities with the highest average number of multifamily owned units constructed include Chanhassen (54), Chaska (31), Waconia (29) and Carver (20).

- Demand for multifamily owned housing tends to be greater in communities where there are higher employment concentrations and where single-family homes are more expensive.

TABLE 26
ACTIVE MULTIFAMILY HOUSING DEVELOPMENTS
CARVER COUNTY
January 2014

	Avg. Home Starts (2006 -2014)*	Total Units	Total Hsg. Inv.	Vacant Dev. Lots	Future Lots	Mos. Of Supply VDL	New Home Prices <$225K	$225 -$325K	$325K+	Estimated Average Price^
Cities										
Carver	20	27	0	27	0	18	60%	40%	0%	$207,450
Chanhassen	54	185	19	10	156	12	60%	40%	0%	$322,076
Chaska	31	168	1	2	165	4	30%	70%	0%	$280,000
Cologne	0	543	0	20	523	12	70%	30%	0%	$180,000
Mayer	2	34	0	34	0	31	80%	20%	0%	$164,990
Norwood Young America	6	0	0	0	0	0	95%	5%	0%	$195,000
Victoria	13	22	22	0	0	0	10%	60%	30%	$260,000
Waconia	29	296	7	37	252	36	80%	20%	0%	$225,000
Watertown	4	0	0	0	0	0	0%	0%	0%	$200,000
Townships	None									
Carver County Total	**159**	**1,275**	**96**	**258**	**2,451**	**13**	**65%**	**30%**	**5%**	**$226,057**

* Home starts are an average of permits issued from 2006 through 2013
^ Estimates are for 2013 and are based on an inventory of active subdivisions (See Table D-4).

Source: Maxfield Research Inc.

- Most newly constructed for-sale housing built in Carver County that is affordable to moderate-income buyers is multifamily housing. The estimated average price of new multifamily units in Carver County was $225,000 in 2006 and has remained roughly the same over the past seven years. The average price of new single-family homes however, has decreased to $310,800, about $200,000 lower than back in 2006.

- Almost all of the for-sale multifamily units being developed in Carver County are townhome units. Apartment-style condominium buildings are currently proposed in Chaska (Ridge at Chaska (54 units) and at Shepards Cove (80 units and 85 units in two buildings). Power's Ridge still has one remaining building to be constructed (83 units), but timing of that building is uncertain. Since the market for condominium units has generally been flat, it is likely that these planned future buildings will be delayed until the market improves for this type of product, most likely later this decade.

- The average price of new for-sale multifamily units in Carver County ranged from a low of $165,000 to a high of $322,000 as of the beginning of 2014.

- Generally, new townhome developments in Carver County (and metro wide) are either two-story units or one-level units. Most recently, there has been more builder interest in developing single-level units to appeal to empty-nesters and young seniors that want to sell their single-family homes and purchase a lower maintenance housing product. There has been very limited development of two-story townhomes primarily due to the greater affordability of single-family homes at this time. As the price of new single-family homes rises, we expect that more townhome product will be brought into the market.

Special Needs Housing

Introduction

This section of the report presents an analysis of the potential demand for various housing products for households that have special needs. This section considers households that may have additional challenges or barriers to finding suitable housing that meets their needs. This category considers several household groups where additional housing supports may be necessary either temporarily or long-term to increase the ability of households to live as independently as possible.

This section includes:

- a review of factors relating to homelessness and long-term homeless in Carver County,
- housing needs for those with physical or cognitive limitations,
- emergency housing and/or shelter needs for individuals and families that are victims of domestic violence or abuse,
- emergency housing and/or shelter needs for at-risk youth,
- housing needs for other segments of the population with special needs.

Homelessness in Carver County

As acknowledged in the Heading Home Plan for Scott and Carver Counties – 2010, Carver County has been experiencing an increased need in the County for what had been traditionally urban issues such as emergency shelter, services and long-term supports. At the same time as the need has increased, the resources available to address these challenges have decreased. Carver County has proportionally fewer housing and service providers and affordable housing stock, although the number of affordable units has increased modestly in the County since 2007. Household growth in Carver County has outpaced the ability of the resources to adequately serve the growing housing and support service needs of several segments of the population that have challenges in finding suitable affordable housing and may also require other supportive services in order to maintain an independent living situation.

Beginning in 2000, point in time counts and other surveys as conducted by the Wilder Foundation through their homeless survey were noted as unusually low. Local service providers in Carver County and Scott County and faith congregations that were regularly serving the homeless identified that many individuals and families were not being adequately counted or not counted at all through the Wilder Survey. Since that time, service providers have been able to obtain sporadic funding for housing and homeless assistance programming.

According to Heading Home Scott-Carver Counties, on any given day within these two counties, there are at least 31 adults and 32 children experiencing homelessness. However, as recent Point-in-Time counts for 2013 show, the numbers counted on that night in January 2013, far exceeded the numbers listed above for 2010.

Until just recently, there was no emergency shelter facility in either Scott or Carver County. In May 2014, Beacon Interfaith Collaborative, a non-profit service provider that focuses on offering temporary shelter and services to homeless individuals and families, worked with Scott and Carver Counties and faith congregations in the area to establish a central programming location from which to operate a facility and deliver programming to people that are homeless and are seeking a permanent shelter situation. Additional information on the Beacon Interfaith Program is provided later in this section.

One of the primary goals of the Heading Home Plan is to implement a program of homeless prevention to reduce the number of households who are at-risk of becoming homeless or those that could become homeless. Preventing initial homelessness through stabilizing and improving the household's living situation is likely to reduce the overall homeless needs in the Counties over time. Following are the primary goals of the Heading Home Plan:

1) Prevent Households from Experiencing Homelessness
2) Increase Housing Opportunities for Homeless and Low-Income Households in Scott and Carver Counties.
3) Provide Coordinated Outreach;
4) Improve Service Delivery

5) Increase Community Awareness and Involvement in Ending Homelessness.

Under Goal #2, specific numeric goals were identified to increase the available affordable housing in Scott-Carver Counties to address the need/demand for affordable housing among the target populations. These goals include the:

- Development of 120 units of affordable housing in Carver County;
- Development of 50 new supportive housing units in Carver County
- Creation of 35 new rental assistance subsidies without services in Carver County.

Since 2010, Carver County has added 144 units of affordable senior adult/few services rentals. A portion of these units (8 units total) are targeted to meet the needs of those that are formerly homeless and offer supportive services. There are also another four housing vouchers that are available for homeless Veterans. The CDA is working with Veteran' services to provide qualified Veterans with these vouchers.

The CDA currently has four transitional housing units located in two duplexes. These units do not offer on-site case management or supportive living services.

Homeless Counts

Point in Time Counts – Carver County

In January each year, communities across the Nation conduct a count of people that are observed on a single night as homeless. While these counts have provided a strong benchmark and consistency in the gathering of information, these counts do not typically identify those that are still homeless, but who do not meet the Federal guidelines of "homelessness" (i.e. those doubling up with friends and family) or those that are intermittently homeless.

According to the Heading Home-Scott Carver Counties, the definition of homelessness used to determine homeless status for the purposes of the Heading Home plan are:

Definition of Homeless:

"A person living in a location not mean for human habitation, a person in temporary shelter or housing or a person doubling up."

Definition of Long-Term or Chronic Homeless:

"Those people that have been homeless at least three times in the last four years or those that have been continuously homeless for the last year."

In Scott and Carver Counties, couch-hopping or doubling up is a frequent situation among the area's homeless population. The challenge with this situation is that it is often difficult to identify the total number of people that are in this type of temporary housing situation at any given time.

A point-in-time study conducted on January 23, 2013 found that 123 households in Scott and Carver Counties combined were homeless. The count identified 73 households without children and 50 households with children. Of the 50 households with children, 78 were adults and 91 were children for a total of 169 people. At this time, Beacon Interfaith Collaborative, which recently opened a shelter in May 2014 in Prior Lake, has the capacity to house a maximum of four families that are homeless and in need of shelter.

Table 27 shows the 2014 point-in-time counts for January 22, 2014. The numbers of homeless persons were reported using a common information form created in Scott/Carver Counties and implemented on the specific day. In cases where the service provider was not directly seeing clients that day, the provider was asked to retroactively review case files that day, within seven days following. Phone intakes were also used. A de-duplication technique was used to ensure that persons were not counted twice. Scott/Carver Counties asked for first name, last initial. Due to privacy or logistics issues, not all names were recorded.

Scott/Carver Counties also gathered information about persons doubling up, couch-hopping or self-paying in motels.

For the McKinney Vento Continuum of Care, HUD considers persons homeless only if residing in an emergency or transitional shelter, on the streets, in a car or in a place not fit for human habitation. For McKinney-Vento funded homeless school programs, HUD's definition also considers the homeless who are doubled up or self-paying in motels.

Data collection methods have historically shifted during count periods. Data is collected primarily for use in the HUD Continuum of Care application and for countywide homeless service planning. Methods may differ somewhat among Metro and Minnesota counties.

Assessing unaccompanied youth under age 18 and young adults is especially challenging; in suburban areas, they tend to be couch-hopping and thus, difficult to count.

Findings:

The PIT data reveals that for households without children, most homeless tend to be older than 25 with a history of mental illness or some type of chronic disease or illness. Fourteen percent of households without children were identified as chronically homeless while 13% were considered not chronic of those that are long-term homeless. The night of the count, the highest proportion of those homeless either had paid for a hotel stay on their own our were doubled up with others (43% of households without children and 83% of households with children).

For households with children, some of the findings were similar including majority of heads of household over age 25. Higher percentages of households without children identified that they were victims of domestic violence, or suffer from substance abuse or mental illness. Almost equal proportions were working full-time (14% of households without children versus 16% of households with children). About 12 percent of household without children were listed as working part-time compared with 5% of households with children. In addition, Prior Lake/Savage Area schools noted 18 students from 15 families as homeless. PIT findings from 2013 show a similar number of people reported as homeless in Scott/Carver Counties.

TABLE 27
COC POINT IN TIME COUNT
SCOTT/CARVER COUNTIES
January 22, 2014

	2014			2014	
HOUSEHOLDS W/O CHILDREN	**No.**	**Pct.**	**HOUSEHOLDS W/CHILDREN**	**No.**	**Pct.**
Households	70		Families	32	
Individuals	84		Adults	50	
17 and under living on their own	2	2%	Children 0-17 living with familiy	75	
18-24	13	16%	18-24	11	10%
26-61	59	71%	25-61	39	34%
62+	2	2%	62+	0	0%
Unknown/Refused	2	2%	Unknown/Refused	0	0%
Veteran	5	6%	Veteran	0	0%
Mental Illness	17	20%	Mental Illness	4	3%
Chronic Substance Abuse	16	19%	Chronic Substance Abuse	2	2%
Victim of Domestic Violence	5	6%	Victim of Domestic Violence	5	4%
Persisten or Chronic Disease/Disability	9	11%	Persisten or Chronic Disease/Disability	5	4%
Stroke, Brain Injury, TBI	2	2%	Stroke, Brain Injury, TBI	1	1%
EMPLOYMENT			EMPLOYMENT		
Full-Time	12	14%	Full-Time	18	16%
Part-Time	10	12%	Part-Time	6	5%
CHRONIC			CHRONIC		
Chronic Homelessness	12	14%	Chronic Homelessness	5	11%
Not Chronic	11	13%	Not Chronic	22	47%
SLEPT THE NIGHT OF 1/22/14			SLEPT THE NIGHT OF 1/22/14		
Double up with others	15	18%	Double up with others	16	42%
Emergency Shelters	0	0%	Emergency Shelters	0	0%
Unsheltered	11	14%	Unsheltered	0	0%
Transitional Housing	6	7%	Transitional Housing	8	24%
Hotel Paid by Household	21	25%	Hotel Paid by Household	5	28%
Hotel Paid by Agency	3	3%	Hotel Paid by Agency	3	4%
Utilities Shut Off	0	0%	Utilities Shut Off	1	2%
Vehicle	6	7%	Vehicle	0	0%
Unknown	2	2%	Unknown	0	0%
Observed as homeless, but not interviewed	20	24%	Observed as homeless, but not interviewed	0	0%

Notes: Carver County Jail reported 12 people in jail that had nowhere to go upon release. They are from the following locations: 4 Carver Cty., 1 Scott Cty, 2 McCleod Cty., 2 Hennepin Cty., 1 Yellow Medicine Cty., 1 North Dakota, 1 Wisconsin
Prior Lake-Savage Area Schools reported 18 students listed as homeless from 15 families.

39 unsheltered individuals were counted in total; 11 unsheltered 2 unknown locations but confirmed homeless, 6 in vehicles, 19 observed as homeless but not interviewed; (20 observed total, but one was observed as doubled-up)

Sources: Carver County Public and Support Agencies; Maxfield Research Inc.

Other Demographic Characteristics

The Wilder Foundation completes a significant assessment of homeless conditions in Minnesota every three years. The most recent data is from the 2012 report with statistics stated as of October 25, 2012. The information is reported by sector and by counties for the Twin Cities Metropolitan Area. Scott and Carver Counties are combined for reporting purposes. A survey was conducted with homeless persons that were interviewed for the survey by providers. Because Scott and Carver Counties do not have emergency shelters, service providers at transitional housing properties and those that provide services to individuals and families that may be homeless completed these surveys with their clients. The following summarizes key points regarding the information collected.

According to the Wilder Foundation's Homeless survey for Scott/Carver Counties, a total of 101 people were identified as homeless as of October 25, 2012. Of those identified as homeless, half were individuals and half were families. Most were women-headed households of those that had children with them. Of those in Scott/Carver Counties that were homeless, 74 were minors and adults and 27 were children accompanied by their adult parents. About 26% of the homeless identified through this survey were minor children. We note however, that at times, adults that are homeless may have children that are not with them for various reasons. Some programs and shelters do not allow children to be with the parent or the children may have been placed in foster care temporarily while the parent is homeless. Children experiencing homelessness can experience profound emotional impacts.

There is some indication through discussions and materials and surveys completed through collaboration with various agencies in Scott and Carver Counties, that these figures are significantly under-counted with respect to the number of homeless that exist in the area. Again, the survey was conducted with individuals that meet the "Federal" definition of homeless which is more limiting than the State's definition and excludes people that would otherwise be classified as "homeless." The counts are reported by housing providers, but Scott and Carver Counties have few designated housing spaces that specifically house the homeless or at-risk of becoming homeless. Therefore, this is a high probability that the Wilder counts are under-representing the number of homeless in Carver and Scott Counties.

Stock of Affordable Housing

As of 2007, the Maxfield Comprehensive Housing Needs Assessment identified 1,226 units of affordable housing in Carver County including senior and non-senior and shallow-subsidy and deep-subsidy, but excluding scattered site. As of 2014, we identified a total of 1,339 affordable housing units in Carver County, an increase of 113 units over the seven-year period or 9.2 percent. There are another 50 scattered site public housing units that also add to the affordable inventory. Despite the increase in affordable units, the need/demand for affordable housing has risen more rapidly than the inventory, resulting in vacancy rates for affordable units that remain well below the market equilibrium vacancy rate of 5%. Of the total, 700 units are designated as affordable for all ages and 639 are affordable for those ages 55 or older or low-income households under age 55 with specific physical or cognitive limitations.

In addition to these units, 161 households in Carver County are currently being served through the Housing Choice Voucher program. These households have incomes at or below 50% of the Household Area Median Family Income (HAMFI) which in 2014 is an income of $41,450 for a family of four persons. The wait list for Housing Choice Vouchers in Carver County is an estimated seven to nine years and the wait list has been closed since 2007.

Income limits by household size for households with incomes at or below 50% of the HAMFI as of 2014 are:

1PP	**$29,050**
2PP	**$33,200**
3PP	**$37,350**
4PP	**$41,150**
5PP	**$44,800**
6PP	**$48,100**

According to the Wilder Statewide survey of Homelessness, the median rent for a two-bedroom unit in the Twin Cities is $904 while the median monthly income of those that are homeless is $562 per month. This demonstrates the significant need for affordable housing as a way to prevent and/or reduce homelessness in the community.

In March 2009, the Scott Carver Housing Collaborative conducted a survey of 1,000 households among their two counties. Survey providers included transitional and permanent supportive housing providers, domestic violence provider, youth provider, faith community, local schools, Veteran's Service Officers, CDAs, CAP agency, and police. The findings of the survey revealed that of the 1,000 households that met Minnesota's definition of homeless:

- 152 (15.2%) were couch-hopping
- 101 (10.1%) were living in places not meant for human habitation such as cars, parks, abandoned buildings, etc.
- 41 (4.1%) were residing in a homeless shelter,
- 137 (13.7%) faced imminent eviction with no subsequent residence identified and no supportive housing network to find suitable housing and
- 591 (59.1%) were unable to access affordable housing according to their household size and maximum income limit.

These figures demonstrate that the availability of affordable housing is one of the key lynchpins underlying the ability to provide stable housing situations for households that may be at-risk of becoming homeless because of being severely cost-burdened (more than 50% of their income for housing costs) or because of other types of personal or physical situations which create barriers to finding affordable housing in the traditional housing market.

According to the survey, 1,225 households received some form of assistance and another 1,265 households were turned away. Outcomes for these two groups are shown below.

Received Some form of Assistance

Single Parent Families (head of household age 22 or older)	511
Single Parent Families (head of household age 21 or younger)	65
Two-Parent Families (head of household age 22 or older)	384
Two-Parent Families (head of household age 21 or younger)	53
Adult Household with No Dependent Children	132
Unaccompanied Youth (age 21 or younger)	80
Total	1,225

Were Turned Away due to Lack of Funds

Housing Instability	1,029
Homeless	236
Total	1,265

Existing Resources

In 2011, a group of community leaders in Scott/Carver Counties began meeting to try to solve the problem of homelessness in their counties. The committee they formed –comprised of public officials, business leaders, faith leaders and community leaders had been working with other volunteers to establish a congregational-based shelter program. In 2013, this group joined with Beacon Interfaith Housing Collaborative because of their significant experience in operating and managing congregational based shelter programs in the Twin Cities Metro Area.

Beacon Collaborative opened their doors in Prior Lake in May 2014. The program is expected to achieve the following first year goals:

- Involve at least 13 congregations and include at least 75 to 100 volunteers annually;
- Serve 25 families annually;
- Maintain an average length of stay of less than 60 days;
- Assist at least 65% of families in the program to move into stable housing upon exiting the program;

Beacon Collaborative has a long standing background of assisting homeless individuals and families in securing stable housing. Beacon Collaborative is a non-profit organization that relies on donations and outside funding for its operations. Overnight shelter and food are donated by each congregation in the program and volunteers donate their time and energy to ensuring that families and individuals are provided for in the evening and overnight hours.

Although the opening of Families Moving Forward Southwest adds a critical resource to the mix of providing for households with a housing crisis, serving 25 households annually between all of Carver County and all of Scott County is very limited. Twenty-Five Households is less than one-tenth of one percent of Carver County's estimated household base as of 2014. With the estimated need for emergency shelter beds at almost ten times this number on any given night, this resource will hardly make a dent in the needs that exist in the County.

Tables 28 and 29 show a listing of resources in Carver County to address the needs of those that are in housing crisis, lack stable housing and or need some type of housing assistance. The first category identifies the ability of local agencies to provide motel vouchers to households that are in housing crisis, but vouchers are not intended to serve as stable housing and are only intended as a temporary situation until long-term stable housing can be located. The second category provides a listing of existing shelter/safe homes for households in crisis.

TABLE 28
EXISTING RESOURCES TO ADDRESS HOMELESS AND AT-RISK HOUSEHOLDS
CARVER COUNTY

Existing Resources	Criteria	Approximate No./Amt.	Duration
Motel Vouchers			
Cap Agency*	Based on need and availability	**45 Households annually**	34 nights (one HH can use 1-6 nights) 30 families for 1 wk 4 families for 1 mo.
Police	Officer discretion/stranded	**11 households annually**	One night or weekend
Carver County Sheriff's Office	Officer discretion/stranded	**2 households annually**	One night or weekend
Salvation Army*	Emergency situation and a plan for how long household needs to reside in a hotel before obtaining other housing.	**11 households annually**	1-7 nights
County Social Services Carver	Family with dependent children or vunerable adult; based on imminent need and have exhausted all other resources; families are asked to sign a promissory note to repay costs.	**6 households annually**	1-3 nights; on occasion
County Veteran Services Officers	Open to Veterans only; Must be a Carver County resident for 30 days	**1 household annually**	1-30 nights
Total Motel Vouchers (annually)		**76 households annually (some duplication between Scott-Carver)**	
Existing Shelter/Safe Home			
Southern Valley Alliance Safe homes for women and children in various locations because of domestic abuse	Women and children who are homeless due to domestic violence.	**12 units**	Not to exceed three days Refer on to shelters for domestic violence
Virginia Place	Adults (18+) with mental health diagnosis in Carver County. Must be open to case management or crisis mental health.	**1 unit**	Not to exceed 1 month stay.
Beacon Interfaith Outreach*	Families with children must be willing to seek permanent hsg.	**25 households annually; capacity is four families**	Temporary shelter; avg. stay - 60 days
Total Existing Emergency Shelter/Safe House Units in Carver County		**13 units/25 households annually**	
*** Agency serves Carver and Scott Counties**			
Sources: Heading-Home Scott Carver; Maxfield Research Inc.			

As shown on Table 28, approximately 76 households annually are served by motel vouchers as there is no emergency shelter facility in Carver County. Families Moving Forward SW has a capacity for only four families at any given night of the week. Although motel vouchers can assist households temporarily for one night or up to two or three nights, for households with severe housing problems, the motel voucher system may not be able to bridge them over into a stabilized housing situation. Although other counties have used motel vouchers when existing emergency shelters are full to capacity, the emergency shelter can also provide a safe environment in which to be able to access other needed services to obtain a permanent shelter situation for an individual or family.

Table 29 shows a listing of existing transitional housing and existing permanent supportive housing in Carver County. A few of the resources may have some counts that overlap with Scott County although efforts were made to adequately separate resources available to Carver County residents from those for Scott County residents.

TABLE 29
EXISTING RESOURCES TO ADDRESS HOMELESS AND AT-RISK HOUSEHOLDS
CARVER COUNTY

Existing Resources	Criteria	Approximate No./Amt.	Duration
Existing Transitional Housing			
Scott-Carver Dakota CAP Agency*	Chosen from homeless and rental voucher waiting lists	**10 units** for families with children scattered sites.	Not to exceed 24 months
Carver County CDA	Referrals from First Street Center or New Beginnings	**4 units (**scattered sites)	Not to exceed 24 months
Safe Haven*	Homeless Youth and young adults	**12 units** at two homes in Burnsville also serves Dakota County youth	Not to exceed 24 months.
Launch Ministries	Single men (18-25) homeless or at-risk of becoming homeless	**6 beds** for single young men 18-25 yrs.	Seeking to add more beds
Total Existing Transitional Housing Units in Carver County		**32 units/beds**	
Existing Permanent Supportive Housing			
Carver County CDA	Shelter+Care program for households who are disabled or homeless	**10 units** for singles and families	
Safe Haven for Youth-Welcome* Center	Homeless youth(ages 16-22) who are disabled; 3 units-HUD homeless 1 unit for HUD chronically homeless	**5 efficiency** units for youth	
Scott and Carver County Mental Health Intitiatives	Adult household member with a serious persistent mental illness working w/ a county case manager. Homeless or rent burdened.	**19 units** for single-adults and families	
Bridges	Homeless persons with serious and persistent mental illness	**12 units** for single adults and families all Bridges programs	Designed to fill gap when waiting for HC Voucher
Coverfield Marketplace	Persons experiencing or at-risk of experiencing long-term homelessness	**6 units** for single adults and families	
The Landing	Persons experiencing or at-risk of experiencing long-term homelessness	**4 units** for single adults	Restricted to HHs age 62+ HUD 202 program
Metro Long-Term Homeless Project	Persons experiencing or at-risk of experiencing long-term homelessness	**3 units** for single adults and families	
HTF	Persons experiencing or at-risk of experiencing long-term homelessness	**14 units** for singles and families includes regular HTF and Re-Entry HTF	
PBV	Veterans experiencing or at-risk of experiencing long-term homelessness	**3 units** for Veterans	
Carver County CDA	Only for Carver County households Verification of disability, homeless or near homeless, go on waiting list	**17 vouchers** for single adults and families	
Total Existing Permanent Supportive Housing		**93 units/beds**	
*** Agency/Program serves Carver and Scott Counties**			
Sources: Heading Home Scott-Carver; Maxfield Research Inc.			

TABLE 29
EXISTING RESOURCES TO ADDRESS HOMELESS AND AT-RISK HOUSEHOLDS
CARVER COUNTY
(continued)

Existing Resources	Criteria	Approximate No./Amt.	Duration
Homeless Prevention and Gap Services			
Scott-Carver Dakota CAP Agency* Family Homeless Prevention and Assistance Program	Evidence of need, resolvable crisis. Priority given to Veterans and victims of domestic violence	27 households assisted per year	One time assistance for up to two months (six mos for Veterans)
Scott-Carver Dakota CAP Agency* Energy Assistance	Evidence of need, resolvable crisis.	1,500 households assisted per year	One time assistance for up to three months
Scott Carver Dakota Cap Agency* HPRP	Evidence of need, resolvable crisis.	41 households assisted per year	One time assistance for up to 18 months
Scott Carver Dakota Cap Agency* FEMA-Phase 27	Evidence of need, resolvable crisis.	65 households assisted per year	One time assistance for up to one month
Scott County Dakota CAP Agency* FEMA ARRA	Evidence of need, resolvable crisis.	130 households assisted per year (only available through 12/09)	One time assistance for up to one month
Safehaven for Youth- Family* Homeless Prevention and Assistance Program	Evidence of need, resolvable crisis.	66 households assisted per year	One time assistance for up to six months
Savehaven for Youth-HPRP*	Evidence of need, resolvable crisis.	17 households assisted per year	One time assistance for up to 18 months
Love Inc.	Eastern Carver County residents only	400 households assisted per year	Varies based on need
Launch Ministries	Carver County youth 18 to 25	50 individuals (18-25 men focus)	Provide programming, mentoring, youth drop-in
People Reaching out to People (PROP)-Chanhassen Area	Chanhassen Residents Only. Ability to sustain their current rent with the short-term support and or a plan to move to a more affordable units.	35 households assisted per year	Up to 2 months assistance
Homeless Prevention and Gap Services		**2,151 households assisted annually (excludes Fema AARA)**	
*** Agencies serve Carver and Scott Counties and sometimes other jurisdictions**			
Sources: Heading Home Scott-Carver County; Maxfield Research Inc.			

The development of Cloverfield Marketplace and The Landing in Chaska resulted in the addition of ten units that are available for households that were formerly homeless. Units at The Landing are for single adults and units at Cloverfield Marketplace include units for single adults and families. Four units are also available at Creek's Run Townhomes for families that were formerly homeless. Fifteen vouchers are also available through the CDA for single adults and families that are homeless or at-risk of becoming homeless. Launch Ministries has six beds of transitional housing to serve young single men ages 18 to 25, which is located in Chaska. Launch Ministries also just recently started a youth drop-in center to serve homeless youth and youth at-risk. At any given time, Launch Ministries is actively serving 20 to 25 youth through its programs which number is expected to increase in the near future.

Additional homeless prevention and gap services identified another 2,151 households (Scott and Carver Counties) that are assisted annually with various types of housing stabilization programs including Energy Assistance, Homeless Prevention Program, People Reaching Out to People, and several others. Although these programs provide needed prevention and assistance to households in crisis, most of these programs offer assistance to households on a one-time basis for up to three to 18 months. If the household has other types of support needs or is chronically homeless, one time support assistance may not go far enough to assist households to locate a stable permanent supportive housing situation depending on their needs.

If households have other barriers to finding suitable housing, such as severe and persistent mental illness, chronic substance abuse, felony convictions, or other barriers, finding safe and stable housing and/or housing with appropriate support services may be very challenging.

For youth-in-crisis, housing units available are generally far away from Carver County in Burnsville and may be far away from other support services or a support network that is needed by the young person.

Providing housing that has appropriate and sufficient access to public transportation or public transit can be critical in stabilizing a household's living situation. Accessing needed employment also can be high on the list of priorities in order to establish and create stable living situations and the ability of the household to secure housing that is affordable and meets their needs.

Most housing designated for special needs will require income limits set at 30% or less or 50% or less of median income. Housing resources for these types of units are limited and as noted previously households on the Housing Voucher wait list will wait a significant length of time before being able to access a voucher. We understand that there are some priorities that can be established for households that are in crisis situations or have physical or cognitive limitations that place them higher on the priority list to receive a voucher once it becomes available. This can help to reduce some of the barriers to obtaining suitable and affordable housing.

Open Hands Ministry through Westwood Church is currently working on renovating a home (Hope House) on their campus to assist homeless youth in Carver County, ages 16 to 18. The home was originally scheduled to come on-line earlier, but some delays have pushed the timing back. We anticipate that this property will be placed in service sometime in 2015.

Carver County CDA is currently working on a grant application to receive funding for young families where the head of household is between the ages of 18 and 24. The program is a pilot program that would provide a two-year housing and program subsidy to young families through the New Beginnings program. Young families would be able to access support services to increase their employment, life and parenting skills while in the program. The goal is to increase households' self-sufficiency.

Housing Priorities

In considering the potential needs for housing in Carver County that would be designated to households with special needs, we identify the following priorities:

- An emergency shelter with a capacity of up to 30 people to provide shelter to those that find themselves in a housing crisis situation. The emergency shelter should have separate spaces for families and single adults. Case management and other support services should be available on-site to households so that they can access programs available to them in order to find a permanent housing situation.

- Additional transitional housing of ten to 15 units for households that may require a stay of up to three to six months for various reasons. Again some units should be designated for families (i.e. single-parents) and some for single adults.

- Work with local providers to continue to incorporate units into the community for long-term homeless and for households that require permanent supportive housing for various reasons. These units could be mixed in with other affordable rental units depending on the need of the household and their ability to co-mingle with other populations. Case management for these households could be provided off-site or brought to the resident at their place of residence. We estimate a need for up to 20 of these units, but they would not be all located in one facility.

Conclusions and Recommendations

Introduction

This section of the report presents calculations of demand for various housing products in Carver County from 2014 to 2040, and provides recommendations for types of housing that could be supported in the short-term. The demand calculations and housing recommendations were made based on the analysis of data presented in this report, including demographic and employment growth trends and characteristics, housing stock characteristics, and housing market conditions.

This section includes:

- housing demand calculations from 2014 to 2020,
- housing demand calculations from 2020 to 2030,
- housing demand calculations from 2030 to 2040,
- overall housing recommendations for Carver County,
- a summary of demographic and housing characteristics and market conditions for each community, and
- housing recommendations for each community.

Demographic Profiles and Housing Demand

The demographic profiles in Carver County will affect housing demand and the types of housing that are needed. The various household types are:

1. *Entry-level householders*
   - Often prefer to rent basic, moderately-priced apartments, but those with higher incomes have gravitated to new rental construction with rents at the upper end of the rent spectrum
   - Usually singles or couples in their early to late 20s without children
   - Have previously been willing to “double-up” with roommates in apartment setting, but those with higher incomes are generally choosing to live alone
   - Generally prefer to locate in close proximity to work, entertainment opportunities and shopping
   - Less likely to commute substantial distances

2. *First-time homebuyers and move-up renters*
   - Often prefer to purchase moderately-priced single-family homes (existing) and/or new construction townhomes or rent more upscale apartments
   - Singles with no children or newly married or cohabiting couples, some with children, in their late 20's to mid-30s’
   - Seeing greater preferences for walkability, high-amenity locations, close proximity to public transit and more moderate size homes

3. *Move-up homebuyers*
   - Typically prefer to purchase newer, larger, single-family homes (move-up housing) priced above $300,000
   - Usually have equity from a prior home that is used to purchase a larger home
   - Typically families with children where householders are in their late 30's to late 40s

4. *Empty-nesters (people whose children have grown and left home) and never-nesters (persons who never have children)*
   - Prefer owning, but seeing an increase in those that will move to upscale rentals; an increasing proportion are interested in alternative, lower-maintenance housing products
   - Generally couples in their 50's or 60's
   - Seek opportunities for an active lifestyle

5. *Younger independent seniors*
   - Prefer owning but an increasing proportion will rent their housing
   - A growing interest in alternative lower-maintenance housing products
   - Higher income seniors relocate for 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 mid-60's to mid-70's

6. *Older seniors*
   - May need to move out of their existing residence due to physical and/or health constraints or a desire to reduce their responsibilities for upkeep and maintenance
   - Generally single females (widows) in their early 80’s or older

Demand for housing comes 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 needs is required, even in the absence of household growth, when existing units no longer meet the needs of the population and when renovation is not feasible because the structure is physically or functionally obsolete.

Because of the relatively young age of the County’s housing stock and the fact that redevelopment has not removed a significant number of homes from the market, demand for housing in Carver County will be driven almost exclusively by household growth. Between 2010 and 2020, Carver County is projected to add 12,300 households. Between 2020 and 2030, another 13,680 households are projected to be added and between 2030 and 2040, another 11,650 households are projected to be added. Since each household equates to an occupied housing unit, the County will need to support and encourage the development of approximately 37,634 housing units over the 30-year period. Accounting for the first portion of this decade between 2010 and 2014, we reduce the 30-year total by 2,557 units. Therefore, the total housing unit demand between 2014 and 2040 is projected at 35,077 housing units.

Rental Housing Demand

Tables 30, 31 and 32, show rental demand calculations for Carver County from 2014 to 2020, 2020 to 2030 and 2030 to 2040, respectively. The tables display demand for general-occupancy rental housing by “deep-subsidy” (affordable to households with incomes at or below 50% of median), “shallow-subsidy” (affordable to households with incomes between 50% and 80% of median), and market rate (80% of median or above). Senior housing is also displayed by deep- and shallow-subsidy and market rate by service level.

Demand calculations in Tables 30 to 32 are shown by community with the townships combined. To the degree that households are mobile and different market segments are willing to seek out various housing products in adjacent communities, or even outside the County, the demand figures in the Tables may experience fluctuations between jurisdictions.

The following are key points from Tables 30 to 32.

- Carver County is projected to add 12,800 households between 2010 and 2020. We estimate that demand is back-ended, meaning that a slightly higher proportion of demand will be generated between 2014 and 2020. This results in a potential need for 9,747 new housing units between now and 2020. If the County were to maintain the current proportion of rental housing in the County at 20%, development of 1,949 rental units would be required. Market demand is currently weighted more heavily toward rental than ownership housing, but as the economy improves, the for-sale housing market will continue to expand. Owner-occupied housing currently accounts for 80% of all households in the County with rental housing accounting for 20%.

- Despite a focus toward increasing the number of rental units across the County, development of for-sale housing is expected to outweigh the development of rental housing. Because of the high development costs for new market rate rental housing, much of the new rental housing developed is likely to be moderate-rent or workforce rentals. Because vacancy rates are very low at this time, 2.0% or less, depending on the housing product type considered (market rate, shallow-subsidy, deep subsidy), additional rental housing units could be developed in order to increase the vacancy rate in the market to a more balanced figure. A 5% vacancy rate indicates market equilibrium. In order to raise the vacancy rate to this level, at least another 200 units would have to become vacant in order to reach a 5% vacancy rate. Therefore, we add 200 units to the proposed addition of 1,949 units to reach a recommended addition of 2,149 rental units in Carver County between now and 2020. Additional rental units would be needed between 2020 and 2040 in order to satisfy demand from additional household growth during that period. The table below shows the potential need demand for rental units in Carver County at a 20% allocation of rental to owned housing units and at a 25% allocation. In the Twin Cities Metro Area, the overall allocation of rental units to owned housing units is about 30%. This proportion, Metro-wide has fluctuated slightly but has not changed significantly for the past 40 years.

	US Census		Suggested Rental Goals		
Renter Households	**2000**	**2010**	**2020**	**2030**	**2040**
Carver County	4,024	6,093	9,039	11,775	14,105
Percent Renter HHs	16.5%	18.6%	20.0%	20.0%	20.0%
Carver County	4,024	6,093	11,299	14,719	17,631
Percent Renter HHs	16.5%	18.6%	25.0%	25.0%	25.0%
Source: Maxfield Research Inc.					

- If the County were to push the proportion of rental units up to 25%, vacancy rates would be likely to increase in the short-term until the market had absorbed sufficient product to remain at the 25% level moving forward. Again, the challenge to reaching this percentage, primarily for market rate housing, is the current high development costs versus the achievable rental rates. If market rate rental housing could be delivered at lower cost, we believe that these proportions would gradually increase to meet demand.

- Overall, we project that an estimated 20% of the new housing units added will need to be rental to satisfy renter demand at all income levels. This is higher than the County's rental rate of 16.5% in 2010, but slightly lower than the percent of new renter households added during the 2000s (23.9%). A primary factor for the slight lowering of the rental rate is that we anticipate that a portion of households currently in the rental market could be expected to move into the for-sale market during the remainder of this decade, which should even out the proportions by 2020. The County continues to add a high volume of ownership housing (including single-family and townhomes) which places downward pressure on the overall rental percentage even with the development of higher amounts of rental housing.

- Based on the growth of younger and older age groups and current market conditions, we project that about 60% of the County's renter demand between 2014 and 2020 will be for general-occupancy units and the remainder will be for age-restricted (55+ or 62+) units. This equates to demand for 1,289 general-occupancy units and 860 senior rental units.

- Between 2014 and 2020, about 44% of the senior rental demand (404 units) and 50% of the general-occupancy rental demand (651 units) will be from low to moderate-income households who cannot afford market rents and therefore would need shallow-subsidy or deep-subsidy housing.

- Demand for market rate general-occupancy rental housing will be concentrated in the larger Carver County communities of Chanhassen, Chaska, Victoria, Carver and Waconia. Not only will these communities have larger numbers of young adults, those young adults will, on average, have higher incomes.

- In the 2007 Housing Needs Analysis, market rate senior housing was somewhat limited in the County. By 2014, senior housing had been added to the market at nearly all service levels resulting in more widespread acceptance of this product type. A few assisted living properties are currently experiencing higher vacancies, but independent living is experiencing strong demand. As of 2014, the County has 655 senior units, up from 229 in 2000, (+186%). Moving forward, we project demand for 908 units between 2014 and 2020, with demand focused on adult independent rental options (market rate/affordable). The proportion of seniors (age 65+) residing in market rate senior rental housing in 2014 is roughly 8.5%, up from 5% in 2000, but still less than a number of other cities in the Metro.

- Seniors from the smaller communities in the County, such as Hamburg and Mayer, will also need/desire senior housing. Demand in these cities however, may be too limited to support a development or may require a different housing model. Demand from seniors in the small cities will likely be met by developments in the larger cities, such as Chaska, Norwood Young America, Victoria, Waconia and Watertown.

Figure 3 below displays a summary of demand calculations for various rental products in Carver County from 2014 to 2020.

Figure 3
Carver County Rental Housing Demand Summary – 2014 to 2020

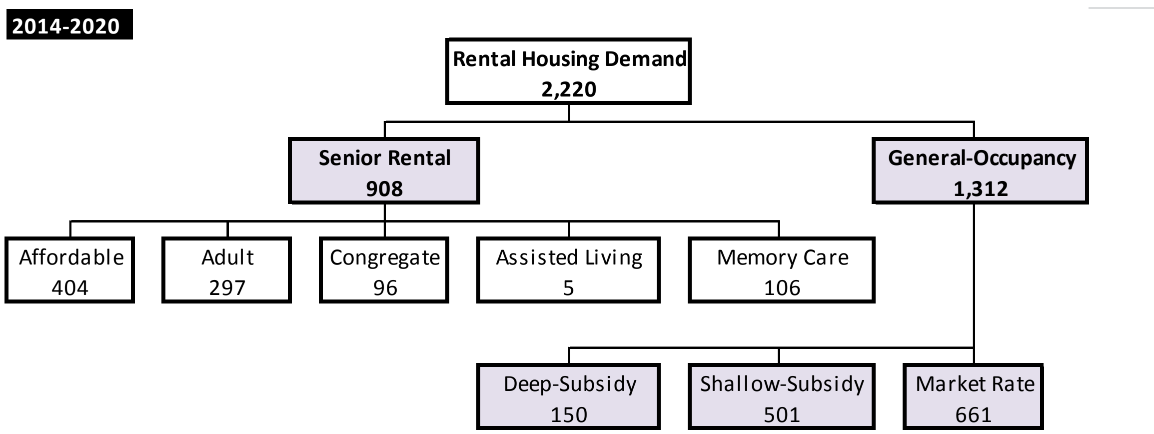


TABLE 30
DEMAND FOR ADDITONAL RENTAL HOUSING
CARVER COUNTY
2014 to 2020

	Carver	Chanhassen	Chaska	Cologne	Hamburg	Mayer	New Germany	Norwood Young America	Victoria	Waconia	Watertown	Townships	Carver County
Projected Household Growth	850	2,615	2,460	175	40	265	27	135	1,160	1,355	455	210	9,747
Estimated percent renters	17%	25%	32%	17%	15%	14%	37%	76%	16%	13%	20%	0%	23%
Total New Renters	**145**	**651**	**791**	**30**	**6**	**36**	**10**	**102**	**180**	**179**	**90**	**0**	**2,220**
Proportion General-Occupancy/Senior*	*75 / 25*	*58 / 42*	*64 / 36*	*67 / 33*	*100 / 0*	*100 / 0*	*100 / 0*	*44 / 56*	*42 / 58*	*56 / 44*	*56 / 44*	*0 / 0*	*59 / 41*
No. of Units (G-O/Senior)	90 / 55	375 / 276	505 / 286	20 / 10	6 / 0	36 / 0	10 / 0	45 / 57	75 / 105	100 / 79	50 / 40	0 / 0	1,312 / 908
General Occupancy													
Percent Subsidized	*67%*	*39%*	*50%*	*75%*	*100%*	*69%*	*100%*	*56%*	*33%*	*60%*	*50%*	--	*50%*
Shallow Subsidy (50-80% of Median)	50	100	200	10	6	20	5	20	20	50	20	0	501
Deep Subsidy (50% or less of Median)	10	45	55	5	0	5	5	5	5	10	5	0	150
Number (total)	60	145	255	15	6	25	10	25	25	60	25	0	651
Percent Market Rate	*33%*	*61%*	*50%*	*25%*	*0%*	*31%*	*0%*	*44%*	*67%*	*40%*	*50%*	--	*50%*
Number	30	230	250	5	0	11	0	20	50	40	25	0	661
Senior Rental Housing													
Percent Affordable Adult (Shallow/Deep Subsidy)	*55%*	*40%*	*42%*	*100%*	--	--	--	*44%*	*24%*	*68%*	*75%*	--	*44%*
Number	30	110	120	10	0	0	0	25	25	54	30	0	404
Percent Market Rate (excl. owned housing)	*45%*	*60%*	*58%*	*0%*	--	--	--	*56%*	*76%*	*32%*	*25%*	--	*56%*
Adult	25	100	80	0	0	0	0	7	50	25	10	0	297
Congregate	0	36	40	0	0	0	0	0	20	0	0	0	96
Assisted Living	0	5	0	0	0	0	0	0	0	0	0	0	5
Memory Care	0	25	46	0	0	0	0	25	10	0	0	0	106
Number (total)	25	166	166	0	0	0	0	32	80	25	10	0	504

Note: Demand figures already account for projects that have been approved and are scheduled to proceed with construction.
* Proportion is for new growth.
Source: Maxfield Research Inc.

TABLE 31
DEMAND FOR ADDITONAL RENTAL HOUSING
CARVER COUNTY
2020 to 2030

	Carver	Chanhassen	Chaska	Cologne	Hamburg	Mayer	New Germany	Norwood Young America	Victoria	Waconia	Watertown	Twps.	Crow Wing County
Projected Household Growth	2,480	2,280	3,055	575	60	220	215	1,155	1,165	1,630	765	80	13,680
Estimated percent renters	8%	24%	37%	18%	33%	15%	12%	25%	16%	16%	21%	0%	22%
Total New Renters	**205**	**550**	**1,125**	**101**	**20**	**33**	**25**	**288**	**182**	**254**	**161**	**0**	**2,944**
Proportion General-Occupancy/Senior*	*63 / 37*	*53 / 47*	*44 / 56*	*64 / 36*	*100 / 0*	*55 / 45*	*100 / 0*	*49 / 51*	*40 / 60*	*47 / 53*	*28 / 72*	*0 / 0*	*48 / 52*
No. of Units (G-O/Senior)	130 / 75	290 / 260	500 / 625	65 / 36	20 / 0	18 / 15	25 / 0	140 / 148	72 / 110	119 / 135	45 / 116	0 / 0	1,424 / 1,520
General Occupancy													
Percent Subsidized	*69%*	*28%*	*40%*	*62%*	*100%*	*100%*	*100%*	*50%*	*49%*	*55%*	*56%*	--	*47%*
Shallow Subsidy (50-80% of Median)	80	40	150	35	20	18	20	50	30	55	20	0	518
Deep Subsidy (50% of Median)	10	40	50	5	0	0	5	20	5	10	5	0	150
Number (total)	90	80	200	40	20	18	25	70	35	65	25	0	668
Percent Market Rate	*31%*	*72%*	*60%*	*38%*	*0%*	*0%*	*0%*	*50%*	*51%*	*45%*	*44%*	--	*53%*
Number	40	210	300	25	0	0	0	70	37	54	20	0	756
Senior Rental Housing													
Percent Affordable Adult	*40%*	*46%*	*48%*	*28%*	--	*0%*	--	*39%*	*36%*	*37%*	*26%*	--	*42%*
Number	30	120	300	10	0	0	0	58	40	50	30	0	638
Percent Market Rate (excl. owned housing)	*60%*	*54%*	*52%*	*72%*	--	*100%*	--	*61%*	*64%*	*63%*	*74%*	--	*58%*
Adult	25	50	*100*	10	0	0	0	25	0	45	26	0	281
Congregate	0	50	120	0	0	0	0	30	30	0	20	0	250
Assisted Living	10	20	60	10	0	10	0	20	20	20	20	0	190
Memory Care	10	20	45	6	0	5	0	15	20	20	20	0	161
Number (total)	45	140	325	26	0	15	0	90	70	85	86	0	882

* Proportion is for new growth

Source: Maxfield Research Inc.

TABLE 32
DEMAND FOR ADDITONAL RENTAL HOUSING
CARVER COUNTY
2030 to 2040

	Carver	Chanhassen	Chaska	Cologne	Hamburg	Mayer	New Germany	Norwood Young America	Victoria	Waconia	Watertown	Twps.	Carver County
Projected Household Growth	1,680	1,665	2,510	580	50	145	200	1,160	880	1,515	895	370	11,650
Estimated percent renters	18%	34%	32%	24%	40%	21%	13%	25%	33%	21%	21%	0%	26%
Total New Renters	**300**	**570**	**810**	**140**	**20**	**30**	**25**	**289**	**290**	**315**	**191**	**0**	**2,980**
Proportion General-Occupancy/Senior*	*47 / 53*	*37 / 63*	*42 / 58*	*57 / 43*	*0 / 100*	*33 / 67*	*100 / 0*	*39 / 61*	*12 / 88*	*33 / 67*	*39 / 61*	*0 / 0*	*38 / 62*
No. of Units (G-O/Senior)	140 / 160	210 / 360	340 / 470	80 / 60	0 / 20	10 / 20	25 / 0	114 / 175	35 / 255	105 / 210	75 / 116	0 / 0	1,134 / 1,846
General Occupancy													
Percent Subsidized	*43%*	*29%*	*53%*	*56%*	*0%*	*100%*	*100%*	*56%*	*0%*	*24%*	*33%*	--	*44%*
Shallow Subsidy (50-80% of Median)	50	50	150	40	0	10	20	54	0	20	20	0	414
Deep Subsidy (50% of Median)	10	10	30	5	0	0	5	10	0	5	5	0	80
Number (total)	60	60	180	45	0	10	25	64	0	25	25	0	494
Percent Market Rate	*57%*	*71%*	*47%*	*44%*	*0%*	*0%*	*0%*	*44%*	*100%*	*76%*	*67%*	--	*56%*
Number	80	150	160	35	0	0	0	50	35	80	50	0	640
Senior Rental Housing													
Percent Affordable Adult	*19%*	*28%*	*26%*	*17%*	*0%*	*100%*	*0%*	*34%*	*20%*	*29%*	*26%*	--	*26%*
Number	30	100	120	10	0	20	0	60	50	60	30	0	480
Percent Market Rate (excl. owned housing)	*81%*	*72%*	*74%*	*83%*	*100%*	*0%*	*0%*	*66%*	*80%*	*71%*	*74%*	--	*74%*
Adult	50	100	120	20	0	0	0	50	100	100	26	0	566
Congregate	50	80	100	20	0	0	0	30	50	50	20	0	400
Assisted Living	20	40	80	10	10	0	0	20	30	0	20	0	230
Memory Care	10	40	50	0	10	0	0	15	25	0	20	0	170
Number (total)	130	260	350	50	20	0	0	115	205	150	86	0	1,366

* Proportion is for new growth
Source: Maxfield Research Inc.

- Carver County is projected to add 13,680 households between 2020 and 2030. Overall, we project that about 22% of the new housing units added will need to be rental to satisfy renter demand – about the same as during the previous period from 2014 to 2020. The increase will be primarily due to the aging population, but also a portion of the population that will prefer to rent rather than own their housing. Between 2030 and 2040, the proportion of households desiring to rent is projected to increase to 26%.

- Between 2020 and 2030, we project demand for 2,944 rental units of which 1,424 will be general-occupancy and 1,520 senior rental units. While senior housing accounted for 41% of the rental demand between 2014 and 2020, it is projected to account for a higher proportion (52%) of the demand from 2020 to 2030.

- Between 2020 and 2030, approximately 60% of the senior demand (919 units) is projected to be from younger, active seniors seeking adult housing – affordable and market rate. The remaining demand will be from older, frailer seniors needing housing with support services.

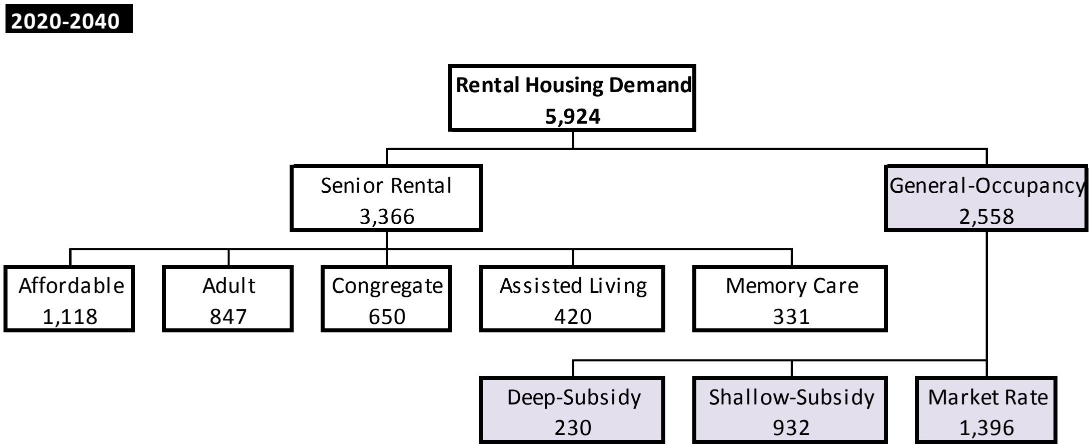
- Between 2030 and 2040, approximately 57% of the senior demand (1,046 units) is projected to be from younger, active seniors seeking adult housing- affordable and market rate. The remaining demand would be from older, frailer seniors needing housing with support services.

- The first baby boomers (born in 1946) will reach age 75 in about 2020. We anticipate that demand for senior housing – with and without services – will start to increase more rapidly after 2020 when a greater proportion of the baby boom generation reaches their late-70s and early-80s.

- Between 2014 and 2020, the majority of the County's general-occupancy rental demand is project to be in the eastern communities of Chanhassen, Chaska, Carver, Victoria, and Waconia. Between 2020 and 2030, these communities are projected to account for about 75% of the County's general-occupancy rental demand. As the smaller communities grow over the next decades, particularly in terms of job growth, rental demand will also increase. We project general-occupancy rental demand in the smaller communities in western Carver County to increase from 170 units between 2014 and 2020 to 430 units between 2020 and 2030. We expect that most of the demand will be in the communities of Cologne, Mayer and Norwood Young America.

Figure 4 displays a summary of demand calculations for various rental products in Carver County from 2020 to 2040.

Figure 4
Carver County Rental Housing Demand Summary – 2020 to 2040



For-Sale Housing Demand

Tables 33 to 35 respectively, show for-sale demand calculations in Carver County from 2014 to 2020, from 2020 to 2030, and from 2030 to 2040, respectively. The tables display for-sale demand by single-family, multifamily (primarily townhomes), and senior housing. Single-family demand is calculated for modest homes (<$350,000), move-up homes ($350,000 to $550,000) and executive homes ($550,000+). Multifamily housing is calculated by modest homes (<$250,000) and move-up homes ($250,000+). The price ranges for these housing products are quoted in 2014 dollars.

As with rental housing, it should be noted that to the extent that households are mobile and different market segments are willing to seek out various housing products in adjacent communities, or even outside the County, the demand figures in these tables may experience fluctuations between communities.

The following are key points from Tables 33 to 35.

- Overall, 77% of the housing demand in Carver County between 2014 and 2020 will be for ownership housing, or about 7,505 homes. Between 2020 and 2030, about 78% of the housing demand will be for for-sale units, or about 10,670 homes. Between 2030 and 2040, an estimated 74% of the housing demand will be for for-sale units or 8,621 units.

- Demand for ownership housing in Carver County over the next six years is projected to increase, as the Metro Area housing market continues to expand post-Recession. Most of the land closer to the core of the Twin Cities is fully developed, with little land available to accommodate new housing, particularly single-family homes. In addition, home price deflation during the Recession caused an upswing in the demand for single-family homes. Therefore, we anticipate that Carver County will account for an increasing share of the Twin Cities overall single-family housing development. For instance, Carver County accounted for 6.5% of the seven-county Twin Cities Metro Area's new single-family homes during the 1990s. That percentage increased to 8.8% between 2000 and 2005, but has decreased somewhat due to the Recession. However, interest in Carver County properties is already emerging again, particularly in Chaska, Victoria. Carver and Waconia.

- Most of the communities in the County have land available to accommodate new single-family homes, either within their existing city limits or through annexations. With strong demand from young and mid-age families, single-family homes are projected to account for 70% or more of the for-sale demand in all of the communities except for Chanhassen from 2014 to 2020.

- In the 2007 Housing Needs Analysis, increasing land prices, and soaring costs for new single-family homes combined to increase the proportion of for-sale multifamily development. As the Recession deepened and home prices decreased, the market turned away from for-sale multifamily product and toward the traditional single-family home. Currently, developers are focusing on single-family product. In the remainder of this decade, we anticipate that the majority of the demand for new for-sale multifamily product will be targeted to empty-nesters and independent seniors that want to obtain more convenience and do away with outside maintenance. Most product is expected to be single-level living, slab on grade.

- While there are various target markets for multifamily ownership housing, the majority of demand to 2020 will be from older households who are seeking to "right-size" their living spaces. As single-family home prices rise, younger households that want to enter the for-sale market will again consider purchasing townhomes. Most of the demand for higher priced units will be from empty-nesters seeking to downsize from their existing single-family homes into a one-level townhome.

- New single-family homes built in Carver County pre-Recession were almost all move-up or executive homes with a limited amount of new product. Three-quarters of the new single-family homes built in Carver County between 2005 and 2013 were move-up ($325,000 to $525,000) or executive homes ($525,000+), but with the recession, this did not occur. Several factors had led to the increased prices for new single-family homes back in 2007. First, a substantial number of baby boomers have already reached their peak earning years and created strong demand for move-up and executive homes, tempered somewhat by the Recession. Second, increased costs for land, building materials, and labor have made housing construction more expensive. The good news is that mortgage interest rate for households that can qualify remain at low rates (3.3%- 4.4%). Although low mortgage interest rates increased demand for move-up homes post-Recession, the supply of existing resale homes and vacant developed lots in Carver County had decreased substantially, especially in eastern Carver County.

- Although it was anticipated in 2007 that most of the demand for modestly-priced single-family homes would be accommodated in the County's smaller communities, absorption in single-family subdivisions started in the mid-2000s has slowed substantially or stalled out. As prices for new construction in eastern Carver County begin to rise, the smaller communities will again start to attract younger buyers willing to accept longer commutes for the ability to purchase a new single-family home.

- As land diminishes in the more fully-developed communities, home prices will rise. However, over the next two to three years, move-up homes are being sold at prices about $100,000 to $200,000 less than during the pre-Recession period. As home prices rise, high amenity sites in the larger cities will command increasingly higher prices. We anticipate that price increases beginning now will continue through 2020.

- For-sale senior housing has been around for some time, but gained popularity primarily through the cooperative housing product with limited development of single-level townhomes. Village Grace in Chaska is the only age-restricted owned property in the County. Between 2014 and 2020, we project demand for 166 units of for-sale senior housing. This demand is likely to be satisfied through the development of multiple types of products including cooperative, detached townhomes and twinhomes. Because seniors generally prefer to purchase a new multifamily unit outright utilizing the proceeds of an existing home sale, pricing for most senior housing units should be in the mid-$200,000's or less.

Figure 5 displays a summary of demand calculations for various for-sale housing products in Carver County from 2014 to 2020.

Figure 5
Carver County For-Sale Housing Demand Summary – 2014 to 2020

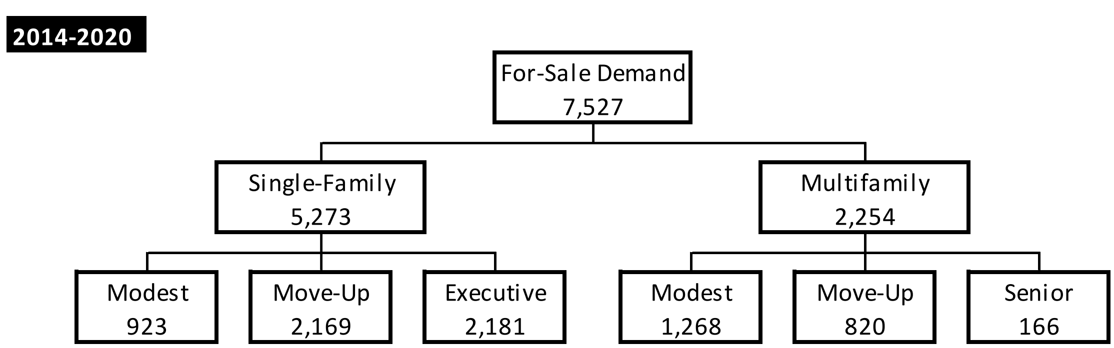


TABLE 33
DEMAND FOR ADDITIONAL FOR-SALE HOUSING
CARVER COUNTY
2014-2020

	Carver	Chanhassen	Chaska	Cologne	Hamburg	Mayer	New Germany	Norwood Young America	Victoria	Waconia	Watertown	Townships	Carver County
Projected Household Growth	850	2,615	2,460	175	40	265	27	135	1,160	1,355	455	210	9,747
Estimated homeownership Rate	83%	75%	68%	83%	85%	86%	63%	24%	84%	87%	80%	100%	77%
Total New Homeowners	**705**	**1,964**	**1,669**	**145**	**34**	**229**	**17**	**33**	**980**	**1,176**	**365**	**210**	**7,527**
Proportion Single-Family/Multifamily*	*75 / 25*	*50 / 50*	*70 / 30*	*80 / 20*	*85 / 15*	*80 / 20*	*85 / 15*	*75 / 25*	*80 / 20*	*80 / 20*	*80 / 20*	*100 / 0*	*70 / 30*
No. of Units (Single-Family/Multifamily)	529 / 176	982 / 982	1,168 / 501	116 / 29	29 / 5	183 / 46	14 / 3	25 / 8	784 / 196	941 / 235	292 / 73	210 / 0	5,273 / 2,254
Single-Family													
Percent Modest (<$325,000)	*45%*	*0%*	*5%*	*65%*	*80%*	*65%*	*65%*	*60%*	*0%*	*30%*	*35%*	*0%*	*17%*
Number	238	0	58	75	23	119	9	15	0	282	102	0	923
Percent Move-up ($325,000-$525,000)	*45%*	*40%*	*40%*	*35%*	*20%*	*35%*	*35%*	*40%*	*40%*	*40%*	*55%*	*45%*	*41%*
Number	238	393	467	41	6	64	5	10	314	376	161	95	2,169
Percent Executive ($525,000+)	*10%*	*60%*	*60%*	*0%*	*0%*	*0%*	*0%*	*0%*	*60%*	*30%*	*10%*	*55%*	*41%*
Number	53	589	643	0	0	0	0	0	470	282	29	116	2,182
Multifamily - General-Occupancy													
Percent Modest (<$225,000)	*85%*	*50%*	*60%*	*90%*	*100%*	*90%*	*100%*	*90%*	*40%*	*90%*	*85%*	--	*75%*
Number	140	471	282	26	5	41	3	7	66	185	41	--	1,268
Percent Move-Up ($225,000+)	*15%*	*50%*	*40%*	*10%*	*0%*	*10%*	*0%*	*10%*	*60%*	*10%*	*15%*	--	*25%*
Number	25	471	188	3	0	5	0	1	100	21	7	--	820
Multifamily - Senior (<$225,000)	11	40	30	0	0	0	0	0	30	30	25	0	166

* Proportion is for new growth.
Source: Maxfield Research Inc.

TABLE 34
DEMAND FOR ADDITIONAL FOR-SALE HOUSING
CARVER COUNTY
2020 to 2030

	Carver	Chanhassen	Chaska	Cologne	Hamburg	Mayer	New Germany	Norwood Young America	Victoria	Waconia	Watertown	Townships	Crow Wing County
Projected Household Growth	2,480	2,280	3,055	575	60	220	215	1,155	1,165	1,630	765	80	13,680
Estimated homeownership Rate	92%	76%	63%	82%	67%	85%	88%	75%	84%	84%	79%	100%	78%
Total New Homeowners	**2,275**	**1,730**	**1,930**	**474**	**40**	**187**	**190**	**867**	**983**	**1,376**	**604**	**80**	**10,736**
Proportion Single-Family/Multifamily*	*70 / 30*	*35 / 65*	*50 / 50*	*80 / 20*	*90 / 10*	*80 / 20*	*90 / 10*	*75 / 25*	*70 / 30*	*70 / 30*	*80 / 20*	*100 / 0*	*63 / 37*
No. of Units (Single-Family/Multifamily)	1,593 / 683	606 / 1,125	965 / 965	379 / 95	36 / 4	150 / 37	171 / 19	650 / 217	688 / 295	963 / 413	483 / 121	80 / 0	6,764 / 3,972
Single-Family													
Percent Modest (<$350,000)	*20%*	*0%*	*5%*	*60%*	*75%*	*55%*	*65%*	*50%*	*0%*	*15%*	*10%*	*0%*	*20%*
Number	319	0	48	228	27	82	111	325	0	144	48	0	1,333
Percent Move-up ($350,000-$550,000)	*60%*	*10%*	*30%*	*30%*	*25%*	*35%*	*35%*	*40%*	*40%*	*50%*	*65%*	*20%*	*43%*
Number	956	61	290	114	9	52	60	260	275	482	314	16	2,888
Percent Executive ($550,000+)	*20%*	*90%*	*65%*	*10%*	*0%*	*10%*	*0%*	*10%*	*60%*	*35%*	*25%*	*80%*	*38%*
Number	319	545	627	38	0	15	0	65	413	337	121	64	2,543
Multifamily - General-Occupancy													
Percent Modest (<$250,000)	*70%*	*30%*	*50%*	*90%*	*100%*	*80%*	*100%*	*90%*	*30%*	*50%*	*60%*	--	*75%*
Number	457	301	433	67	4	14	19	177	64	166	60	--	1,763
Percent Move-Up ($250,000+)	*30%*	*70%*	*50%*	*10%*	*0%*	*20%*	*0%*	*10%*	*70%*	*50%*	*40%*	--	*25%*
Number	196	703	433	7	0	3	0	20	150	166	40	--	1,719
Multifamily - Senior (<$250,000)	30	120	100	20	0	20	0	20	80	80	20	0	490

* Proportion is for new growth.
Source: Maxfield Research Inc.

TABLE 35
DEMAND FOR ADDITIONAL FOR-SALE HOUSING
CARVER COUNTY
2030 to 2040

	Carver	Chanhassen	Chaska	Cologne	Hamburg	Mayer	New Germany	Norwood Young America	Victoria	Waconia	Watertown	Townships	Carver County
Projected Household Growth	1,680	1,665	2,510	580	50	145	200	1,160	880	1,515	895	370	11,650
Estimated homeownership Rate	82%	66%	68%	76%	60%	79%	88%	75%	67%	79%	79%	100%	74%
Total New Homeowners	**1,380**	**1,095**	**1,700**	**440**	**30**	**115**	**175**	**871**	**590**	**1,200**	**704**	**370**	**8,670**
Proportion Single-Family/Multifamily*	*65 / 35*	*35 / 65*	*50 / 50*	*80 / 20*	*68 / 32*	*65 / 35*	*70 / 30*	*65 / 35*	*70 / 30*	*65 / 35*	*80 / 20*	*100 / 0*	*62 / 38*
No. of Units (Single-Family/Multifamily)	897 / 483	383 / 712	850 / 850	352 / 88	20 / 10	75 / 40	123 / 53	566 / 305	413 / 177	780 / 420	563 / 141	370 / 0	5,392 / 3,278
Single-Family													
Percent Modest (<$350,000)	*25%*	*0%*	*5%*	*60%*	*75%*	*55%*	*65%*	*50%*	*0%*	*15%*	*10%*	*0%*	*20%*
Number	224	0	43	211	15	41	80	283	0	117	56	0	1,070
Percent Move-up ($350,000-$550,000)	*55%*	*10%*	*30%*	*30%*	*25%*	*35%*	*35%*	*40%*	*40%*	*50%*	*65%*	*20%*	*41%*
Number	493	38	255	106	5	26	43	226	165	390	366	74	2,188
Percent Executive ($550,000+)	*20%*	*90%*	*65%*	*10%*	*0%*	*10%*	*0%*	*10%*	*60%*	*35%*	*25%*	*80%*	*40%*
Number	179	345	553	35	0	7	0	57	248	273	141	296	2,134
Multifamily - General-Occupancy													
Percent Modest (<$250,000)	*60%*	*35%*	*50%*	*80%*	*100%*	*80%*	*100%*	*90%*	*30%*	*50%*	*60%*	--	*75%*
Number	260	197	365	54	0	16	28	256	23	170	69	--	1,438
Percent Move-Up ($250,000+)	*40%*	*65%*	*50%*	*20%*	*0%*	*20%*	*0%*	*10%*	*70%*	*50%*	*40%*	--	*25%*
Number	173	365	365	14	0	4	0	28	54	170	46	--	1,220
Multifamily - Senior (<$250,000)	50	150	120	20	10	20	25	20	100	80	25	0	620

* Proportion is for new growth
Source: Maxfield Research Inc.

- Between 2014 and 2020, we estimate demand for 5,273 single-family homes and 2,254 multifamily homes in Carver County. Again, most of this growth in the short-term is expected to occur in the larger cities with growth increasing in the smaller communities later in the decade.

- The five communities of Cologne, Hamburg, Mayer, New Germany, and Norwood Young America are projected to account for 6% of new home development between 2014 and 2020, but will increase their share in the next decade 2020 to 2030 to at least 10% to 15%. In addition, these communities may also capture some of the single-family demand that is currently allocated to the Townships.

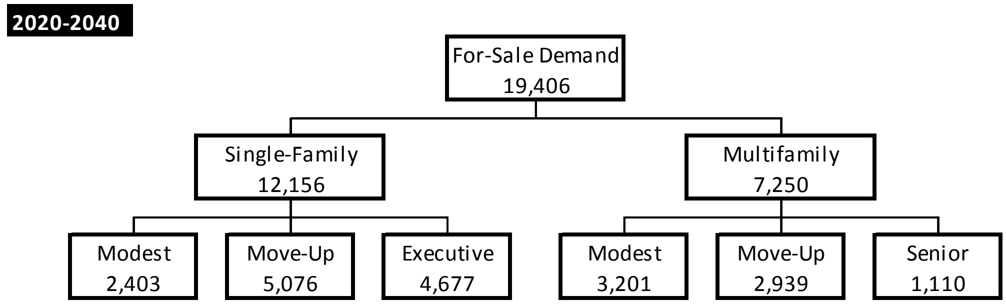
- Although the County's smaller communities will continue to experience gradually increasing demand for single-family homes toward the end of this decade, most of the demand for multifamily will continue to be located in the County's eastern suburbs. Carver, Chanhassen, Chaska, Victoria and Waconia are projected to account for the majority of the County's multifamily for-sale demand over this period, which will still be substantially less than single-family demand.

- With annexations of surrounding townships, Carver, Victoria, and Waconia and some of the other smaller cities will have more land available for new housing development. As such, they will each be able to accommodate a large portion of the County's for sale demand. Carver, Chaska, Victoria and Waconia are projected to lead the County in for-sale housing growth between 2014 and 2020 by adding an estimated 5,060 new homes. Although most new homes in Carver are expected to be entry-level homes, the other communities are expected to add primarily move-up homes.

- Demand for for-sale senior housing will increase between 2020 and 2030 as the baby boomer generation reaches their senior years. Demand will be created for roughly 500 for-sale senior units during the 10-year period, including demand for about 100 units in each of the communities of Chanhassen, Chaska, Victoria, and Waconia.

Figure 6 displays a summary of demand calculations for various for-sale housing products in Carver County from 2020 to 2040.

Figure 6
Carver County For-Sale Housing Demand Summary – 2020 to 2040



Carver County Housing Recommendations

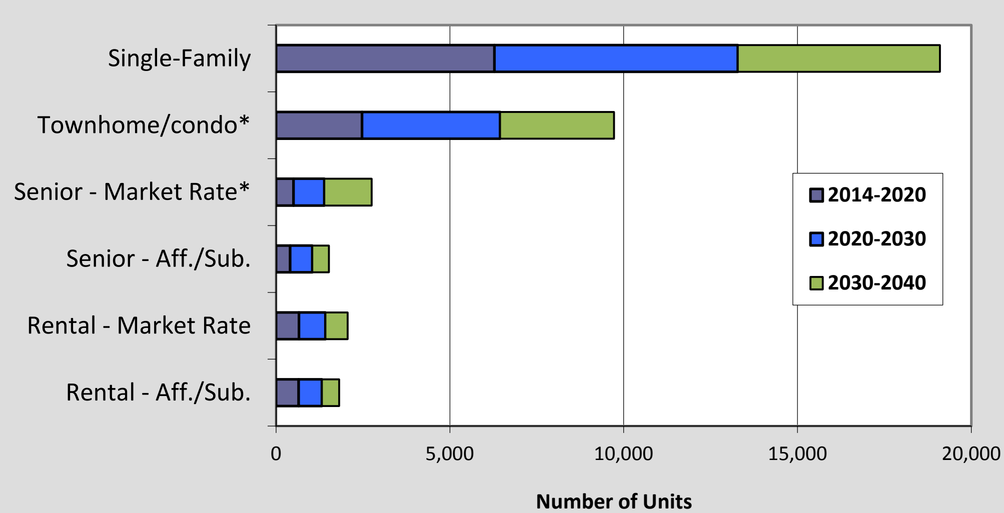
The housing demand calculations in Tables 30 and 33 indicate that between 2014 and 2020, nearly 9,747 housing units will be needed in Carver County to satisfy the housing demand of current and future residents. Tables 31 and 34 indicate that between 2020 and 2030, almost another 13,680 housing units will be needed. Tables 32 and 35 indicate that between 2030 and 2040, another 11,650 housing units will be needed.

The majority of housing demand through 2040 will be for for-sale products, particularly single-family homes (17,429) and townhomes (9,504), including for-sale senior housing. There will also be demand for about 4,274 senior rental housing units and 3,870 general-occupancy rental units.

The majority of the for-sale demand through 2040 will be from moderate- to higher-income households seeking market rate housing, and private developers are likely to be able to meet the demand from these buyers with new products. In addition, most of the senior for-sale demand (100%) and rental demand (64%) will be for market rate housing. The remaining senior and rental demand will be from low- and moderate-income households who will likely need housing with below-market rate rents. Private developers are not likely to be able to meet the demand for market rate rental housing because of the gap between achievable rents and the current high costs of construction and development.

Chart 22 graphically displays demand for housing in Carver County from 2014 to 2040 by type of housing.

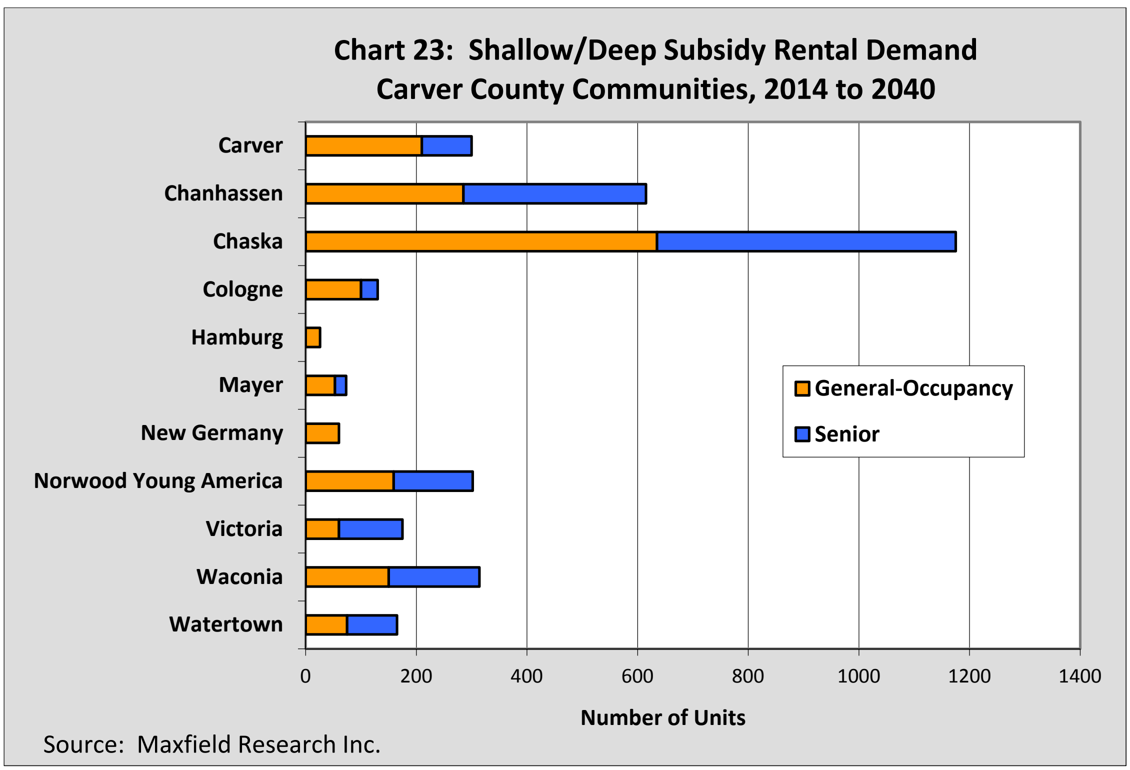
Chart 22: Demand by Type of Housing
Carver County, 2014 to 2040



*For-sale senior housing is included in the figures for townhome/condo and not in senior MR
Source: Maxfield Research Inc.

About 50% of the total demand will be for single-family homes. Shallow-subsidy and deep-subsidy rental housing demand (senior and general-occupancy rental) totals about 3,335 units, or 9.5% of the total housing demand. About 1,055 units of this affordable/subsidized demand is estimated for the period from 2014 to 2020, while the remainder 2,280 is projected to occur between 2020 and 2040. The Carver County CDA or another government or non-profit agencies will likely need to assist in development of new rental housing (shallow and deep subsidy and market rate) to meet this demand.

Chart 23 shows the distribution by community of affordable/subsidized general-occupancy and senior rental demand in the County from 2014 to 2040. The greatest demand is located in the eastern portion of the County, near the primary job centers. While the greatest portion of demand will be generated by Chanhassen and Chaska, these communities (Chanhassen in particular) will be fully developed by 2030 and will have less land available to accommodate new housing developments. Carver, Victoria, and Waconia, which will have greater land supplies, will have greater ability to accommodate the County's demand for shallow-subsidy and deep-subsidy housing. One issue here however, is likely to be connections and availability of transportation and transit options to serve these cohorts.



The demand shown in Chart 23 is for the 26-year period between 2014 and 2040. It is worth noting that demand in some communities, particularly for senior affordable housing, is not expected to increase substantially until after 2020, but that is only in another five years. Recommendations for shallow-subsidy housing developments in each community are found later in this section. Also, because households are mobile and are willing to seek out various housing products in adjacent communities, the demand figures shown for each community may experience fluctuations based on trends in development activity.

Overall, the rental market is tight in Carver County and has been over the past couple of years with vacancies well below the stabilized rate of 5.0%. New rental housing is needed across the board at all income levels to meet current demand and to satisfy demand from future household growth. The demand for market rate units is likely to be highest in those communities where there are higher concentrations of jobs and shopping.

Between 2014 and 2040, we project demand for 19,099 single-family homes, 9,723 for-sale townhomes/condominiums, 2,057 market rate apartments, and 2,769 market rate senior housing units (rental).

Vacant developed lots supplies in Carver County are moderately low, having been depleted during the housing slowdown period. There are a number of unplatted lots remaining for future development in addition to lots still available in several subdivisions in the smaller communities where housing development stalled in mid-Recession. Carver, Chanhassen, Chaska and Victoria have recently experienced increased market activity with regards to platting of new lots and we anticipate that this will continue in the short-term. We recommend maintaining lot supplies of about three years to provide adequate consumer choice but the number and location of those lots will not be evenly divided throughout the County. It is highly likely that communities that are experiencing robust single-family development may need to carry a larger lot inventory (up to five years) depending on absorption of new construction. From 2010 through 2013, there was an average of 93 new single-family homes built. However, this figure is expected to climb rapidly between 2014 and 2020, more than doubling within the next couple of years. Currently, the County has about 1,100 vacant developed single-family lots. Considering annual building of about 300 single-family units per year, this would equate to about a four-year lot supply. Again, lot supplies are likely to fluctuate across the County and individual communities will need to consider the absorption of single-family lots within their own borders.

Carver County has an overall supply of about 258 for-sale townhome lots available in active subdivisions. This equates to about a three-year supply, but current absorption of townhome lots is very low. We expect that additional lots may need to be platted by mid-decade as housing activity increases.

Additional senior developments will be needed to meet the demand from the growing senior population in Carver County to 2040. This includes independent rental developments by the Carver County CDA as well as market rate independent developments and service-enriched senior housing (i.e., congregate, assisted living, and memory care). From 2014 to 2020, the majority of market rate senior demand is focused on independent living products and less on service-enriched housing. After 2020, demand for all products and service levels are expected to increase as the first baby boomers reach their early 70s. Demand calculations for senior housing anticipated a 30% allocation for seniors from outside of Carver County moving into the County to be near family or friends.

All three Carver County CDA senior rental developments – Centennial Hill in Chanhassen, The Crossings in Waconia and Oak Grove in Norwood Young America – are performing well. The Crossings opened in 2006 and has met a portion of Waconia's senior affordable rental demand. Oak Grove opened in 2010 and once the housing market began to pick up again, this property filled rapidly. Senior developments similar to these could satisfy senior demand in other Carver County communities.

The following pages outline key findings from the demographic and housing market analyses and specific recommendations for each community in the County.

Carver - Summary of Demographic and Housing Findings

Key demographic and housing market findings for Carver city are highlighted below. For a comparison, figures for Carver County are shown as well. Carver city will have an abundant land supply for new development with the annexation of parts of Dahlgren Township. As such, Carver city is projected to grow from a small community of about 1,200 people in 2000 to a city with approximately 14,000 people by 2040. As shown in the demographic summary, Carver is projected to account for about 14% of the County's household growth from 2014 to 2040.

Demographic Summary

	Carver	Carver County
Population (2014 / 2020 / 2030 / 2040)	**4,325 / 6,405 / 9,735 14,000**	*99,426 / 122,425 / 145,626 / 168,829*
Households (2014 / 2020 / 2030 / 2040)	**1,490 / 2,340 / 4,820 / 6,500**	*35,448 / 45,195 / 58,875 / 70,525*
Household Growth (2014 to 2040)	**5,010**	*35,077*
Median Household Income (2014)	**$76,914**	*$80,049*
Median Age of Population (2010)	**31.7**	*36.3*
Homeownership Rate (2010)	**98.1%**	*81.5%*

Current Housing Characteristics Summary

For-Sale Housing

	Carver	Carver County
Average resale price of existing single-family homes (2013)	**$311,240**	$270,000
Average resale price of existing multi-family homes (2013)	--	$128,500
Average sale price of new construction single-family homes	**$307,890**	$310,804
Average number of single-family homes built annually since 2006	**29**	355
Average sale price of new construction multifamily homes	**$207,450**	$225,000
Average number of multifamily homes built annually since 2006	**20**	158

Rental Housing

	Carver	Carver County
Number of surveyed units and average monthly rent for market rate units		
One-bedroom units	**1 / $710**	611 / $763
Two-bedroom units	**13 / $769**	1,220 / $973
Three-bedroom units	**0**	220 / $1,473
Market rate vacancies / vacancy rate	**0 / 0.0%**	42 / *1.9%*
Number of affordable/subsidized units	**4**	680
Affordable/subsidized vacancies / vacancy rate	**0.0%**	12 / *1.8%*

Senior Housing

	Carver			Carver County		
	Units	Vacant*	% Vac.	Units	Vacant*	% Vac.
Market rate senior housing						
Adult ownership	**0**	--		40	0	*0.0%*
Adult rental	**0**	--		0	--	--
Congregate	**0**	--		195	0	*0.0%*
Assisted living	**0**	--		328	29	*8.8%*
Memory Care	**0**	--		112	16	*14.3%*
Subsidized/Affordable rental housing	**0**	--		639	14	*2.2%*

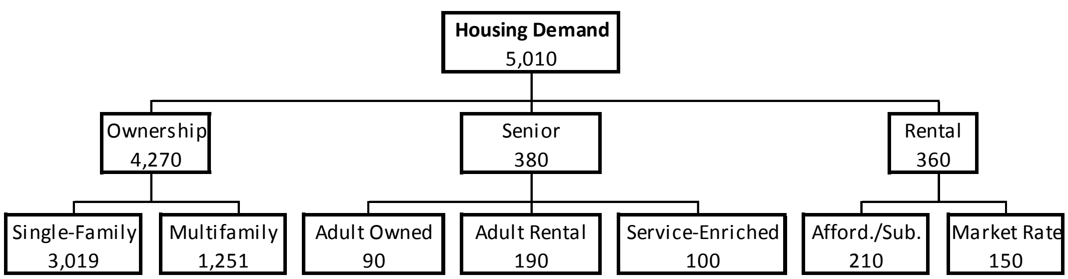
* Vacant units at projects in their initial lease-up are not included in this figure.

Carver Recommendations

Carver's close proximity to jobs in Chaska and Chanhassen, combined with improved access to the western portion of the Metro Area from Highway 212 has increased Carver's desirability. We project that Carver will add 5,010 households between 2014 and 2040. Growth is already occurring and should accelerate through the end of this decade and into the next decade.

Initially, most of the new households seeking housing in Carver will be families and other adults seeking owned housing. Between 2014 and 2020, we project demand for approximately 850 new housing units or almost 8% of the housing demand over the next six years. Gradually, Carver's share of total housing demand in the County is anticipated to increase during the next two decades, 2020 to 2040. As Carver develops, there will be increasing demand for general occupancy rental housing and senior housing beginning nearer to 2020 and beyond when more jobs and services have been created in and near Carver.

Carver Projected Housing Demand, 2014 to 2040



Note: Because households are mobile and are willing to seek out various housing products in adjacent communities, these demand figures may experience fluctuations. Detailed demand calculations can be found in Tables 30 to 35 of this report.

To meet the projected demand for about 529 single-family homes through 2020 (88 homes annually), Carver would need to maintain a vacant developed lot supply of about 260 available lots to allow adequate consumer choice. As demand for new housing increases, new subdivisions can be accommodated in areas to the north, west and south as areas of Dahlgren Township are annexed into the City.

Demand was calculated for 350 general-occupancy rental units in Carver from 2014 to 2040 including a mix of market rate and affordable units. These two categories may have some overlap depending on the rent levels required to support new market rate construction and new affordable rentals. Carver is situated in close proximity to Chaska, one of the County's major employment centers. Therefore, with Carver's location on Highway 212 and the large employment base in eastern Carver County, we anticipate that demand for rental housing will increase in Carver over the next ten years. However, because current development costs for new market rate rental housing remain very high, we recommend that the City consider rental products that may be more affordable or units that could be constructed in smaller building formats.

With demand for 165 age-restricted adult/few services rental units between now and 2040, (approximately 55 units each decade) Carver should be able to support an age-restricted property by 2025. As land availability in Chaska begins to decrease (most likely by 2030), Carver could pick up additional demand for all types of housing from about 2025 to 2040. By 2030, we project that the CDA could construct an age-restricted building in Carver of about 35 units.

Chanhassen - Summary of Demographic and Housing Findings

Key demographic and housing market findings for Chanhassen are highlighted below. For a comparison, figures for Carver County are shown as well. Chanhassen is Carver County's largest community, but because Chanhassen is gradually becoming more fully-developed, growth will begin to slow. The population in Chaska surpassed that of Chanhassen in 2010. The current housing supply is predominantly owner-occupied (a homeownership rate of 87% in 2010). With its close proximity to jobs and shopping, there is strong demand for all housing products, however.

Demographic Summary

	Chanhassen	Carver County
Population (2014 / 2020 / 2030 / 2040)	**25,580 / 31,715 / 36,055 39,560**	*99,426 / 122,425 / 145,626 / 168,829*
Households (2014 / 2020 / 2030 / 2040)	**8,960 / 11,575 / 13,855 / 15,520**	*35,448 / 45,195 / 58,875 / 70,525*
Household Growth (2014 to 2040)	**6,560**	*35,077*
Median Household Income (2014)	**$108,157**	*$80,049*
Median Age of Population (2010)	**39.3**	*36.3*
Homeownership Rate (2010)	**86.8%**	*81.5%*

Current Housing Characteristics Summary

For-Sale Housing

	Chanhassen	Carver County
Average resale price of existing single-family homes (2013)	**$360,000**	$270,000
Average resale price of existing multi-family homes (2013)	**$163,700**	$128,500
Average sale price of new construction single-family homes	**$385,179**	$310,804
Average number of single-family homes built annually since 2006	**87**	355
Average sale price of new construction multifamily homes	**$322,076**	$225,000
Average number of multifamily homes built annually since 2006	**54**	158

Rental Housing

	Chanhassen	Carver County
Number of surveyed units and average monthly rent for market rate units		
One-bedroom units	**223 / $754**	611 / $763
Two-bedroom units	**337 / $1,086**	1,220 / $973
Three-bedroom units	**29 / $1,473**	220 / $1,473
Market rate vacancies / vacancy rate	**18 / 2.9%**	42 / *1.9%*
Number of affordable/subsidized units	**61**	680
Affordable/subsidized vacancies / vacancy rate	**0.0%**	12 / *1.8%*

Senior Housing

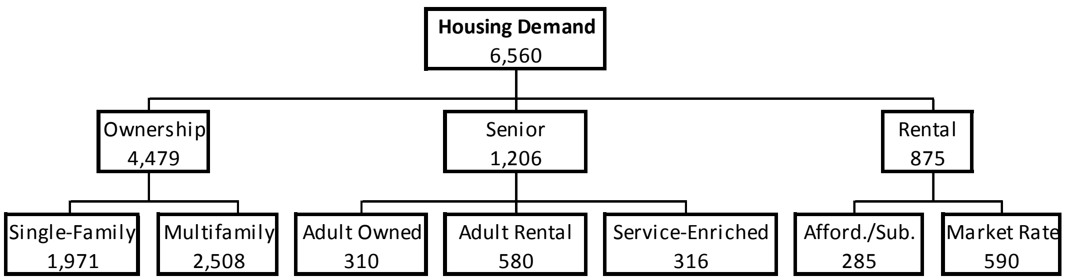
	Chanhassen Units	Chanhassen Vacant*	Chanhassen % Vac.	Carver County Units	Carver County Vacant*	Carver County % Vac.
Market rate senior housing						
Adult ownership	**0**		--	40	0	*0.0%*
Adult rental	**0**		--	0	--	--
Congregate	**90**		**0.0%**	195	0	*0.0%*
Assisted living	**53**		**0.0%**	328	29	*8.8%*
Memory Care	**18**		**0.0%**	112	16	*14.3%*
Subsidized/Affordable rental housing	**65**		**0.0%**	639	14	*2.2%*

* Vacant units at projects in their initial lease-up are not included in this figure.

Chanhassen Recommendations

Chanhassen is projected to add 6,560 households between 2014 and 2040; most of this household growth is expected to occur over the next ten years as Chanhassen continues to build out. Currently, single-family homes remain the favored housing product. Most of the housing added between 2015 and 2030 to meet demand will be multifamily on in-fill/redevelopment parcels since Chanhassen will have exhausted most of its vacant land by then. Because Chanhassen is located near job centers in Carver and Hennepin Counties, demand for housing from higher-income households is strong. Thus, most of the new housing added through 2040 will be market rate, although demand also exists from low- and moderate-income households. Existing affordable housing in Chanhassen is fully occupied.

Chanhassen Projected Housing Demand, 2014 to 2040



Note: Because households are mobile and are willing to seek out various housing products in adjacent communities, these demand figures may experience fluctuations. Detailed demand calculations can be found in Tables 30 through 35.

Demand was calculated for 875 general-occupancy rental units between 2014 and 2040. From 2014 to 2020, there is demand for 230 units of general occupancy rental housing with the remainder of demand occurring between 2020 and 2040. Strong job growth in the area and decreasing vacancies in existing buildings support the short-term demand.

Of the total rental demand, about one-third is need from low- and moderate-income households seeking affordable housing. While Chanhassen has some older rental buildings with moderate rents, there are no affordable or subsidized buildings. There is currently unmet need in Chanhassen for affordable workforce housing units.

Summerwood of Chanhassen has been well-received in the market and all of its units are occupied. Although demand for service-enhanced units is currently experiencing some softness in the market in Carver County, we anticipate that this segment will strengthen toward 2020 and beyond because of the aging of the population. Demand is projected for 316 market rate senior housing units with services between 2014 and 2040, with most of this demand occurring after 2020.

Chaska - Summary of Demographic and Housing Findings

Key demographic and housing market findings for Chaska from the housing study are highlighted below. For a comparison, figures for Carver County are shown as well. Demand for housing is strong in Chaska, as it is has a significant and growing employment base and is also close to employment centers in Chanhassen and Hennepin County. With available land for expansion, Chaska is expected to grow to 44,050 people by 2040, making it Carver County's largest community.

Demographic Summary

	Chaska	Carver County
Population (2014 / 2020 / 2030 / 2040)	**25,880 / 32,085 / 38,500 / 44,050**	*99,426 / 122,425 /* 145,626 / *168,829*
Households (2014 / 2020 / 2030 / 2040)	**9,250 / 11,710 / 14,765 / 17,275**	*35,448 / 45,195 /* 58,875 / *70,525*
Household Growth (2014 to 2040)	**8,025**	*35,077*
Median Household Income (2014)	**$72,808**	*$80,049*
Median Age of Population (2010)	**33.8**	*36.3*
Homeownership Rate (2010)	**68.3%**	*81.5%*

Current Housing Characteristics Summary

For-Sale Housing

	Chaska	Carver County
Average resale price of existing single-family homes (2013)	**$272,500**	$270,000
Average resale price of existing multi-family homes (2013)	**$144,000**	$128,500
Average sale price of new construction single-family homes	**$371,951**	$310,804
Average number of single-family homes built annually since 2006	**68**	355
Average sale price of new construction multifamily homes	**$280,000**	$225,000
Average number of multifamily homes built annually since 2006	**31**	158

Rental Housing

	Chaska	Carver County
Number of surveyed units and average monthly rent for market rate units		
One-bedroom units	**310 / $824**	611 / $763
Two-bedroom units	**733 / $1,049**	1,220 / $973
Three-bedroom units	**212 / $1,654**	220 / $1,473
Market rate vacancies / vacancy rate	**9 / 0.7%**	42 / *1.9%*
Number of affordable/subsidized units	**388**	680
Affordable/subsidized vacancies / vacancy rate	**0.3%**	12 / *1.8%*

Senior Housing

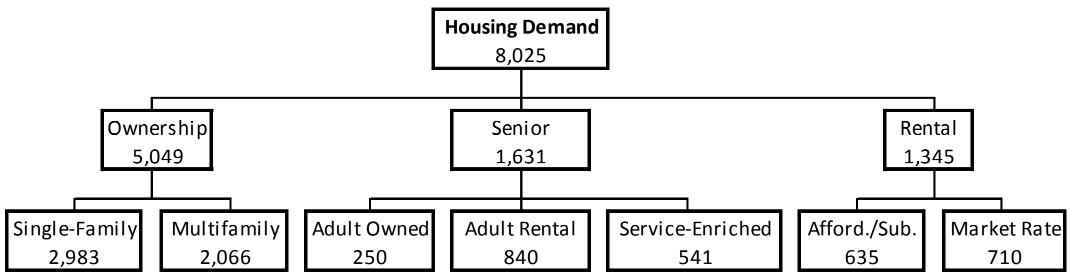
	Chaska			Carver County		
	Units	Vacant*	% Vac.	Units	Vacant*	% Vac.
Market rate senior housing						
Adult ownership	**40**		**0.0%**	40	0	*0.0%*
Adult rental	**0**		**--**	0	--	--
Congregate	**0**		**0.0%**	195	0	*0.0%*
Assisted living	**39**		**12.8%**	328	29	*8.8%*
Memory Care	**7**		**0.0%**	112	16	*14.3%*
Subsidized/Affordable rental housing	**226**		**1.8%**	639	14	*2.2%*

* Vacant units at projects in their initial lease-up are not included in this figure.

Chaska Recommendations

Chaska is projected to increase its population to approximately 46,400 people by 2040. Demand for new housing units over the next 26 years is estimated at 8,025. Housing demand in Chaska will be generated by households of all ages and types seeking a wide variety of housing products. Approximately 37% of the demand will be for single-family homes, about 25% for for-sale multifamily, and about 47% for senior and rental housing. An increasing proportion of the demand will be from area residents who are older adults and seniors seeking maintenance-free housing alternatives to their single-family homes.

Chaska Projected Housing Demand, 2014 to 2040



Note: Because households are mobile and are willing to seek out various housing products in adjacent communities, these demand figures may experience fluctuations. Detailed demand calculations can be found in Tables 30 to 35 of this report.

Current supply of vacant developed lots in Chaska is about 28 months or 2.3 years. The current single-family lot supply (VDL) is just under 1,000 lots. This will enable Chaska to meet its current demand over the next two years, but additional lots are likely to be needed after that time. While the recent housing slowdown reduced the demand for new lots, the current low supply of vacant developed lots will need to increase in the short-term to provide for a sufficient supply to support increased demand for new single-family and multifamily for-sale units in the next decade.

The overall vacancy rate for market rate and affordable apartments in Chaska is below 5%, indicating that pent-up demand currently exists for additional rental units in the City, market rate and affordable. Nearly all of the market rate rental properties in Chaska are fully-occupied. Job growth in Carver County and western Hennepin County coupled with improvements to Highway 212 has spurred demand for additional multifamily housing in Chaska. We estimate demand for 1,345 general occupancy rental units between now and 2040. We estimate demand for 710 market rate units and 635 affordable and subsidized units from 2014 to 2040 to meet projected demand.

Although Chaska has a diverse housing stock, there is no congregate senior housing and only one assisted living/memory care facility, which is 17 years old. Chaska has the potential to support additional market rate senior housing, up to 541 units by 2040 (service-enriched). There is also demand for adult ownership and independent rental products.

Cologne - Summary of Demographic and Housing Findings

Key demographic and housing market findings for Cologne are highlighted below. For a comparison, figures for Carver County are shown as well. Demand for a variety of housing will be created in Cologne to 2040 as Cologne is projected to triple its population by 2040. By 2030, the population of Cologne is projected to be double that of 2010.

Demographic Summary

	Cologne	Carver County
Population (2014 / 2020 / 2030 / 2040)	**1,650 / 2,045 / 2,800 / 3,800**	*99,426 / 122,425 /* 145,626 / *168,829*
Households (2014 / 2020 / 2030 / 2040)	**570 / 745 / 1,320 / 1,900**	*35,448 / 45,195 /* 58,875 / *70,525*
Household Growth (2014 to 2040)	**1,330**	*35,077*
Median Household Income (2014)	**$58,970**	*$80,049*
Median Age of Population (2010)	**32.0**	*36.3*
Homeownership Rate (2010)	**85.5%**	*81.5%*

Current Housing Characteristics Summary

For-Sale Housing

	Cologne	Carver County
Average resale price of existing single-family homes (2013)	**$164,500**	$270,000
Average resale price of existing multi-family homes (2013)	**$147,500**	$128,500
Average sale price of new construction single-family homes	**$272,822**	$310,804
Average number of single-family homes built annually since 2006	**5**	355
Average sale price of new construction multifamily homes	----	$225,000
Average number of multifamily homes built annually since 2006	**0**	158

Rental Housing

	Cologne	Carver County
Number of surveyed units and average monthly rent for market rate units		
One-bedroom units	**0 /** ---	611 / $763
Two-bedroom units	**0 /** ---	1,220 / $973
Three-bedroom units	**0 /** ---	220 / $1,473
Market rate vacancies / vacancy rate	**0** / ---	42 / *1.9%*
Number of affordable/subsidized units	---	680
Affordable/subsidized vacancies / vacancy rate	---	12 / *1.8%*

Senior Housing

	Cologne			Carver County		
	Units	Vacant*	% Vac.	Units	Vacant*	% Vac.
Market rate senior housing						
Adult ownership	**0**		--	40	0	*0.0%*
Adult rental	**0**		--	0	--	--
Congregate	**0**		--	195	0	*0.0%*
Assisted living	**0**		--	328	29	*8.8%*
Memory Care	**0**		--	112	16	*14.3%*
Subsidized/Affordable rental housing	**12**		**8.0%**	639	14	*2.2%*

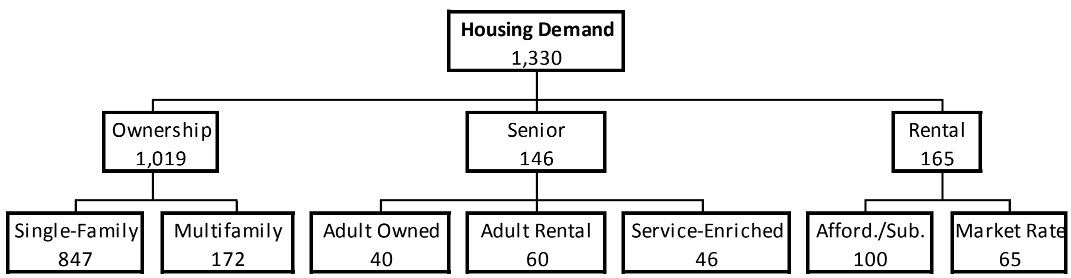
* Vacant units at projects in their initial lease-up are not included in this figure.

Cologne Recommendations

Highway 212 has shortened drive times to and from Cologne to employment in Chaska, Chanhassen and western Hennepin County which will. over time, increase the community's attractiveness as a residential location.

Cologne is projected to add 1,330 households between 2014 and 2040, increasing its population to 5,000 people during that same timeframe. The majority of the housing demand is expected to be from younger families looking for moderate-price single-family homes. Combined with townhomes, owned housing products are expected to account for 77% of the housing demand in Cologne through 2040. Between 2030 and 2040, demand for rental housing is expected to increase, particularly senior housing demand.

Cologne Projected Housing Demand, 2014 to 2040



Note: Because households are mobile and are willing to seek out various housing products in adjacent communities, these demand figures may experience fluctuations. Detailed demand calculations can be found in Tables 30 to 35 of this report.

Cologne currently has about 80 available vacant developed lots. Considering recent new home construction trends in Cologne, the community should have a sufficient number of lots through this decade to meet single-family demand. Cologne has about 1,350 lots that have been identified for the future, but which are not developed. According to the demand calculations, these lots should take care of most of the single-family demand moving forward.

New developments with townhome units will be needed to meet demand from those people seeking to downsize from their single-family homes (primarily retirees) and from some younger, first-time buyers. Townhome demand is projected to increase primarily after 2020 as new growth and development resumes.

Cologne has a very limited supply of rental housing. However, the recent Recession shifted some households' preferences to long-term rental rather than owned housing. Demand is calculated for 65 units of general occupancy rental housing and 60 units of adult rental housing to 2040. In addition, there will be an increased demand for service-enriched housing after 2020, albeit somewhat limited, from those that will require a higher level of support services.

Hamburg - Summary of Demographic and Housing Findings

Key demographic and housing market findings for Hamburg are highlighted below. For a comparison, figures for Carver County are shown as well. With 570 people in 2010, Hamburg is among Carver County's smallest communities. Because Hamburg is not on a major highway and is situated farther from the core of the Twin Cities, it is projected to experience slower growth to 2040. Current growth is somewhat limited by its lack of sewer capacity.

Demographic Summary

	Hamburg	Carver County
Population (2014 / 2020 / 2030 / 2040)	**555 / 690 / 830 / 910**	*99,426 / 122,425 / 145,626 / 168,829*
Households (2014 / 2020 / 2030 / 2040)	**190 / 250 / 310 / 360**	*35,448 / 45,195 / 58,875 / 70,525*
Household Growth (2014 to 2040)	**170**	*35,077*
Median Household Income (2014)	**$60,008**	*$80,049*
Median Age of Population (2010)	**38.3**	*36.3*
Homeownership Rate (2010)	**76.0%**	*81.5%*

Current Housing Characteristics Summary

For-Sale Housing

	Hamburg	Carver County
Average resale price of existing single-family homes (2013)	**$88,750**	$270,000
Average resale price of existing multi-family homes (2013)	---	$128,500
Average sale price of new construction single-family homes	---	$310,804
Average number of single-family homes built annually since 2006	**0**	355
Average sale price of new construction multifamily homes	---	$225,000
Average number of multifamily homes built annually since 2006	**0**	158

Rental Housing

	Hamburg	Carver County
Number of surveyed units and average monthly rent for market rate units		
One-bedroom units	**2 / $473**	611 / $763
Two-bedroom units	**10 / $550**	1,220 / $973
Three-bedroom units	**0 / ---**	220 / $1,473
Market rate vacancies / vacancy rate	**0 / 0.0%**	42 / *1.9%*
Number of affordable/subsidized units	**0**	680
Affordable/subsidized vacancies / vacancy rate	**0.0%**	12 / *1.8%*

Senior Housing

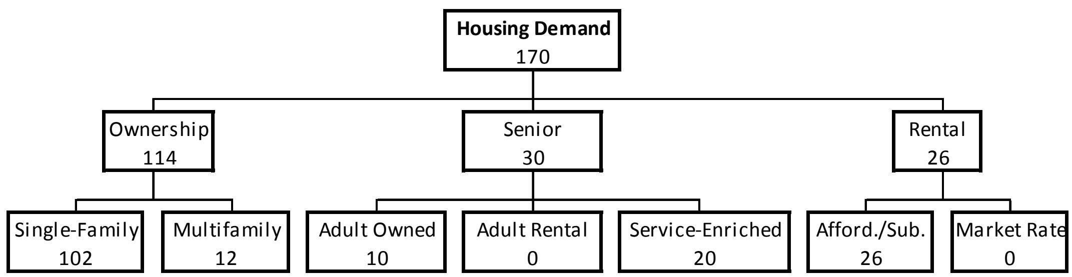
	Hamburg			Carver County		
	Units	Vacant*	% Vac.	Units	Vacant*	% Vac.
Market rate senior housing						
Adult ownership	**0**	--		40	0	*0.0%*
Adult rental	**0**	--		0	--	--
Congregate	**0**	--		195	0	*0.0%*
Assisted living	**0**	--		328	29	*8.8%*
Memory Care	**0**	--		112	16	*14.3%*
Subsidized/Affordable rental housing	**0**	--		639	14	*2.2%*

* Vacant units at projects in their initial lease-up are not included in this figure.

Hamburg Recommendations

Nearly all of the housing demand in Hamburg between 2014 and 2040 is projected to be for single-family homes – or 102 of 170 total units. With limited job growth, most of the housing demand will be generated by households commuting to jobs elsewhere, including Norwood Young America and other communities closer to the core of the Twin Cities. Most of the new households will be families seeking modest single-family homes (priced under $350,000 in 2014 dollars).

Hamburg Projected Housing Demand, 2014 to 2040



Note: Because households are mobile and are willing to seek out various housing products in adjacent communities, these demand figures may experience fluctuations. Detailed demand calculations can be found in Tables 30 to 35 of this report.

Most of the demand for single-family homes in Hamburg is anticipated to occur after 2020 as new home construction begins to accelerate once again throughout the County and in the Twin Cities Metro Area. Although there is likely to be some demand for housing in Hamburg between 2014 and 2020, we expect that this demand will be limited in the short-term.

As development increases, we recommend that some consideration be given to developing a limited number of affordable rental units in Hamburg. These could be developed over a number of years and could be provided in four or eight-plex buildings. General occupancy rentals are likely to attract a broad base of residents from young people to older adults. After 2020, these units could be developed, again most likely half during the 2020s and another half during the 2030s.

As the population ages, there is likely to be some limited demand in Hamburg for supportive housing with services that would be targeted to those needing assistance with activities of daily living. Demand may come not only from the city population, but also from the surrounding townships. We estimate that by 2030, a small property could be developed to support demand from those needed this type of care. Independent seniors are more likely to gravitate to other types of housing products including general occupancy rentals and for-sale twinhomes or single-level townhomes.

Mayer - Summary of Demographic and Housing Findings

Key demographic and housing market findings for Mayer are highlighted below. For a comparison, figures for Carver County are shown as well. As shown in the housing demographic summary, Mayer is projected to experience very strong growth. About 630 households are projected to be added between 2014 and 2040, increasing Mayer's population to 3,200 by 2040, nearly double its 2010 population.

Demographic Summary

	Mayer	Carver County
Population (2014 / 2020 / 2030 / 2040)	**1,945 / 2,410 / 2,890 / 3,180**	*99,426 / 122,425 /* 145,626 / *168,829*
Households (2014 / 2020 / 2030 / 2040)	**615 / 880 / 1,100 / 1,245**	*35,448 / 45,195 /* 58,875 / *70,525*
Household Growth (2014 to 2040)	**630**	*35,077*
Median Household Income (2014)	**$64,131**	*$80,049*
Median Age of Population (2010)	**30.4**	*36.3*
Homeownership Rate (2010)	**90.3%**	*81.5%*

Current Housing Characteristics Summary

For-Sale Housing

	Mayer	Carver County
Average resale price of existing single-family homes (2013)	**$194,850**	$270,000
Average resale price of existing multi-family homes (2013)	**$120,000**	$128,500
Average sale price of new construction single-family homes	**$330,000**	$310,804
Average number of single-family homes built annually since 2006	**15**	355
Average sale price of new construction multifamily homes	**$164,990**	$225,000
Average number of multifamily homes built annually since 2006	**2**	158

Rental Housing

	Mayer	Carver County
Number of surveyed units and average monthly rent for market rate units		
One-bedroom units	**0 / ---**	611 / $763
Two-bedroom units	**0 / ---**	1,220 / $973
Three-bedroom units	**0 / ---**	220 / $1,473
Market rate vacancies / vacancy rate	**0 / ---**	42 / *1.9%*
Number of affordable/subsidized units	**0**	680
Affordable/subsidized vacancies / vacancy rate	**0.0%**	12 / *1.8%*

Senior Housing

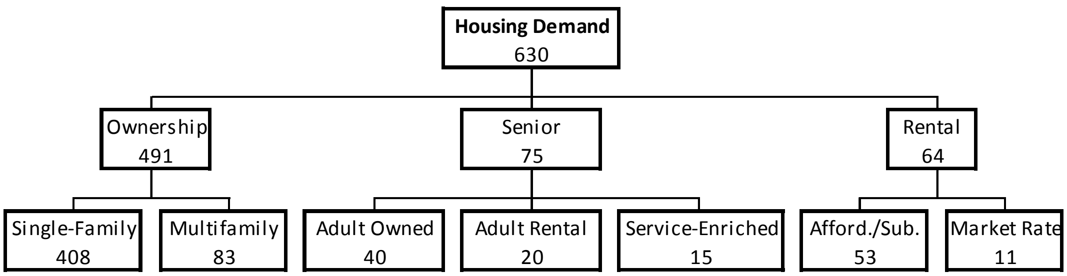
	Mayer			Carver County		
	Units	Vacant*	% Vac.	Units	Vacant*	% Vac.
Market rate senior housing						
Adult ownership	**0**		--	40	0	*0.0%*
Adult rental	**0**		--	0	--	--
Congregate	**0**		--	195	0	*0.0%*
Assisted living	**0**		--	328	29	*8.8%*
Memory Care	**0**		--	112	16	*14.3%*
Subsidized/Affordable rental housing	**10**		**0.0%**	639	14	*2.2%*

* Vacant units at projects in their initial lease-up are not included in this figure.

Mayer Recommendations

Mayer is poised for strong growth as households are attracted to the community in search of better housing values. From 2014 to 2040, demand calculations project that approximately two-thirds of the housing demand during the period will be from households wanting to purchase single-family homes.

Mayer Projected Housing Demand, 2014 to 2040



Note: Because households are mobile and are willing to seek out various housing products in adjacent communities, these demand figures may experience fluctuations. Detailed demand calculations can be found in Tables 30 to 35 of this report.

Mayer still has some lots available in existing single-family developments to meet short-term demand for new single-family homes. As these lots are absorbed, then additional lots could be platted to meet the demand. We estimate that, at this time, Mayer has a sufficient number of platted lots to meet demand over the next six to eight years.

In addition to adding new housing, there is potential in Mayer for housing rehab programs to enable low- and moderate-income households to maintain or improve the quality of their existing homes.

The current senior population is small in Mayer, but over time, this cohort is expected to increase with the overall aging of the population. Independent senior housing demand could be accommodated through several options including for-sale owned units (generally single-level townhomes), general occupancy apartments or service-enriched housing with some support services for those who require them. Demand for these products is not expected to occur until after 2020 and demand for service-enriched housing is not expected until the latter half of the 2020 to 2030 decade.

Demand was calculated for 53 affordable/subsidized general-occupancy rental units in Mayer from now to 2040. We recommend that this product not be developed until after 2020 and then the development should be split 50/50 from 2020 to 2030 and from 2030 to 2040. Rents would need to be modest.

New Germany - Summary of Demographic and Housing Findings

Key demographic and housing market findings for New Germany are highlighted below. For a comparison, figures for Carver County are shown as well. New Germany is smallest community in Carver County. With its far western location in the County, it is projected to experience slower growth (to 450 people by 2040). Limited sewer capacity in the short-term is expected to result in slower growth initially.

Demographic Summary

	New Germany	Carver County
Population (2014 / 2020 / 2030 / 2040)	**415 / 510 / 615 / 700**	*99,426 / 122,425 / 145,626 / 168,829*
Households (2014 / 2020 / 2030 / 2040)	**150 / 185 / 400 / 600**	*35,448 / 45,195 / 58,875 / 70,525*
Household Growth (2014 to 2040)	**450**	*35,077*
Median Household Income (2014)	**$64,131**	*$80,049*
Median Age of Population (2010)	**34.4**	*36.3*
Homeownership Rate (2010)	**90.3%**	*81.5%*

Current Housing Characteristics Summary

For-Sale Housing

	New Germany	Carver County
Average resale price of existing single-family homes (2013)	**$142,450**	$270,000
Average resale price of existing multi-family homes (2013)	---	$128,500
Average sale price of new construction single-family homes	**$220,000**	$310,804
Average number of single-family homes built annually since 2006	**1**	355
Average sale price of new construction multifamily homes	---	$225,000
Average number of multifamily homes built annually since 2006	**0**	158

Rental Housing

	New Germany	Carver County
Number of surveyed units and average monthly rent for market rate units		
One-bedroom units	**3 / $540**	611 / $763
Two-bedroom units	**2 / $650**	1,220 / $973
Three-bedroom units	**0 / ---**	220 / $1,473
Market rate vacancies / vacancy rate	**0 / 0.0%**	42 / *1.9%*
Number of affordable/subsidized units	**8**	680
Affordable/subsidized vacancies / vacancy rate	**0.0%**	12 / *1.8%*

Senior Housing

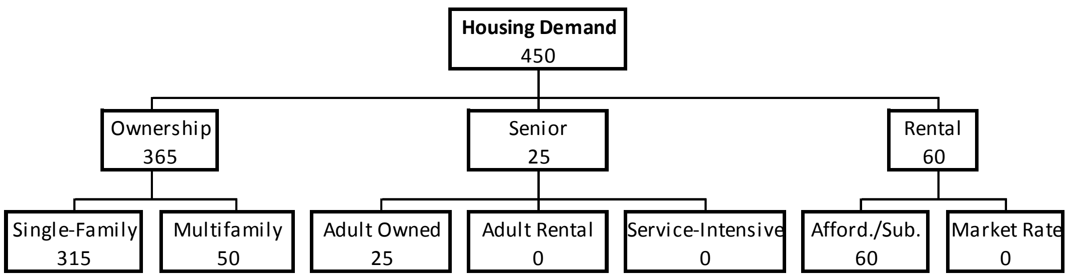
	New Germany			Carver County		
	Units	Vacant*	% Vac.	Units	Vacant*	% Vac.
Market rate senior housing						
Adult ownership	**0**		--	40	0	*0.0%*
Adult rental	**0**		--	0	--	--
Congregate	**0**		--	195	0	*0.0%*
Assisted living	**0**		--	328	29	*8.8%*
Memory Care	**0**		--	112	16	*14.3%*
Subsidized/Affordable rental housing	**0**		--	639	14	*2.2%*

* Vacant units at projects in their initial lease-up are not included in this figure.

New Germany Recommendations

Nearly all of the housing demand in New Germany between 2014 and 2040 is projected to be for single-family homes. Most new residents will be households that are moving to the community in search of affordable single-family homes (70%). Demand for affordable rental housing is anticipated after 2025.

New Germany Projected Housing Demand, 2014 to 2040



Note: Because households are mobile and are willing to seek out various housing products in adjacent communities, these demand figures may experience fluctuations. Detailed demand calculations can be found in Tables 30 to 35 of this report.

Approved or planned lot supplies in New Germany are likely to satisfy the demand for single-family lots and multifamily lots to at least 2030.

Demand is not sufficient at this time to support new senior development and housing products targeted to seniors could also be accommodated through owned senior housing, or through a portion of the affordable general occupancy housing allocated to age-restricted adult/few services rentals if demand exists. There will be some local seniors who need/want age-restricted housing. Those that do will likely need to seek out this housing in larger nearby communities that have medical and other services available to them. Younger, more active seniors seeking to reduce home maintenance responsibilities but stay in the community could gravitate to one-level for-sale townhomes, for which demand was calculated for 25 units between 2014 and 2040, but with demand focused toward the latter portion of this period after 2030.

After 2020, demand was estimated for 40 general-occupancy rental units that would have affordable rents.

Norwood Young America - Summary of Demographic and Housing Findings

Key demographic and housing market findings for Norwood Young America are highlighted below. For a comparison, figures for Carver County are shown as well. Demand for various types of housing will be created in Norwood Young America over the coming decades, as its population is projected to increase to 7,000 people and 3,900 households by 2040. We estimate demand for 2,450 new housing units in Norwood Young America between now and 2040.

Demographic Summary

	Norwood Young America	Carver County
Population (2014 / 2020 / 2030 / 2040)	**3,910 / 4,345 / 5,315 / 7,000**	*99,426 / 122,425* / 145,626 / *168,829*
Households (2014 / 2020 / 2030 / 2040)	**1,450 / 1,585 / 2,740 / 3,900**	*35,448 / 45,195* / 58,875 / *70,525*
Household Growth (2014 to 2040)	**2,450**	*35,077*
Median Household Income (2014)	**$53,983**	*$80,049*
Median Age of Population (2010)	**35.8**	*36.3*
Homeownership Rate (2010)	**72.8%**	*81.5%*

Current Housing Characteristics Summary

For-Sale Housing

	Norwood Young America	Carver County
Average resale price of existing single-family homes (2013)	**$142,450**	$270,000
Average resale price of existing multi-family homes (2013)	---	$128,500
Average sale price of new construction single-family homes	**$250,000**	$310,804
Average number of single-family homes built annually since 2006	**5**	355
Average sale price of new construction multifamily homes	**$195,000**	$225,000
Average number of multifamily homes built annually since 2006	**6**	158

Rental Housing

	Norwood Young America	Carver County
Number of surveyed units and average monthly rent for market rate units		
One-bedroom units	**7 / $545**	611 / $763
Two-bedroom units	**82 / $675**	1,220 / $973
Three-bedroom units	**0 / ---**	220 / $1,473
Market rate vacancies / vacancy rate	**0 / 0.0%**	42 / *1.9%*
Number of affordable/subsidized units	**8**	680
Affordable/subsidized vacancies / vacancy rate	**0.0%**	12 / *1.8%*

Senior Housing

	Norwood Young America			Carver County		
	Units	Vacant*	% Vac.	Units	Vacant*	% Vac.
Market rate senior housing						
Adult ownership	**0**		--	40	0	*0.0%*
Adult rental	**0**		--	0	--	--
Congregate	**0**		--	195	0	*0.0%*
Assisted living	**0**		---	328	29	*8.8%*
Memory Care	**0**		--	112	16	*14.3%*
Subsidized/Affordable rental housing	**111**		**0.0%**	639	14	*2.2%*

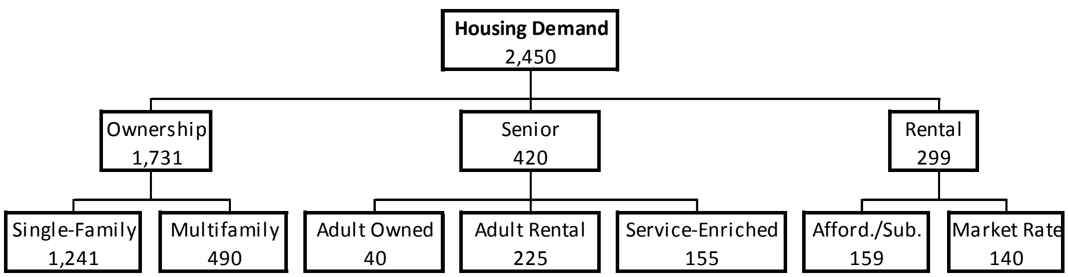
* Vacant units at projects in their initial lease-up are not included in this figure.

Norwood Young America Recommendations

Norwood Young America has a local employment base that expected to grow over the next 26 years creating additional housing demand. The new Highway 212 has shortened drive times for from Norwood Young America to jobs in Chaska, Chanhassen, and western Hennepin County – thereby creating additional housing demand.

Norwood Young America is projected to add 2,450 households between 2014 and 2040. About xx% of the demand will be from families and others seeking single-family homes. As an employment and service center for the surrounding area, demand will also be created for rental and senior housing. Senior housing is projected to account for 15% of the housing demand through 2015, while rental housing is projected to account for about 7%.

Norwood Young America Projected Housing Demand, 2014 to 2040



Note: Because households are mobile and are willing to seek out various housing products in adjacent communities, these demand figures may experience fluctuations. Detailed demand calculations can be found in Tables 30 to 35 of this report.

Housing development is expected to accelerate with continued improvement in economic conditions throughout the Twin Cities area. Drive times are improved with the opening of Highway 212, but further expansion of the roadway is necessary to support more rapid expansion of the housing base.

The community has a significant supply of older homes. As such, there is potential for housing rehab to enable lower-income households maintain/improve the quality of their existing homes.

By 2020, demand is calculated for 102 units of rental housing divided between general occupancy and senior and 33 units of owned housing, including 25 units of new single-family. All senior housing facilities in NYA are currently full with waiting lists and a new AL and MC facility will come on-line in 2016. Demand is projected for 70 general-occupancy rental units by 2020 although some of this demand is likely to spill over into the next decade. At this time, there is a need for new rental housing, but competition remains from the shadow market (single-family homes and rental townhomes). As the shadow market wanes, demand for more traditional rental units is expected to increase.

Victoria - Summary of Demographic and Housing Findings

Key demographic and housing market findings for Victoria are highlighted below. For a comparison, figures for Carver County are shown as well. Victoria's land supply has and will continue to increase over the next 20 years with the annexation of parts of Laketown Township. As such, Victoria is projected to add 3,250 new households between 2014 and 2040.

Demographic Summary

	Victoria	Carver County
Population (2014 / 2020 / 2030 / 2040)	**8,110 / 10,833 / 13,933 / 16,522**	*99,426 / 122,425 /* 145,626 / *168,829*
Households (2014 / 2020 / 2030 / 2040)	**2,795 / 3,955 / 5,120 / 6,000**	*35,448 / 45,195 /* 58,875 / *70,525*
Household Growth (2014 to 2040)	**3,205**	*35,077*
Median Household Income (2014)	**$100,251**	*$80,049*
Median Age of Population (2010)	**38.9**	*36.3*
Homeownership Rate (2010)	**92.6%**	*81.5%*

Current Housing Characteristics Summary

For-Sale Housing

	Victoria	Carver County
Average resale price of existing single-family homes (2013)	**$400,000**	$270,000
Average resale price of existing multi-family homes (2013)	**$262,000**	$128,500
Average sale price of new construction single-family homes	**$384,893**	$310,804
Average number of single-family homes built annually since 2006	**64**	355
Average sale price of new construction multifamily homes	**$260,000**	$225,000
Average number of multifamily homes built annually since 2006	**13**	158

Rental Housing

	Victoria	Carver County
Number of surveyed units and average monthly rent for market rate units		
One-bedroom units	**2 / ---**	611 / $763
Two-bedroom units	**34 / ---**	1,220 / $973
Three-bedroom units	**0 / ---**	220 / $1,473
Market rate vacancies / vacancy rate	**0 / 0.0%**	42 / *1.9%*
Number of affordable/subsidized units	**0**	680
Affordable/subsidized vacancies / vacancy rate	**0.0%**	12 / *1.8%*

Senior Housing

	Victoria			Carver County		
	Units	Vacant*	% Vac.	Units	Vacant*	% Vac.
Market rate senior housing						
Adult ownership	**0**		--	40	0	*0.0%*
Adult rental	**0**		--	0	--	--
Congregate	**0**		--	195	0	*0.0%*
Assisted living	**0**		---	328	29	*8.8%*
Memory Care	**33**		**30.0%**	112	16	*14.3%*
Subsidized/Affordable rental housing	**0**		**0.0%**	639	14	*2.2%*

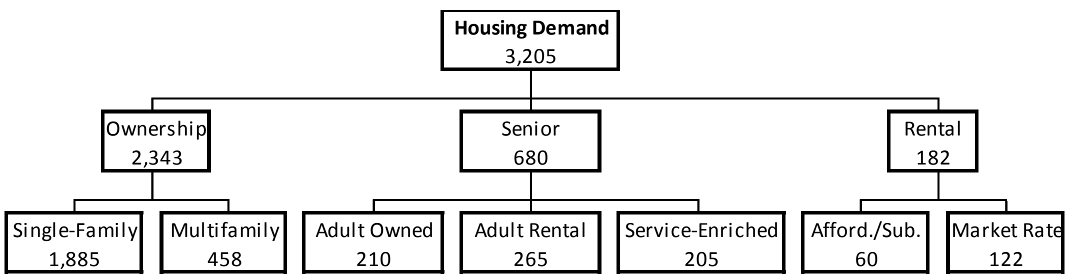
* Vacant units at projects in their initial lease-up are not included in this figure.

Victoria Recommendations

Victoria remains a highly desirable community and is already attracting new single-family development as it is an attractive community for many households seeking to move to Carver County. We project Victoria will add to 3,200 households between 2014 and 2040. Growth is expected to accelerate as the community becomes more fully-developed, which will support increased commercial development in Victoria's downtown.

Victoria has a need/demand for a variety of housing products. Demand is estimated for general occupancy and senior housing through 2040; the need for housing with services is anticipated to rise after 2020 – when a greater proportion of Victoria's and the surrounding areas' population has aged into their senior years.

Victoria Projected Housing Demand, 2014 to 2040



Note: Because households are mobile and are willing to seek out various housing products in adjacent communities, these demand figures may experience fluctuations. Detailed demand calculations can be found in Tables 30 to 35 of this report.

Victoria has some of the highest average home values in the County. Although home values decreased during the Recession, it is likely that as home prices for new construction increase, some of the highest valued homes will again be constructed in Victoria. Current pricing for new homes remains high compared to the rest of Carver County. The average new construction home price in Victoria is approximately $385,000. For-sale multifamily is also expected to have higher values in the future. We anticipate that most new owned multifamily will be priced above $250,000.

Demand was calculated for 122 market rate general-occupancy rental units in Victoria from 2014 to 2040. In addition, there is demand for 60 units of low/moderate income rental housing. Additional demand for general occupancy rental housing in the community can take different product forms including single-level rental townhomes and an elevator-style building.

With demand for 265 age-restricted adult/few services rental units by 2040, we find that Victoria could support a senior rental building by the Carver County CDA or another agency most likely by early in the next decade. Between 2020 and 2040, demand expected to accelerate and is projected for 210 adult ownership senior units during the period in addition to 205 service-enriched units.

Waconia - Summary of Demographic and Housing Findings

Key demographic and housing market findings for Waconia are highlighted below. For a comparison, figures for Carver County are shown as well. Waconia is a medical and service center centrally located in the County. Waconia's land expansion in addition to its job base and shopping and services available is increasing the demand for almost all housing products.

Demographic Summary

	Waconia	Carver County
Population (2014 / 2020 / 2030 / 2040)	**11,870 / 15,492 / 19,528 / 22,977**	*99,426 / 122,425 /* 145,626 / *168,829*
Households (2014 / 2020 / 2030 / 2040)	**4,300 / 5,655 / 7,285 / 8,800**	*35,448 / 45,195 /* 58,875 / *70,525*
Household Growth (2014 to 2040)	**4,500**	*35,077*
Median Household Income (2014)	**$84,875**	*$80,049*
Median Age of Population (2010)	**34.9**	*36.3*
Homeownership Rate (2010)	**81.5%**	*81.5%*

Current Housing Characteristics Summary

For-Sale Housing

	Waconia	Carver County
Average resale price of existing single-family homes (2013)	**$225,000**	$270,000
Average resale price of existing multi-family homes (2013)	**$120,250**	$128,500
Average sale price of new construction single-family homes	**$285,302**	$310,804
Average number of single-family homes built annually since 2006	**61**	355
Average sale price of new construction multifamily homes	**$225,000**	$225,000
Average number of multifamily homes built annually since 2006	**49**	158

Rental Housing

	Waconia	Carver County
Number of surveyed units and average monthly rent for market rate units		
One-bedroom units	**58 / $655**	611 / $763
Two-bedroom units	**63 / $747**	1,220 / $973
Three-bedroom units	**22 / $913**	220 / $1,473
Market rate vacancies / vacancy rate	**0 / 0.0%**	42 / *1.9%*
Number of affordable/subsidized units	**0**	680
Affordable/subsidized vacancies / vacancy rate	**0.0%**	12 / *1.8%*

Senior Housing

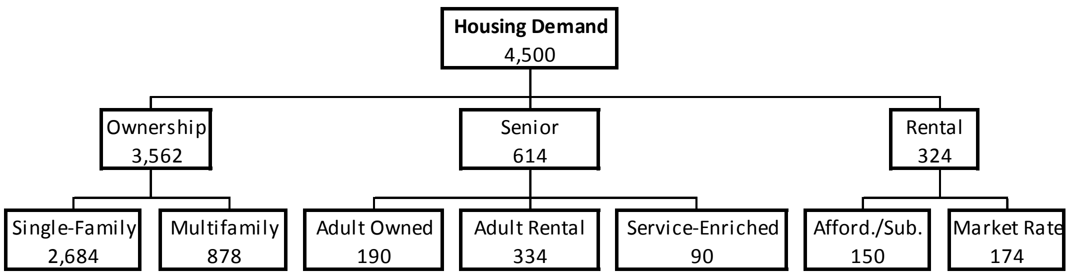
	Waconia			Carver County		
	Units	Vacant*	% Vac.	Units	Vacant*	% Vac.
Market rate senior housing						
Adult ownership	**0**		**--**	40	0	*0.0%*
Adult rental	**0**		**--**	0	--	--
Congregate	**94**		**0.0%**	195	0	*0.0%*
Assisted living	**145**		**6.2%**	328	29	*8.8%*
Memory Care	**54**		**11.1%**	112	16	*14.3%*
Subsidized/Affordable rental housing	**134**		**1.5%**	639	14	*2.2%*

* Vacant units at projects in their initial lease-up are not included in this figure.

Waconia Recommendations

Waconia is projected to add 4,500 households between 2014 and 2040, increasing its population to 22,977 people by 2040. Demand will be driven by the expanding local employment base (Ridgeview Medical Center is one of the largest employers in the County) as well as the close proximity to job centers in Chaska and Chanhassen. Waconia also has an ample supply of land from Waconia and Laketown Townships available for new housing through annexations. From 2014 to 2020, we project demand for 1,176 owned and 179 rental units including senior housing units. The remaining demand of 3,145 units is expected to occur between 2020 and 2040.

Waconia Projected Housing Demand, 2014 to 2040



Note: Because households are mobile and are willing to seek out various housing products in adjacent communities, these demand figures may experience fluctuations. Detailed demand calculations can be found in Tables 30 to 35 of this report.

As of the beginning of 2014, Waconia had approximately 144 vacant developed lots, an estimated supply of less than two years. The number of future lots identified was 870. According to projected absorption of lots, this may satisfy the need for single-family lots to 2020, although before 2020 we expect that new subdivisions may need to be platted to support future demand.

The analysis identified a potential demand for 174 market rate and 150 affordable rental units between 2014 and 2040. Because monthly rents will need to be modest, we recommend that initial rental market rate rental developments be modest in size and/or that the CDA consider a general occupancy affordable rental property in Waconia by 2020.

The Carver County CDA developed The Crossings in 2006. This 68-unit senior rental building accommodated most of the current adult rental demand. We project that another building of between 50 to 55 units could be supported early in the next decade (shortly after 2020).

Demand was calculated for 90 service-enriched units (congregate, assisted living, memory care) but all of these units would be targeted for development after 2020. Current demand for assisted living and memory care is being satisfied by the Lighthouse of Waconia and Auburn Courts.

Watertown - Summary of Demographic and Housing Findings

Key demographic and housing market findings for Watertown are highlighted below. For a comparison, figures for Carver County are shown as well. Watertown is an established community of 4,515 people as of 2010. It is projected to add 2,145 households from 2014 to 2040. The somewhat slower growth projected for Watertown despite its size, is because the drive time from Watertown to major employment and shopping centers is longer.

Demographic Summary

	Watertown	Carver County
Population (2014 / 2020 / 2030 / 2040)	**4,515 / 5,600 / 6,720 / 7,390**	*99,426 / 122,425 / 145,626 / 168,829*
Households (2014 / 2020 / 2030 / 2040)	**1,590 / 2,045 / 2,810 / 3,705**	*35,448 / 45,195 / 58,875 / 70,525*
Household Growth (2014 to 2040)	**2,115**	*35,077*
Median Household Income (2014)	**$57,366**	*$80,049*
Median Age of Population (2010)	**34.3**	*36.3*
Homeownership Rate (2010)	**80.1%**	*81.5%*

Current Housing Characteristics Summary

For-Sale Housing

	Watertown	Carver County
Average resale price of existing single-family homes (2013)	**$177,000**	$270,000
Average resale price of existing multi-family homes (2013)	**$135,125**	$128,500
Average sale price of new construction single-family homes	**$300,000**	$310,804
Average number of single-family homes built annually since 2006	**6**	355
Average sale price of new construction multifamily homes	**$200,000**	$225,000
Average number of multifamily homes built annually since 2006	**4**	158

Rental Housing

	Watertown	Carver County
Number of surveyed units and average monthly rent for market rate units		
One-bedroom units	**4 / $495**	611 / $763
Two-bedroom units	**24 / $575**	1,220 / $973
Three-bedroom units	**0 / ---**	220 / $1,473
Market rate vacancies / vacancy rate	**0 / 0.0%**	42 / *1.9%*
Number of affordable/subsidized units	**70**	680
Affordable/subsidized vacancies / vacancy rate	**5.7%**	12 / *1.8%*

Senior Housing

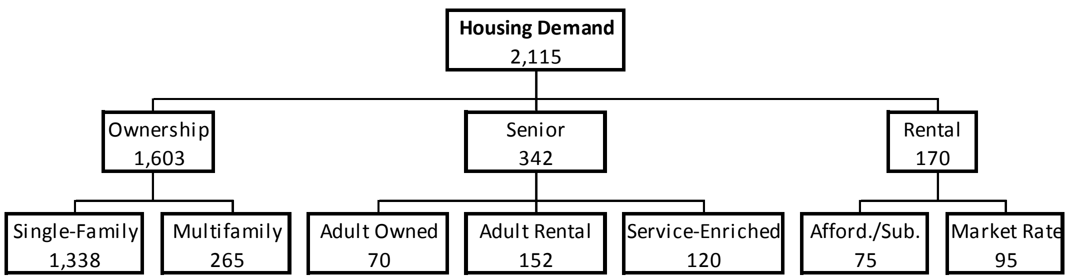
	Watertown			Carver County		
	Units	Vacant*	% Vac.	Units	Vacant*	% Vac.
Market rate senior housing						
Adult ownership	**0**		**--**	40	0	*0.0%*
Adult rental	**0**		**--**	0	--	--
Congregate	**94**		**0.0%**	195	0	*0.0%*
Assisted living	**145**		**6.2%**	328	29	*8.8%*
Memory Care	**54**		**11.1%**	112	16	*14.3%*
Subsidized/Affordable rental housing	**134**		**1.5%**	639	14	*2.2%*

* Vacant units at projects in their initial lease-up are not included in this figure.

Watertown Recommendations

Watertown is projected to add an estimated 485 households between 2014 and 2020 and another 1,660 households between 2020 and 2040. Most new households are expected to be families looking for owned housing. As such, 79% of the demand was projected for single-family homes and for-sale townhomes during the period. Demand was calculated for about 440 rental units including 200 general occupancy units (affordable and market rate) and 240 senior units (affordable and market rate).

Watertown Projected Housing Demand, 2014 to 2040



Note: Because households are mobile and are willing to seek out various housing products in adjacent communities, these demand figures may experience fluctuations. Detailed demand calculations can be found in Tables 30 to 35 of this report.

The current vacant lot supply in Watertown is approximately 385 lots. Given current development trends, these lots would be likely to support new single-family development in Watertown in the short-term. Just prior to 2020 or just after 2020, new lots are likely to be needed to support increasing demand.

Demand was calculated for 50 general-occupancy rental units between 2014 and 2020, and another 120 rental units between 2020 and 2040. Although demand is limited, we project that smaller buildings in various locations could support additional new market rate housing rather than one large building with 50 to 75 units. A mixed-income building of modest size could also be developed to provide units for households of varying incomes.

Most of the supply of age-restricted 55+ rental housing in Watertown consists of older, deep-subsidized developments restricted to seniors with low incomes. Demand was calculated for up to 30 units of age-restricted independent rental housing that would be marketed toward seniors with modest incomes. This could be built in the short-term to 2020.

Watertown has two senior housing developments with services (Westwood Place and Elim Meadows) serving the local population. Demand was calculated for no new service-enriched housing this decade, but consideration of additional units after 2020. Existing facilities are having some increased vacancies, most likely due to demographic shifts in the targeted age groups. The senior population will increase after 2020, increasing the need for age-restricted housing.

Townships - Summary of Demographic and Housing Findings

Key demographic and housing market findings for the townships from the housing study are highlighted below. For a comparison, figures for Carver County are shown as well. Most of the land in the townships are preserved agricultural land or zoned for rural residential. Many of the cities in Carver County have exercised or have in place orderly annexation agreements with the townships to shift land into the urban communities, thereby increasing densities. Areas remaining as rural are expected to experience somewhat slower growth.

Demographic Summary

	Townships	Carver County
Population (2014 / 2020 / 2030 / 2040)	**10,931 / 10,295 / 8,705 / 8,740**	*99,426 / 122,425 / 145,626 / 168,829*
Households (2014 / 2020 / 2030 / 2040)	**4,060 / 4,270 / 4,350 / 4,720**	*35,448 / 45,195 / 58,875 / 70,525*
Household Growth (2014 to 2040)	**660**	*35,077*
Median Household Income (2014)	**$72,248**	*$80,049*
Median Age of Population (2010)	**43.5**	*36.3*
Homeownership Rate (2010)	**92.1%**	*81.5%*

Current Housing Characteristics Summary

For-Sale Housing

	Townships	Carver County
Average resale price of existing single-family homes (2013)	**$210,000**	$270,000
Average resale price of existing multi-family homes (2013)	----	$128,500
Average sale price of new construction single-family homes	**$250,000**	$310,804
Average number of single-family homes built annually since 2006	**2**	355
Average sale price of new construction multifamily homes	----	$225,000
Average number of multifamily homes built annually since 2006	**0**	158

Rental Housing

None

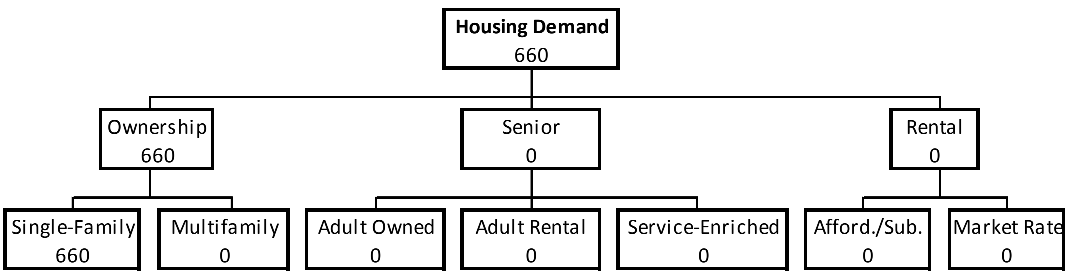
Senior Housing

None

Townships Recommendations

Overall, the Townships are projected to add 210 households between 2014 and 2020 and another 450 households between 2020 and 2040. These figures factor in total new homes added less those lost to other areas through annexation. Because the vast majority of this property is not serviced by municipal water and sewer and is also zoned for low-density housing, we estimate that all of the new housing units will be either all single-family or primarily single-family with some limited duplex or single-level detached townhomes in a cluster array. Those seeking more traditional apartment rentals or traditional senior housing with services will access these housing products in the municipalities.

Townships Projected Housing Demand, 2014 to 2040



Note: Because households are mobile and are willing to seek out various housing products in adjacent communities, these demand figures may experience fluctuations. Detailed demand calculations can be found in Tables 30 to 35 of this report.

APPENDIX-A

TABLE A-1
POPULATION AGE DISTRIBUTION
CARVER COUNTY
1990 to 2030

	-------- Population --------					-------- Change --------			
						1990-2010		2010-2030	
Age:	1990	2000	2010	2020	2030	No.	Pct.	No.	Pct.
Carver									
17 & under	226	370	1,346	1,882	2,560	1,120	495.6	1,214	90.2
18-24	54	76	194	310	754	140	259.3	560	288.7
25-34	167	248	570	1,016	1,408	403	241.3	838	147.0
35-44	111	285	773	1,246	1,681	662	596.4	908	117.5
45-54	84	140	499	997	1,508	415	494.0	1,009	202.2
55-64	51	75	211	642	983	160	313.7	772	365.9
65-74	21	49	92	202	542	71	338.1	450	489.1
75+	30	23	39	110	299	9	30.0	260	666.7
Total	744	1,266	3,724	6,405	9,735	2,980	400.5	6,011	474.8
Chanhassen									
17 & under	3,668	7,026	6,934	8,858	9,850	3,266	89.0	2,916	42.1
18-24	767	897	1,265	2,150	2,490	498	64.9	1,225	96.8
25-34	2,832	2,608	2,113	3,165	3,453	-719	-25.4	1,340	63.4
35-44	2,229	4,903	3,478	4,567	4,989	1,249	56.0	1,511	43.4
45-54	1,157	2,816	4,828	5,772	6,342	3,671	317.3	1,514	31.4
55-64	627	1,151	2,567	4,050	4,650	1,940	309.4	2,083	81.1
65-74	307	591	1,001	1,810	2,490	694	226.1	1,489	148.8
75+	145	329	766	1,343	1,791	621	428.3	1,025	133.8
Total	11,732	20,321	22,952	31,715	36,055	11,220	95.6	13,103	64.5
Chaska									
17 & under	3,497	5,706	7,124	9,850	10,450	3,627	103.7	3,326	46.7
18-24	1,118	1,357	1,646	1,920	2,300	528	47.2	654	39.7
25-34	2,776	2,720	3,562	4,790	5,920	786	28.3	2,358	66.2
35-44	1,808	3,758	3,762	4,320	4,860	1,954	108.1	1,098	29.2
45-54	926	2,149	3,896	5,145	5,200	2,970	320.7	1,304	33.5
55-64	597	875	2,221	3,520	5,820	1,624	272.0	3,599	162.0
65-74	413	519	852	1,555	2,630	439	106.3	1,778	208.7
75+	378	519	707	985	1,320	329	87.0	613	86.7
Total	11,513	17,603	23,770	32,085	38,500	12,257	106.5	14,730	83.7

TABLE A-1
POPULATION AGE DISTRIBUTION
CARVER COUNTY
1990 to 2030
(Continued)

	--------	Population	--------			-------- Change	--------		
						1990-2010		2010-2030	
Age:	**1990**	**2000**	**2010**	**2020**	**2030**	**No.**	**Pct.**	**No.**	**Pct.**
Cologne									
17 & under	163	287	487	560	603	324	198.8	116	23.8
18-24	42	75	90	120	234	48	114.3	144	160.0
25-34	99	248	274	440	518	175	176.8	244	89.1
35-44	67	169	291	385	465	224	334.3	174	59.8
45-54	52	87	175	245	441	123	236.5	266	152.0
55-64	36	62	107	180	296	71	197.2	189	176.6
65-74	45	39	56	70	136	11	24.4	80	142.9
75+	59	45	39	45	107	-20	-33.9	68	174.4
Total	563	1,012	1,519	2,045	2,800	956	169.8	1,281	126.6
Hamburg									
17 & under	139	134	123	150	158	-16	-11.5	35	28.5
18-24	43	44	43	52	69	0	0.0	26	60.5
25-34	67	72	77	95	119	10	14.9	42	54.5
35-44	74	84	67	105	143	-7	-9.5	76	113.4
45-54	63	62	80	101	102	17	27.0	22	27.5
55-64	33	59	54	79	101	21	63.6	47	87.0
65-74	33	38	34	55	74	1	3.0	40	117.6
75+	40	45	35	53	64	-5	-12.5	29	82.9
Total	492	538	513	690	830	21	4.3	317	58.9
Mayer									
17 & under	151	150	576	805	810	425	281.5	234	40.6
18-24	39	44	86	150	160	47	120.5	74	86.0
25-34	73	79	414	520	630	341	467.1	216	52.2
35-44	78	94	272	340	440	194	248.7	168	61.8
45-54	40	88	196	300	370	156	390.0	174	88.8
55-64	30	36	103	180	290	73	243.3	187	181.6
65-74	41	31	64	65	105	23	56.1	41	64.1
75+	19	32	38	50	85	19	100.0	47	123.7
Total	471	554	1,749	2,410	2,890	1,278	271.3	1,141	206.0

TABLE A-1
POPULATION AGE DISTRIBUTION
CARVER COUNTY
1990 to 2030
(Continued)

	--------	Population	--------			-------- Change --------			
						1990-2010		2010-2030	
Age:	1990	2000	2010	2020	2030	No.	Pct.	No.	Pct.
New Germany									
17 & under	95	82	109	120	130	14	14.7	21	19.3
18-24	29	26	17	35	45	-12	-41.4	28	164.7
25-34	55	58	64	80	90	9	16.4	26	40.6
35-44	45	52	56	85	100	11	24.4	44	78.6
45-54	35	38	55	75	85	20	57.1	30	54.5
55-64	22	24	33	50	70	11	50.0	37	112.1
65-74	38	19	26	30	40	-12	-31.6	14	53.8
75+	34	47	12	35	55	-22	-64.7	43	358.3
Total	353	346	372	510	615	19	5.4	243	70.2
Norwood Young America									
17 & under	898	913	965	1,075	1,140	67	7.5	175	18.1
18-24	217	309	258	420	500	41	18.9	242	93.8
25-34	491	412	522	635	775	31	6.3	253	48.5
35-44	385	550	484	550	630	99	25.7	146	30.2
45-54	189	382	542	565	565	353	186.8	23	4.2
55-64	180	177	371	540	735	191	106.1	364	98.1
65-74	171	177	174	300	560	3	1.8	386	221.8
75+	174	188	233	260	410	59	33.9	177	76.0
Total	2,705	3,108	3,549	4,345	5,315	844	31.2	1,766	56.8
Victoria									
17 & under	679	1,274	2,419	2,620	2,835	1,740	256.3	416	17.2
18-24	188	170	323	420	585	135	71.8	262	81.1
25-34	456	512	483	660	705	27	5.9	222	46.0
35-44	410	835	1,395	2,255	2,690	985	240.2	1,295	92.8
45-54	269	618	1,319	1,830	2,628	1,050	390.3	1,309	99.2
55-64	190	350	784	2,260	3,410	594	312.6	2,626	334.9
65-74	112	174	366	490	640	254	226.8	274	74.9
75+	50	92	256	298	440	206	412.0	184	71.9
Total	2,354	4,025	7,345	10,833	13,933	4,991	212.0	6,588	163.7

TABLE A-1
POPULATION AGE DISTRIBUTION
CARVER COUNTY
1990 to 2030
(Continued)

	-------- Population --------					-------- Change --------			
						1990-2010		2010-2030	
Age:	1990	2000	2010	2020	2030	No.	Pct.	No.	Pct.
Waconia									
17 & under	839	2,037	3,472	4,050	5,103	2,633	313.8	1,631	47.0
18-24	286	398	532	850	1,100	246	86.0	568	106.8
25-34	556	1,248	1,363	2,680	3,820	807	145.1	2,457	180.3
35-44	460	1,174	1,913	2,430	2,770	1,453	315.9	857	44.8
45-54	351	688	1,478	1,850	2,150	1,127	321.1	672	45.5
55-64	303	424	730	1,627	2,060	427	140.9	1,330	182.2
65-74	256	324	484	865	1,190	228	89.1	706	145.9
75+	447	521	725	1,140	1,335	278	62.2	610	84.1
Total	3,498	6,814	10,697	15,492	19,528	7,199	205.8	8,831	129.6
Watertown									
17 & under	771	884	1,241	1,555	1,635	470	61.0	394	31.7
18-24	196	241	300	340	400	104	53.1	100	33.3
25-34	465	457	606	850	1,080	141	30.3	474	78.2
35-44	325	488	691	850	935	366	112.6	244	35.3
45-54	165	345	586	680	745	421	255.2	159	27.1
55-64	151	194	372	685	855	221	146.4	483	129.8
65-74	153	152	177	260	550	24	15.7	373	210.7
75+	182	268	232	380	520	50	27.5	288	124.1
Total	2,408	3,029	4,205	5,600	6,720	1,797	74.6	2,515	83.0
Townships									
17 & under	3,381	3,217	2,409	2,605	2,222	-972	-28.7	-187	-7.8
18-24	1,201	1,191	1,139	851	618	-62	-5.2	-521	-45.7
25-34	1,698	1,087	783	1,046	913	-915	-53.9	130	16.6
35-44	1,733	2,223	1,258	991	813	-475	-27.4	-445	-35.4
45-54	1,273	1,765	2,203	1,600	1,273	930	73.1	-930	-42.2
55-64	931	1,082	1,557	1,855	1,693	626	67.2	136	8.7
65-74	576	669	834	906	738	258	44.8	-96	-11.5
75+	289	355	465	441	435	176	60.9	-30	-6.5
Total	11,082	11,589	10,648	10,295	8,705	-434	-3.9	-1,943	-16.8

Sources: Census Bureau; MN Demographic Center; ESRI, Inc;
Maxfield Research Inc.

Table A-2
MEDIAN HOUSEHOLD INCOME BY JURISDICTION
CARVER COUNTY
2014 and 2019

	Median HH Income 2014	Median HH Income 2019	Change 2014-2019 No.	Pct.
Cities				
Carver	$76,976	$83,383	$6,407	8.32%
Chanhassen	$108,209	$115,120	$6,911	6.39%
Chaska	$72,953	$80,551	$7,598	10.41%
Cologne	$59,036	$64,807	$5,771	9.78%
Hamburg	$60,096	$66,818	$6,722	11.19%
Mayer	$62,163	$75,277	$13,114	21.10%
New Germany	$62,772	$72,854	$10,082	16.06%
Norwood Young America	$54,071	$60,464	$6,393	11.82%
Victoria	$100,281	$105,245	$4,964	4.95%
Waconia	$72,748	$84,340	$11,592	15.93%
Watertown	$57,462	$64,275	$6,813	11.86%
Townships				
Benton	$63,461	$72,301	$8,840	13.93%
Camden	$63,059	$73,407	$10,348	16.41%
Dahlgren	$73,540	$83,763	$10,223	13.90%
Hancock	$66,316	$74,593	$8,277	12.48%
Hollywood	$62,597	$73,484	$10,887	17.39%
Laketown	$97,330	$103,209	$5,879	6.04%
San Francisco	$75,682	$83,694	$8,012	10.59%
Waconia	$76,795	$84,202	$7,407	9.65%
Watertown	$67,733	$79,846	$12,113	17.88%
Young America	$59,330	$65,618	$6,288	10.60%

Sources: ESRI Inc; Maxfield Research, Inc.

APPENDIX-B

TABLE B-1
MARKET-RATE GENERAL OCCUPANCY RENTAL PROJECTS
CARVER MARKET AREA
March 2014

Project Name/Location	Year Built	Units/ Vacant	Unit Mix	Unit Size	Average Square Feet	Monthly Rent	Average Mo. Rent	Average Rent Per Sq. Ft.	Amenities/Comments
CHANHASSEN									
Powers Ridge*	2002	101	22 - 1BR	775 881	828	$995 - $1,100	$1,048	$1.28	Four 3-story buildings, residents pay electric & gas. UG
1371 Lake Dr W		0	3 - 1BR/D	904	904	$1,100 - $1,175	$1,138	$1.22	garage included, A/C, patio/balcony, fireplace,
Chanhassen		0.0%	64 - 2BR	1,025 1,098	1,062	$1,250 - $1,350	$1,300	$1.22	dishwasher, disposal, microwave, indoor pool, jacuzzi,
			12 - 3BR	1,347	1,347	$1,495 - $1,525	$1,510	$1.11	party room, fitness room, picnic area, play area, in-unit W/D.
Lake Susan Apts.	2001	162	59 - 1BR	821	821	$950 - $1,350	$1,150	$1.16	3-story buildings, residents pay electric & heat. UG
8260 Market Blvd		12	12 - 1BR/D	1,031	1,031	$1,130 - $1,500	$1,315	$1.10	garage included, central A/C, patio, dishwasher,
Chanhassen		7.4%	82 - 2BR	1,125 - 1,153	1,139	$1,160 - $1,600	$1,380	$1.03	disposal, mircrowave, outdoor pool, sauna, jacuzzi,
			9 - 3BR	1,344	1,344	$1,455 - $2,000	$1,728	$1.08	party room, fitness room, in-unit W/D, picnic area, play area.
Heritage Park	1990	60	33 - 1BR	875 - 929	902	$915 - $1,100	$1,008	$1.05	Residents pay electric, heat, and gas. UG garage
425 Chan View		3	27 - 2BR	990 - 1,020	1,005	$1,130 - $1,230	$1,180	$1.14	parking in not included, A/C, elevator, party room,
Chanhassen		5.0%							fitness room, play area, in-unit W/D, secure entrance.
W Village Townhomes	1987	64	1 - 1BR	870	870	$695 $725	$710	$0.80	
700 W Village		0	55 - 2BR	912	912	$895 $895	$895	$0.98	
Chanhassen		0.0%	8 - 3BR	1,050	1,050	$1,100 $1,100	$1,100	$1.05	
Santa Vera	1979	18	8 - 1BR	700	700	$650	$650	$0.93	Walk-up building. Owner pays heat. 16 garages
601-612		0	10 - 2BR	900	900	$765	$765	$0.85	included in the rent. Tenants pay electric, phone, and
Chanhassen									cable.
Chanhassen Village	1973	120	66 - 1BR	720	720	$799 - $879	$839	$1.11	Six 3-story brick buildings. Owner pays heat, water,
7601-7641 Chanhassen Rd		2	54 - 2BR	970	970	$879 - $1,010	$945	$0.91	sewer, and trash. Off-street parking, additional
Chanhassen		1.7%							parking available.
Chan View Apts.	1969	35	2 - Eff	550	550	$595	$595	$1.08	Heat and water is included in the rent. Tenants pay the
420, 440, 489 Chan View		0	11 - 1BR	750	750	$695	$695	$0.93	rest of the utilities. No elevators, no garages.
Chanhassen		0.0%	22 - 2BR	900	900	$795	$795	$0.88	
Chapman Apts.	1966	24	2 - Eff	600	600	N/A	N/A	N/A	Two story walk-up builidng. Owner pays heat, tenant
420-489		1	11 - 1RB	700	700	N/A	N/A	N/A	pays electric
Chanhassen			11 - 2BR	900	900	N/A	N/A	N/A	
Carver Court	1968	24	12 - 1BR	650	650	$695	$695	$1.07	Two 12-unit buildings. Heat is included in the rent.
410 Chan View		1	12 - 2BR	750	750	$795	$795	$1.06	
Chanhassen									

TABLE B-1
MARKET-RATE GENERAL OCCUPANCY RENTAL PROJECTS
CARVER MARKET AREA
March 2014
(Continued)

Project Name/Location	Year Built	Units/ Vacant	Unit Mix	Unit Size	Average Sq. Ft.	Monthly Rent	Average Mo. Rent	Average Rent Per Sq. Ft.	Amenities/Comments
CHASKA									
Cloverfield Marketplace	2008	58	1 - EFF	681	681	$730	$730	$1.07	Market Rate component of a mixed-income
2915 Clover Ridge Dr		1	15 - 1BR	683	683	$834	$834	$1.22	property.
Chaska		1.7%	29 - 2BR	1,056	1,056	$963	$963	$0.91	
			13 - 3BR	1,163 - 1,179	1,171	$1,154	$1,154	$0.99	
Highland Shores	2008	58	2 - Eff	583	583	$875	$875	$1.50	Heat and electric paid by tenant. UG provided.
3100 Chestnut N		0	26 - 1BR	830 - 1,070	950	$1,006 - $1,150	$1,078	$1.21	Additional parking is available.
Chaska		0.0%	30 - 2BR	1,242 - 1,463	1,353	$1,299 - $1,500	$1,400	$1.05	
Chaska Place Apts.	2004	129	24 - 1BR	756 - 793	775	$989 - $1,019	$1,004	$1.31	3-story buildings, residents pay electric & heat. UG
325 Engler Blvd		0	78 - 2BR	1,039 - 1,328	1,184	$1,189 - $1,259	$1,224	$1.14	garage included, A/C, patio, indoor pool, sauna,
Chaska		0.0%	27 - 3BR	1,355 - 1,454	1,405	$1,435 - $1,519	$1,477	$1.06	jacuzzi, party room, fitness room, laundry room, picnic area.
Lake Hazeltine Woods	2002	42	14 - 1BR	1,214	1,214	$1,405 - $1,495	$1,450	$1.16	2-level rental townhomes, attached garage included,
3400 Autumn Woods Dr		2	25 - 2BR	1,568	1,568	$1,445 - $1,670	$1,558	$0.92	residents pay all utilities, patio/balcony, A/C,
Chaska		4.8%	3 - 3BR	3,003	3,003	$2,285 - $2,325	$2,305	$0.76	microwave, dishwasher, disposal, in-unit W/D.
River Gables	2001	21	8 - 1BR	797 - 850	824	$869 - $950	$910	$1.09	3-story building above ground floor retail. Located in
110 1st Street East		0	13 - 2BR	1010 - 1062	1,036	$940 - $1,065	$1,003	$0.93	Downtown Chaska.
Chaska		0.0%							
Sun Lake Woods	2001	82	18 - 1BR	816 - 839	828	$915 $925	$920	$1.12	3-story buildings, residents pay electric, heat & gas.
1045 Yellow Brick Rd		0	52 - 2BR	1,128 - 1,282	1,205	$1,055 $1,220	$1,138	$0.94	UG garage included, A/C, patio, dishwasher, indoor
Chaska		0.0%	12 - 3BR	1,392	1,392	$1,245	$1,245	$0.89	pool, jacuzzi, party room, fitness room, laundry room, picnic area, play area.
Brickstone Estates	2000	53	4 - Eff	542	542	$750	$750	$1.38	Residents pay electric, UG garage included,
830 Walnut Place		0	19 - 1BR	757 - 902	830	$860 - $895	$878	$1.14	patio/balcony, A/C, in-unit W/D.
Chaska		0.0%	26 - 2BR	988 - 1,239	1,114	$940 - $995	$968	$0.95	
			4 - 3BR	1,670 - 1,718	1,694	$1,290 - $1,290	$1,290	$0.77	
Hazeltine Shores	1989	166	48 - 1BR	737	737	$1,145 - $1,145	$1,145	$1.55	25 building campus. Residents pay electric, heat, and
3456 Lake Shore		3	83 - 2BR	900	900	$1,175 - $2,085	$1,630	$1.31	gas. Detached garage parking available. A/C,
Chaska		1.8%	85 - 3BR	1,380	1,380	$2,500 - $2,500	$2,500	$1.81	patio/balcony, party room, fitness room, outdoor pool, play area, W/D hook-ups.
Town Square Apts.	1989	30	24 - 2BR	1,000	1,000	$935	$935	$0.94	Three story wood frame building. All utilities included
220 Walnut Street		1	6 - 3BR	1,400	1,400	$1,260	$1,260	$0.90	except personal electric, heated underground parking,
Chaska		3.3%							elevator. Central laundry facility.
Sun Lake Apts.	1988	64	10 - 1BR	800	800	$895 - $935	$915	$1.12	4 building campus. Residents pay electric, heat, and
976 Yellow Brick Rd.		0	22 - 1BR+D	900	900	$925 - $955	$940	$1.03	gas. Detached garage included, A/C, patio/balcony,
Chaska		0.0%	32 - 2BR	1,025	1,025	$960 - $990	$975	$0.94	play area, in-unit W/D, secure entrance.

TABLE B-1
MARKET-RATE GENERAL OCCUPANCY RENTAL PROJECTS
CARVER MARKET AREA
March 2014
(Continued)

Project Name/Location	Year Built	Units/ Vacant	Unit Mix	Unit Size	Average Sq. Ft.	Monthly Rent	Average Mo. Rent	Average Rent/Sq. Ft	Amenities/Comments
CHASKA (Continued)									
Woodcrest TH	1987	84	8 - 1BR	950 - 1,000	975	$685 - $725	$705	$0.72	9 building campus. Residents pay electric, heat, and
2555 Woodcrest		0	66 - 2BR	1,050	1,050	$780 $840	$810	$0.74	gas. Detached garage parking is available. A/C, play
Chaska		0.0%	10 - 3BR	1,200	1,200	$950 $995	$973	$0.79	area, in-unit W/D.
Water's Edge	1986	120	6 - 1BR	900	900	$695	$695	$0.77	12 building campus. Residents pay electric, heat, and
101 Waters Edge		0	102 - 2BR	1,000	1,000	$755 $795	$775	$0.76	gas. Detached garages are included. A/C, play area, in-
Chaska		0.0%	12 - 3BR	1,250	1,250	$950	$950	$0.76	building W/D. 6 1BR's and 6 2BR's are apartments, the
									remaining are townhomes.
Carver Ridge	1985	10	10 - 3BR	1,100	1,100	$995	$995	$0.90	9 building campus. Residents pay electric, heat, and
305 Crosstown Blvd		0							gas. Detached garage parking is available. A/C, play
Chaska		0.0%							area, in-building W/D.
Cedar Creek	1972	49	1 - Eff	500	500	$600 - $600	$600	$1.20	2 building campus. Residents pay electric. Detached
135 Crosstown Blvd		0	33 - 1BR	760	760	$750 - $795	$773	$0.99	garage parking is available. A/C, patio/balcony, play
Chaska		0.0%	15 - 2BR	1,000	1,000	$895 - $1,010	$953	$0.90	area, in-building W/D.
Barbary Knoll	1974	60	5 - 1BR	825 - 850	838	$725 - $775	$750	$0.88	Three story apartment building. Owner pays heat,
1595-96 Millpond Ct		0	54 - 2BR	950 - 975	963	$825 - $865	$845	$0.87	tenant pays electric, phone, and cable. One garage
Chaska			1 - 3BR	1,100	1,100	$999	$999	$0.91	stall is included in the rent.
Lake Grace Manor	1972	46	36 - 1BR	704	704	$695	$695	$0.99	3 building campus. Residents pay electric and gas.
1108 Village Rd.		0	36 - 2BR	825	825	$785	$785	$0.95	Detached garage parking is available. A/C,
Chaska		0.0%	19 - 3BR	1,200	1,200	$1,100	$1,100	$0.92	patio/balcony, W/D on every floor. 3BR have full size
									W/D in-unit.
Aspen Oaks	1971	44	4 - Eff	434	434	$599 - $599	$599	$1.38	15 building campus. Residents pay electric and gas.
1112 Village Rd.		2	30 - 1BR	487 - 680	584	$635 - $710	$673	$1.30	Offstreet parking is available. A/C, patio/balcony, in-
Chaska		4.5%	10 - 2BR	800 - 850	825	$810 - $810	$810	$1.01	building W/D.
Windstone Townhomes	1971	88	10 1BR	944	944	$710	$710	$0.75	Three-level townhomes on 11 acres of land with
110550 Windmill Court		0	58 2BR	1,221	1,221	$822	$822	$0.67	walking trails
Chaska		0.0%	20 3BR	1,482	1,482	$955 $1,019	$987	$0.64	

TABLE B-1
MARKET-RATE GENERAL OCCUPANCY RENTAL PROJECTS
CARVER MARKET AREA
February 2014
(Continued)

Project Name/Location	Year Built	Units/ Vacant	Unit Mix	Unit Size	Average Sq. Ft.	Monthly Rent	Average Mo. Rent	Average Rent/Sq. Ft	Amenities/Comments
CARVER									
Bluff Creek Apts.	1970s	14	1 - 1BR	875	875	$710	$710	$0.81	Carver County CDA. No income limits.
1800 County Rd 40		0	13 - 2BR	1,078	1,078	$769	$769	$0.71	
Carver		0.0%							
HAMBURG									
Eastview Apts.	1980	12	2 - 1BR	650	650	$450 $495	$473	$0.73	Mostly younger tenants.
450 Brad St.		0	10 - 2BR	750	750	$550	$550	$0.73	
Hamburg		0.0%							
Parkview Apts.	1970	6	1 - 1BR	650	650	$450 $495	$473	$0.73	Mostly younger tenants.
613 Park Ave.		0	5 - 2BR	750	750	$550	$550	$0.73	
Hamburg		0.0%							
Elmwood Apts.	1973	6	1 - 1BR	650	650	$450 $495	$473	$0.73	Smoke and pet free. Mostly younger tenants.
440 Brad St.		0	5 - 2BR	750	750	$550	$550	$0.73	
Hamburg		0.0%							
NEW GERMANY									
100 State Ave. S	2006	5	3 - 1BR	550	550	$540	$540	$0.98	Former grocery store converted to rental in August 2006.
New Germany		0	2 - 2BR	900	900	$650	$650	$0.72	
		0.0%							
NORWOOD YOUNG AMERICA									
Country Cove Apts.	1996	48	2 - 1BR	650	650	$650	$650	$1.00	Three-floor building. Heat, water, garbage are included.
100-104 Poplar Ridge Dr.		0	34 - 2BR	861 916	889	$700 $725	$713	$0.80	
Norwood Young America		0.0%	12 - 3BR	1,216	1,216	$825	$825	$0.68	
Young America Apts	1980s	32	4 - 1BR	N/A	N/A	N/A	N/A	N/A	Four 8-plex buildings. High vacancies for many years according to surrounding owners.
326-404 S Central Ave		12	28 - 2BR	N/A	N/A	N/A	N/A	N/A	
Norwood Young America		37.5%							
Norwood Vista Apts.	1970s	12	1 - 1BR	700	700	$545	$545	$0.78	One 12-unit building. Mostly elderly residents.
316 W Wilson St.		0	11 - 2BR	850	850	$650	$650	$0.76	
Norwood Young America									
C & L Apartments	1998	9	9 - 2BR	900	900	$700	$700	$0.78	Attached garages. Mostly elderly residents.
112 Poplar Ridge Dr.		0							
Norwood Young America									

TABLE B-1
MARKET-RATE GENERAL OCCUPANCY RENTAL PROJECTS
CARVER MARKET AREA
March 2014
(Continued)

Project Name/Location	Year Built	Units/ Vacant	Unit Mix	Unit Size	Average Sq. Ft.	Monthly Rent	Average Mo. Rent	Average Rent/Sq. Ft	Amenities/Comments
VICTORIA									
Park Vista Apts.	1980s	36	2 - 1BR	N/A	N/A	$725	$725	N/A	Five buildings with detached garages. Located near
1570-1635 Commercial Blvd.		0	34 - 2BR	N/A	N/A	$795	$795	N/A	Downtown Victoria.
Victoria		0.0%							
WACONIA									
Prairie Village	1997	60	15 - 1BR	670	670	$695	$695	$1.04	Three-story apartment building
800-850 Meadow Lake Pl		0	30 - 2BR	850 - 947	899	$760 - $810	$785	$0.87	Balconies/patios; wall-unit air.
Waconia		0.0%	15 - 3BR	1,075	1,075	$900	$900	$0.84	
Timberlea Terrace	1997	30	8 - 1BR	670	670	$710	$710	$1.06	
930 Farmline Road		0	15 - 2BR	850	850	$775	$775	$0.91	
Waconia		0.0%	7 - 3BR	1,060	1,060	$925	$925	$0.87	
Park Apts	1960	12	6 - 1BR	645	645	$625	$625	$0.97	Three 12-unit walk-up buildings. Owner pays heat,
140 East Main St.		0	6 - 2BR	850	850	$725	$725	$0.85	sewer, water. Pay electric cable and phone.
Waconia		0.0%							
Elm Sreet Apts.	1960	12	6 - 1BR	645	645	$625	$625	$0.97	Three 12-unit walk-up buildings. Owner pays heat,
245 Elm Street		0	6 - 2BR	850	850	$725	$725	$0.85	sewer, water. Pay electric cable and phone.
Waconia		0.0%							
Fairhill	1960	12	6 - 1BR	645	645	$625	$625	$0.97	Three 12-unit walk-up buildings. Owner pays heat,
140 3rd Street		0	6 - 2BR	850	850	$725	$725	$0.85	sewer, water. Pay electric cable and phone.
Waconia		0.0%							
Galway Apts.	1960	24	7 - Eff	600	600	$598	$598	$1.00	Two 2-story buildings.
Waconia		0	17 - 1BR	700	700	$645	$645	$0.92	
WATERTOWN									
Chadwick Apts.	1970s	6	6 - 2BR	850	850	$580 - $600	$590	$0.69	A four-plex and duplex. Mostly middle-age tenants
Watertown		1							who stay for several years. Most who leave do so to
		16.7%							purchase a home.
Ferry Apts.	1960s	10	10 - 2BR	800 - 950	900	$580 - $725	$653	$0.73	Six townhome units and one four-plex building.
Watertown		0							
Newton Apts	1960s	6	NA	N/A	N/A	NA	N/A	N/A	Did not participate.
Watertown		0.0%							
Northstar Apts	1960s	6	NA	N/A	N/A	NA	N/A	N/A	Did not participate.
Watertown		0.0%							

Source: Maxfield Research Inc.

TABLE B-2
DEEP-SUBSIDY/SHALLOW-SUBSIDY GENERAL OCCUPANCY RENTAL PROJECTS
CARVER COUNTY
March 2014

Project Name/Location	Year Built	Units/ Vacant	Unit Mix	Monthly Rent	Amenities/Comments
Deep-Subsidy					
Cloverfield Marketplace	2008	21	6 - 1BR	30% of AGI	Mixed-Income; Project-based
2915 Clover Ridge Dr		0	6 - 2BR		section 8; community rm;
Chaska		0.0%	9 - 3BR		fitness rm; elevator building.
Chaska Village Town.	1981	28	20 - 2BR	30% of AGI	Section 8 Project Based
1131 Crosstown Blvd		0	8 - 3BR		
Chaska		0.0%			
Creek's Run Townhomes	2013	4	n/a - 2BR	30% of AGI	Special Program, Vouchers for
Yellow Brick Road/Crosstown Blvd.		0	n/a - 3BR		Long-Term Homeless.
Chaska		0.0%	n/a - 4BR		
Hillside Apts.	1970s	4	8 - 1BR	30% of AGI	Rural Development. 1-story building.
101 Angel Avenue SW		0		basic: $545	Community room, dining, laundry
Watertown		0.0%			room. Rental assistance for 4 units.
Old City Hall Apartments	N/A	13	13 - 1BR	30% of AGI	Project-based section 8
9 W. 1st Street		0			
Waconia		0.0%			
Hilltop I and II Apts.	1980s	16	16 - 1BR	30% of AGI	Rural Development. Two 2-story
209 Grove Ave. NE		1		basic : $470-$635	buildings. Community room,
Watertown		0.0%			emergency response. Rental
					assistance unavailable.
Spruce Apts.	1970s	31	21 - 1BR	30% of AGI	Public Housing. Very few residents
325 South Spruce St.		2	10 - 2BR-4BR TH		pay maximum rents of $674/1BR,
Waconia		0.0%			$862/2BR, $1,166/3BR, $1,321/4BR.
Fox Run Apts.	1986	14	12 - 1BR	$510 - $715	Rural Development. 14 units
28-32 W 13th St.		0	8 - 2BR	$530 - $735	subsidized at 30% AMI
Waconia		0.0%	4 - 3BR	$550 - $755	
Poplar Ridge Apts.	1990	12	2 - 1BR	$625	Rural Development. 12 rental
10 Poplar Ridge Dr.		2	14 - 2BR	$655	assistance available.
Norwood Young America		0.0%	8 - 3BR	$695	
Deutchland Apts.	1986	2	4 - 1BR	$465 - $532	Rural Development. 2-story building.
600 Broadway St. E.		0	4 - 2BR	$489 - $552	Laundry room. Rental assistance for
New Germany		0.0%			2 units.
Total Units		**145**			
Vacant Units		**5**			
Vacancy Rate		**3.4%**			

TABLE B-2
DEEP-SUBSIDY/SHALLOW-SUBSIDY GENERAL OCCUPANCY RENTAL PROJECTS
CARVER COUNTY
March 2014
(continued)

Project Name/Location	Year Built	Units/ Vacant	Unit Mix	Monthly Rent	Amenities/Comments
Shallow-Subsidy					
Cloverfield Marketplace	2008	59	15 - 1BR	$772	LIHTC Affordable at 60% of
2915 Clover Ridge Dr		1	29 - 2BR	$891	Area Median Income
Chaska		2.2%	15 - 3BR	$1,130	
Gateway Place	2007	48	4 - 1BR	$853	LIHTC Affordable at 60% of
721 Lake Susan Drive		1	27 - 2BR	$1,023	Area Median Income
Chanhassen		2.1%	17 - 3BR	$1,181	
The Brickyard Apts.	2001	32	10 - Eff	$695	Carver County CDA. No income
709 Walnut St.		0	20 - 1BR	$750	limits.
Chaska		0.0%	2 - 2BR	$875	
Creek's Run Townhomes	2013	36	7 - 2BR	N/A	LIHTC (60% of AMI). Four units
Yellow Brick Rd/Crosstown Blvd.		0	25 - 3BR	N/A	with vouchers reserved for
Chaska		0.0%	8 - 4BR	N/A	Veterans included under deep
					subsidy.
Hilltop I and II Apts.	1980s	16	16 - 1BR	30% of AGI	Rural Development. Two 2-story
209 Grove Ave. NE		1		basic : $470-$635	buildings. Community room,
Watertown		7.7%			emergency response. Rental
Brickstone Town.	2000	30	25 - 3BR	$1,162	LIHTC (60% AMI). Waiting list with
800 Walnut Pl		0	5 - 4BR	$1,250	25 names.
Chaska		0.0%			
Carver Ridge Town.	1985	82	4 - 1BR	$695	LIHTC. 1BR & 2BR units are
340 Crosstown Blvd		0	78 - 2BR	$775 - $825	affordable.
Chaska		0.0%			
Crosstown Commons	1969	33	22 - 1BR	$640	2 building campus. Offstreet
1200 & 1212 Crosstown Blvd		0	12 - 2BR	$765	parking. A/C, patio/balcony, play
Chaska		0.0%			area, in-building W/D.
Hillside Apts.	1970s	4	8 - 1BR	30% of AGI	Rural Development. 1-story building.
101 Angel Ave. SW		0		basic : $545	Community room, dining, laundry
Watertown		0.0%			room. Rental assistance for 4 units.
Deutchland Apts.	1986	6	4 - 1BR	$465 $532	Rural Development. 2-story building.
600 Broadway St. E		0	4 - 2BR	$489 $552	Laundry room. Rental assistance for
New Germany		0.0%			
Fox Run Apts.	1986	10	12 - 1BR	$510 $715	Rural Development.
28-32 W 13th St.		0	8 - 2BR	$530 $735	
Waconia		0.0%	4 - 3BR	$550 $755	
Interlaken Place	2008	48	26 - 2BR	$815	LIHTC (50% AMI); all units are
925 Airport Road		0	22 - 3BR	$950	affordable.
Waconia		0.0%			
Poplar Ridge Apts.	1990	12	2 - 1BR	$625	Rural Development. 12 rental
10 Poplar Ridge Dr.		2	14 - 2BR	$655	assistance available.
Norwood Young America		0.0%	8 - 3BR	$695	
Clinic View Apts.	1980s	25	19 - 2BR	$650	No rental assistance available.
601 Lewis Ave. N.		2	6 - 3BR	$750	
Watertown		0.0%			
Lake Grace Apartments	1972	45	36 - 1BR	$695	HOME Program. 20% below 50%
1108 Village Rd.		0	36 - 2BR	$785	median income, 60% below 60%, and
Chaska		0.0%	19 - 3BR	$1,100	10% below 80%.
East Creek Carriage Homes	1997	39	14 - 2BR	$817 - $960	LIHTC. Low rents shown are for
744 Ravoux Rd		0	25 - 3BR	$943 - $1,065	residents at 50% of AMI and the high
Chaska		0.0%			rents are for those at 60% of AMI.
Waters Edge Town.	2000	30	10 - 2BR	$860	LIHTC (60% AMI). 8 MHOP units (60%
County Rd 10 & 24		2	20 - 3BR	$880	AMI & tenants pay 30% of income)
Watertown		0.0%			
Total Units		**555**			
Vacant Units		**9**			
Vacancy Rate		**1.6%**			

Source: Maxfield Research Inc.

APPENDIX C

TABLE C-1
UNIT MIX/SIZE/COST & OCCUPANCY COMPARISON
MARKET RATE SENIOR HOUSING DEVELOPMENTS
CARVER COUNTY
February 2014

Project Name/Location	Occp. Date	No. of Units/ Vacant	Unit Mix/Sizes/Pricing No./Type	Size (Sq. Ft.)	*Sale Price/* Monthly Rent/Fee	Resident Profile
ADULT RENTAL						
None						
ADULT OWNERSHIP						
Village Grace	2003	40	12 - 1BR	840 - 1,135	$50,000 - $143,000	55+
110696 Village Road		0	28 - 2BR	1,003 - 1,465	$69,900 - $175,900	Avg Age = 70s
Chaska		0.0%	Association Fee		$130 - $177	
CONGREGATE						
Summerwood of Chanhassen	2004	90	44 - 1BR	705 - 758	$976 - $1,260	55+
525 Lake Drive		0	13 - 1BR/D	1,000 - 1,100	$1,333 - $1,435	Avg. age = 86
Chanhassen		0.0%	33 - 2BR	1,240 - 2,009	$1,820 - $3,702	16% Couples
Elim Meadows	1989	11	5 - 1BR	650 - 720	$765 - $860	62+
415 Jefferson Ave SW		0	6 - 2BR	803 - 816	$925 - $935	Avg Age = 85
Watertown		0.0%				
Westview Acres	1985	74	49 - 1BR	500	$840 - $1,375	55+
433 West Fifth Street		0	5 - 1BR LUX	741	$1,120 - $1,655	Avg Age = 79 to 83
Waconia		0.0%	42 - 2BR	844	$1,200 - $1,725	Care Packages range
			14 - 2BR LUX	1,208	$1,525 - $2,060	$1,275 to $2,475
ASSISTED LIVING						
The Harbor at Peace Village	2006	36	15 - Studio	509 - 539	$2,255 - $2,370	55+
300 North Faxon Road		0	21 - 1BR	609	$2,950	Avg Age = 85
Norwood Young America		0.0%				No Couples
Lighthouse at Waconia	2005	65	10 - Studio	383 - 434	$2,821 - $3,193	55+
500 Cherry St		9	41 - 1BR	515 - 581	$3,007 - $3,720	Avg Age = 80-82
Waconia		13.8%	2 - 1RB+D	646	$3,751 - $3,875	
			6 - 2BR	759 - 877	$3,844 - $4,030	
Summerwood of Chan.	2005	53	2 - Studio	265	$2,552	55+
525 Lake Drive		0	41 - 1BR	555 - 690	$2,921 - $3,320	Avg Age = 85
Chanhassen		0.0%	10 - 2BR	950	$3,836	25% are Couples
Auburn Courts	1997	48	34 - Studio	295 - 412	$2,365	62+
501 Oak Street		5	11 - 1BR	516 - 550	$3,265	Avg Age = 86
Chaska		10.4%	3 - 2BR	770	$3,995	9% Couples
Westwood Place	1989	55	47 - Private	195	$2,945 base	Avg Age = 85
209 Jefferson Ave. SW	1996	15	8 - w/ Shared	300	$200 for additional	No Couples
Watertown		27.3%	Bath		room	
Auburn Meadows	2012	44	n/a - Studio	322 - 409	$3,150	Ave Age=86
591 Cherry Drive		0	n/a - 1BR	457	$3,500	No Couples
Waconia		0.0%	n/a - 2BR	665	$4,800	
Westview Acres	1985	22	10 - 1BR	500	$840 - $1,375	55+
433 West Fifth Street		0	12 - 2BR	844	$1,200 - $1,725	Avg Age = 79 to 83
Waconia		0.0%				Care Packages range
						$1,275 to $2,475

TABLE C-1
UNIT MIX/SIZE/COST & OCCUPANCY COMPARISON
MARKET RATE SENIOR HOUSING DEVELOPMENTS
CARVER COUNTY
February 2014
(Continued)

Project Name/Location	Occp. Date	No. of Units/ Vacant	Unit Mix/Sizes/Pricing No./Type	Size (Sq. Ft.)	*Sale Price/* Monthly Rent/Fee	Resident Profile
			MEMORY CARE			
Emerald Crest of Victoria	2005	33	30 - Private	200	$3,900 - $4,350	85 avg age
8150 Bavaria Road		10	3 - Shared	300	**base ^ incidentals**	No Couples
Victoria		30.3%			$1,500-$3,500	
Lighthouse at Waconia	2005	37	34 - Studio	356 - 447	$4,247 - $4,402	55+
500 Cherry St		6	3 - Shared Studio		$3,441 - $3,596	Avg Age = 80-82
Waconia		16.2%				
Summerwood of Chan.	2005	18	4 - Studio	265	$2,893	55+
525 Lake Drive		0	13 - 1BR	525 - 580	$3,305 - $3,430	Avg Age = 88
Chanhassen		0.0%	1 - 2BR	950	$4,377	6% are Couples
Auburn Courts	1997	7	7 - Studio	383 - 531	$3,995	65+
501 Oak Street		0				Avg. Age=86
Chaska		0.0%				Mostly Singles
Auburn Reflections	2012	17	17 - Studio	322 - 409	$4,400	65+
591 Cherry Drive		0				Avg Age=84
Waconia		0.0%				

* Residents of congregate untis at Summerwood of Chanhassen pay an entrance fee in addition to monthly rent.

Source: Maxfield Research Inc.

TABLE C-2
SUBSIDIZED/AFFORDABLE SENIOR RENTAL DEVELOPMENTS
CARVER COUNTY
March 2014

Project Name/Location	Year Built	Units/ Vacant	Unit Mix/	Rents	Comments/Amenities/Features
			DEEP-SUBSIDY		
Peace Villa Apts.	1981	33	33 - 1BR	30% of AGI	Rural Development. 2-story building. Community & laundry
Norwood Young America		0	28 - 2BR	390 - 540	rooms, garden, emergency response. Rental assistance for 32
Maplecrest Commons	1980s	6	6 - 1BR	30% of AGI	Rural Development. 3-story building. Community & laundry
Waconia		1		basic : $45 to $685	rooms. Rental assistance for 6 units. 2units are always market
Mayer Elderly Apts.	1980s	9	9 - 1BR	30% of AGI	Rural Development. 1-story building. Community & laundry
Mayer		0		basic : $470-$650	rooms. Rental assistance for 9 units.
Riverside Apts.	1980s	17	22 - 1BR	30% of AGI	Rural Development. 3-story building. Community & laundry
Watertown		2		basic : $550	rooms. Rental assistance for 17 units.
Lakeside Villa Apts.	1970s	12	11 - 1BR	30% of AGI	HUD. 2-story building. Off-street parking. 62+
Cologne		0	1 - 2BR		
Evergreen Apts.	1970s	46	45 - 1BR	30% of AGI	HUD. 5-story building. Community room and off-street parking.
Waconia		1	1 - 2BR		No waiting list.
Landing Apartments	2013	54	54 - 1BR	30% AGI	62+ Newly opened affordable senior living HUD 202
Chaska		0		$50 - $550	
Talheim Apts.	1970s	58	58 - 1BR	30% of AGI	Section 8 Project Based. 5-story building. Waiting list is about
Chaska		0			one month. Avg. age is late-70s.
Waybury at Chaska	1970s	114	109 - 1BR	30% of AGI	Section 8 Project Based. 95% senior, 5% disabled. Waiting list
Chaska		4	5 - 2BR		is about 3 months. Most seniors leave to assisted living.
Total-Deep-Subsidy		**349**	**Vacancy Rate**		
		8	**2.3%**		
			SHALLOW-SUBSIDY		
The Crossings	2006	68	3 - Eff	$655	Carver County CDA. 3-story affordable building that opened in
Waconia		0	21 - 1BR	$816	2001. Resident profile: average age = 67, 17 couples.
			22 - 1BR+D	$937	
			15 - 2BR	$1,008 - $1,020	
			7 - 2BR+D	$1,136 - $1,269	
Centennial Hill	1996	65	39 - 1BR	$830 - $857	Carver County CDA. 3-story affordable building that opened in
Chanhassen		0	23 - 1BR+D	$1,028	2006. Resident profile: average age = 78, 10 couples.
			3 - 2BR	$1,108	
Oak Grove	2010	50	n/a - Studio	$632 - $643	Carver County CDA, 3-story affordable building that opened in
Norwood Young America		0	n/a - 1BR	$775 - $816	2009; Residential profile; average age = 78
			n/a - 1BR+D	$959 - $1,020	
			n/a - 2BR	$1,071 - $1,148	
			n/a 2BR/2BA	$1,428	
Maplecrest Commons	1970s	14	14 - 1BR	30% of AGI	Rural Development. 3-story building. Community & laundry
Waconia		1		basic : $45 to $685	rooms. Rental assistance for 6 units.
Mayer Elderly Apts.	1970s	1	1 - 1BR	30% of AGI	Rural Development. 1-story building. Community & laundry
Mayer		0		basic : $470-$650	rooms. Rental assistance for 9 units.
Peace Villa Apts.	1981	30	33 - 1BR	30% of AGI	Rural Development. 2-story building. Community & laundry
Norwood Young America		0	28 - 2BR	$390 - $540	rooms, garden, emergency response. Rental assistance for 32
Riverside Apts.	1980s	5	22 - 1BR	30% of AGI	Rural Development. 3-story building. Community & laundry
Watertown		2		basic : $550	rooms. Rental assistance for 17 units.
Total-Shallow-Subsidy Senior		**219**	**Vacancy Rate**		
		3	**1.4%**		

Source: Maxfield Research Inc.