



# Healthy Housing Indicators Analysis

(2007 - 2011 data)

March 2013



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# Report Purpose

This report updates last year's version of the study by adding 2011 data to the previous five year period; i.e. instead of covering 2006-2010, this edition covers 2007-2011. The report's purposes remain the same:

- Analyze trends in housing conditions and the housing market
- Analyze trends in public and private investment in the housing stock
- Determine the relationship between trends in housing condition, investment, and value
- Identify patterns indicating a "healthy housing" market

# Background

Along with other city departments, the Community Planning and Economic Development Department [CPED] has long monitored trends in the city's residential housing stock and more generally in the overall housing market. In the last five years, City residents have coped with unprecedented upheavals in the housing market. In response, CPED has worked with many partners to offer a number of innovative approaches to address these challenges. These approaches are broadly organized along the following three principles:

- **Prevention**– Continue foreclosure prevention outreach and counseling;
- **Reinvestment**– Pursue aggressive property acquisition and promote property development;
- **Repositioning**– Engage in community building and marketing efforts.





# Executive Summary

The 2007-2011 edition of the Healthy Housing Indicators produced mixed results. While several indicators showed improvement over last year's report, there were still plenty of indicators that have room for improvement.

Indicators were divided up into three categories: **Indicators of Housing Distress, Indicators of Housing Development, and Indicators of Housing Value.**

The table to the right displays the trends of 13 indicators. 7 of the 13 moved in a positive direction, shown in green. 6 of the 13 moved in a negative direction.

**Housing Distress** indicators were split down the middle with 3 showing positive trends, and 3 exhibiting negative trends. One of the trends, **% of Single Family Properties that are Non-Homesteaded**, has been increasing steadily for the past 15 years and has shown no sign of stopping. See pages 7-12 for more detail about Housing Distress.

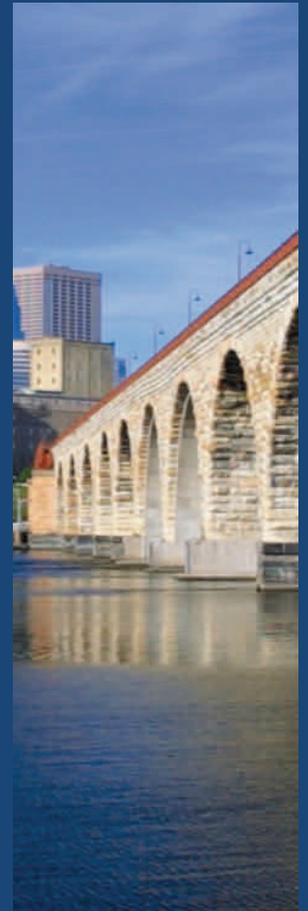
The most reassuring positive trends occurred in the **Housing Development** indicators category. All of its 3 indicators showed positive signs. Housing Development begins at page 13 and runs through page 22.

The two indicators which measure **Housing Value** were both at 5 year lows, but should increase in the coming years to reflect positive trends occurring in the **Housing Development** indicators. Housing Value is located on pages 23-26.

Summary Indicators	
Indicator	2010 - 2011 Trend
% Properties with Housing Violations	Up
% Properties on the Vacant Building Registration	Down
Average Time on the VBR List	Down
% Properties that were Foreclosed	Down
% SF Properties that were Non-Homesteaded	Up
% of Properties in Poor or Fair Condition	Up
% of Properties with Permits over \$5,000	Up
Average Permit Value by Neighborhood	Up
Permit Value as a % of Residential EMV	Up
CPED Investment in Single Family Housing	Down
CPED Invest in Multi-Family Housing	Up
Median Single Family Detached Sales Price	Down
Median Residential EMV	Down

# Summary of Indicators

Indicator	Map	2007	2008	2009	2010	2011	Quick View
% of Properties with a Housing Violation	A	19.17%	17.38%	19.30%	18.90%	19.79%	
% of Properties on the VBR	B	0.44%	0.71%	0.80%	0.77%	0.71%	
Average time Properties are on VBR (in Months)	C	18	14	18	20	18	
% of Properties that are Foreclosed	D	2.66%	2.83%	2.06%	2.13%	1.59%	
% of Single Family Properties that are Non-Homesteaded	E	19.59%	20.15%	20.39%	22.31%	20.79%	
% of Properties in Poor or Fair Condition	F	1.95%	1.97%	2.05%	1.92%	2.13%	
% of Properties with Permits over \$5,000	G	4.63%	5.13%	5.83%	4.21%	8.90%	
Average Permit Value by Neighborhood (in Millions)	H	\$3.00	\$2.51	\$3.32	\$3.38	\$3.28	
Permit Value as a % of Residential EMV	I-4	0.86%	0.67%	0.53%	0.90%	1.15%	
Public and Private Investment in Single Family Housing (in Millions)	J-1	\$44.30	\$30.00	\$28.30	\$32.41	\$32.25	
Public and Private Investment in Multi-Family Housing (in Millions)	J-2	\$81.95	\$20.12	\$38.77	\$82.00	\$254.06	
Median Single Family Detached Sales Price	K	\$230,000	\$221,600	\$205,900	\$204,000	\$193,000	
Median Residential EMV	L	\$194,800	\$190,500	\$185,500	\$180,500	\$170,000	





# Part I: Indicators of Housing Distress

The following section contains maps, tables, and graphs displaying information relating to indicators of housing distress.

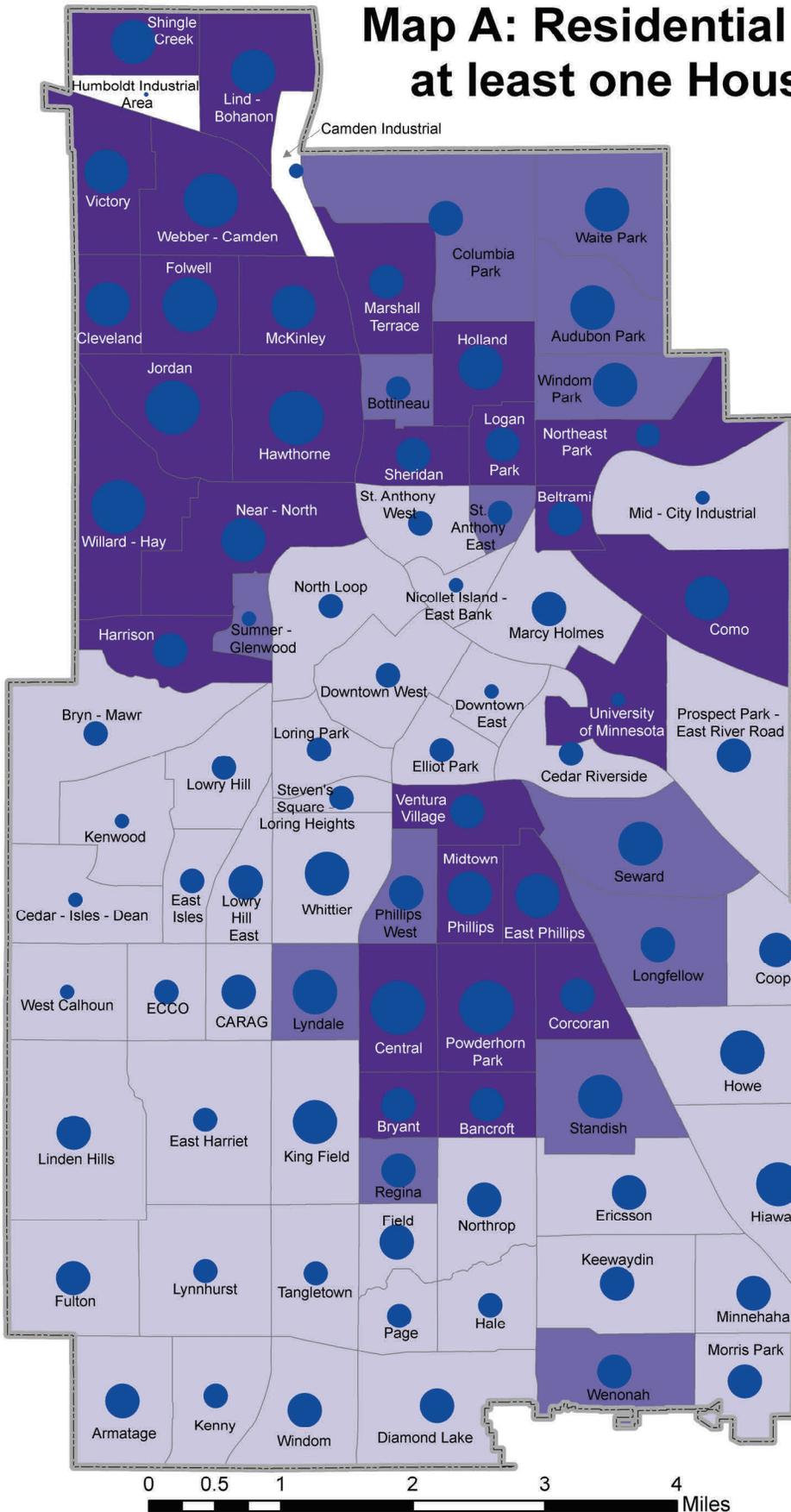
- A: Measures the percentage of properties in a neighborhood with at least (1) housing violation.
- B: Measures the percentage of properties in a neighborhood that are listed on the Vacant Building Registration at year's end.
- C: Measures the average time a property spends on the Vacant Building Registration in months.
- D: Measures the percentage of foreclosed properties by neighborhood.
- E: Measures the percentage of properties that are homesteaded versus non-homesteaded.
- F: Measures percentage of residential properties listed as Fair or Poor

Indicator	Map	2007	2008	2009	2010	2011	Trend Line
% of Properties with a Housing Violation	A	19.17%	17.38%	19.30%	18.90%	19.79%	
% of Properties on the VBR	B	0.44%	0.71%	0.80%	0.77%	0.71%	
Average time Properties are on VBR (in Months)	C	18	14	18	20	18	
% of Properties that are Foreclosed	D	2.66%	2.83%	2.06%	2.13%	1.59%	
% of Single Family Properties that are Non-Homesteaded	E	19.59%	20.15%	20.39%	22.31%	20.79%	
% of Properties in Poor or Fair Condition	F	1.95%	1.97%	2.05%	1.92%	2.13%	

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# Map A: Residential Properties with at least one Housing Violation\*



## Total Number of Violations: 2007 - 2011

- 0 Violations
- 1 - 100 Violations
- 101 - 500 Violations
- 501 - 1,500 Violations
- 1,501 - 3,000 Violations
- 3,001 and more Violations

## Percent of Residential Properties with 1 or more Housing Violations (2011)

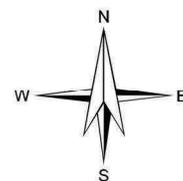
- No Residential Properties
- Below Average (0.01% - 14.8%)
- City Average +/- 5% (14.8% - 24.8%)
- Above Average (24.8% - 64.5%)

**City Average (2011) = 19.8% (21,380 of 107,947)**

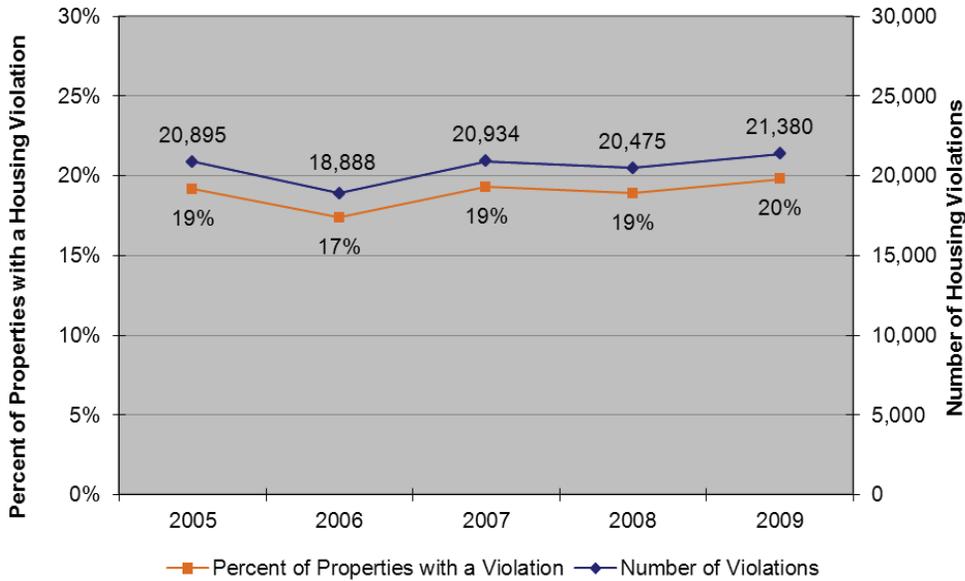
\*Note: Regulatory Services conducted exterior inspection initiatives in the following years:  
 2007 - Ward 1  
 2008 - Ward 1  
 2009 - Audubon Park  
 2010 - None  
 2011 - None

Source: Regulatory Services

Created by CPED Research  
 March 2013



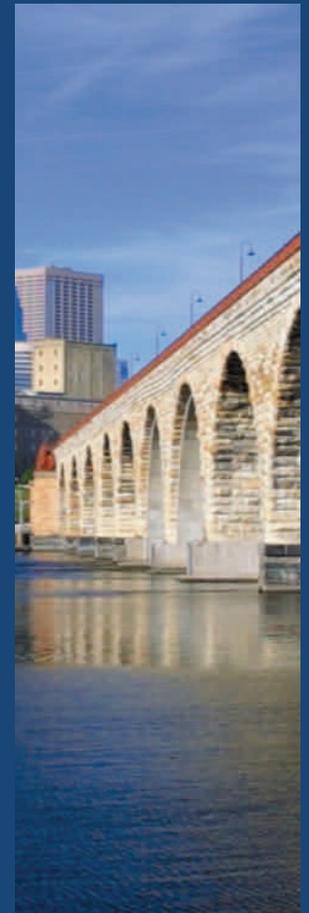
**Figure A: Residential Properties with Housing Violations**



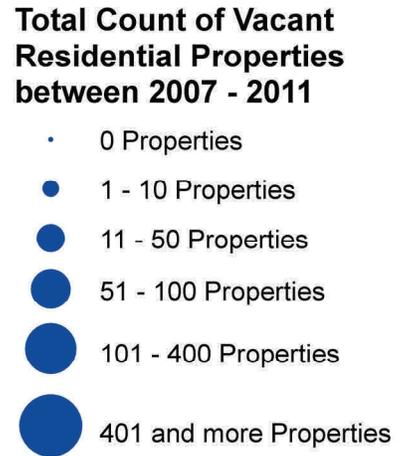
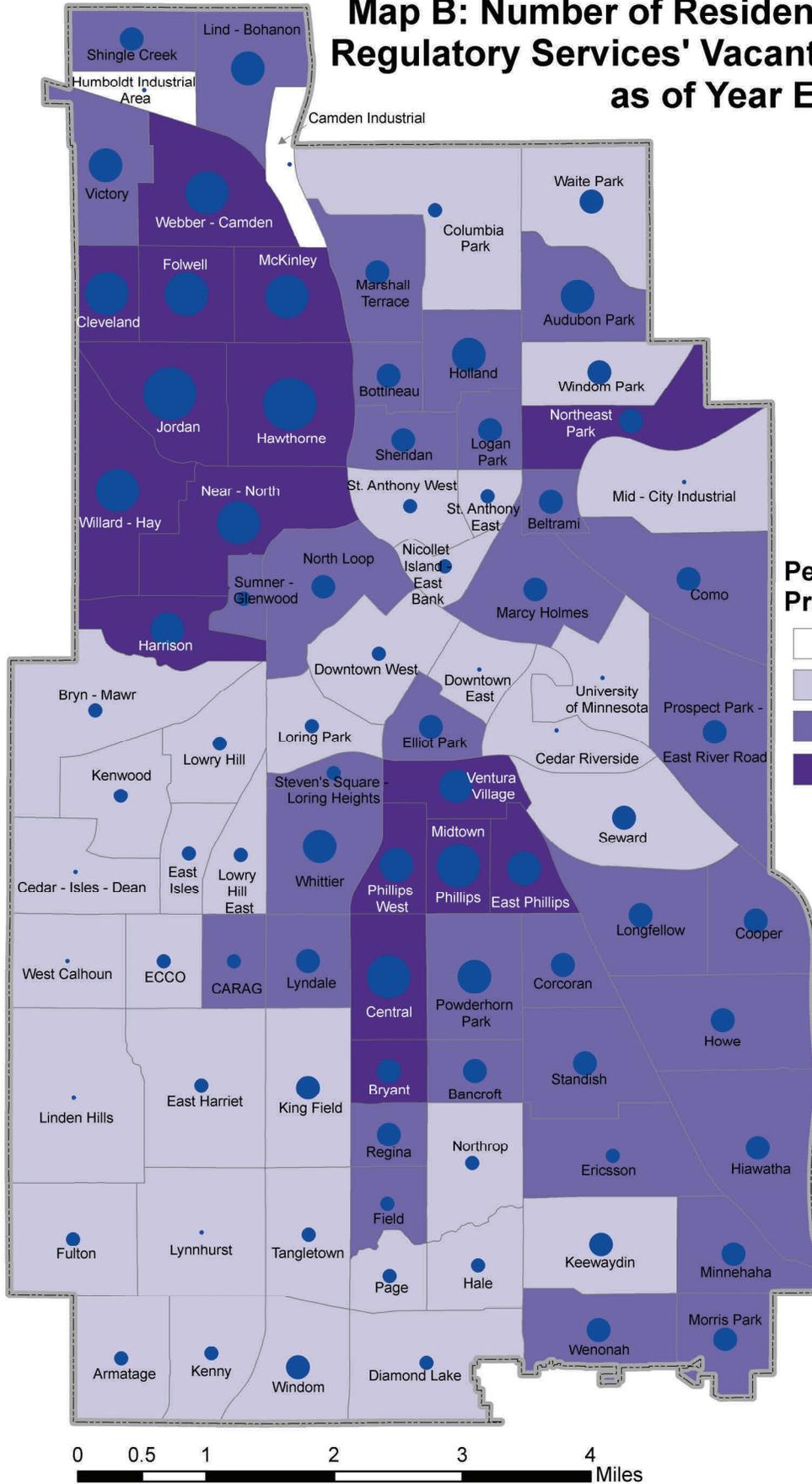
## Housing Violations Summary

- As displayed on the map, most of the violations occurred in North Minneapolis, with Jordan and Willard-Hay accumulating over 5,000 violations each between 2007 and 2011.
- Other hot spots include the Phillips area and neighborhoods surrounding Powderhorn Park.
- The Jordan neighborhood has led the city in properties with a housing violation for 4 of the last 5 years. Only in 2010 did the Willard-Hay neighborhood top the Jordan neighborhood. These neighborhoods are adjacent to each other.

Most Affected Neighborhoods	Properties with Housing Violations					Trend Line
	2007	2008	2009	2010	2011	
Jordan	1158	1319	1145	979	1263	
Willard-Hay	1175	1075	1087	997	1147	
Central	585	673	805	704	894	
Folwell	958	763	902	744	841	
Powderhorn Park	780	737	907	751	802	
Webber-Camden	648	623	698	757	639	
McKinley	564	664	507	542	632	
Hawthorne	605	560	577	700	614	
Lind-Bohanon	501	459	575	483	595	
Standish	284	363	538	372	579	



# Map B: Number of Residential Properties on Regulatory Services' Vacant Building Registry as of Year End

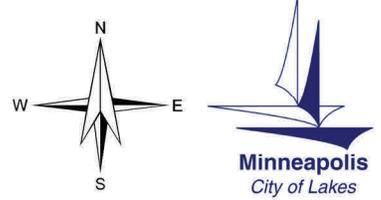
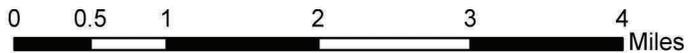


**Total Number of Vacant Residential Properties**

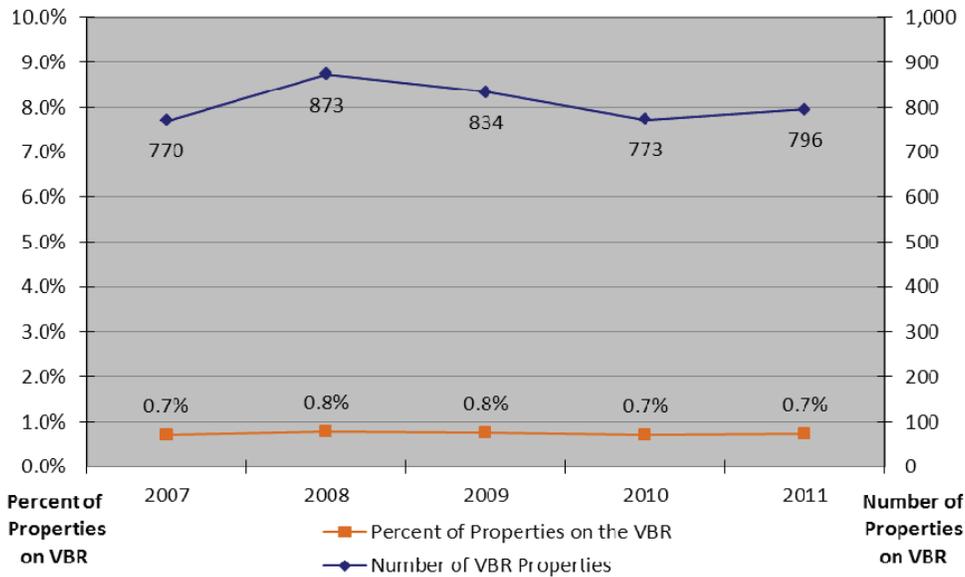
2007:	770
2008:	873
2009:	834
2010:	773
2011:	796

2011 City Average = 0.7%  
(796 of 107,947)

Source: Regulatory Services  
Created by CPED Research  
March 2013



**Figure B: Number of Residential Properties on Regulatory Services' Vacant Building Registry as of Year End**



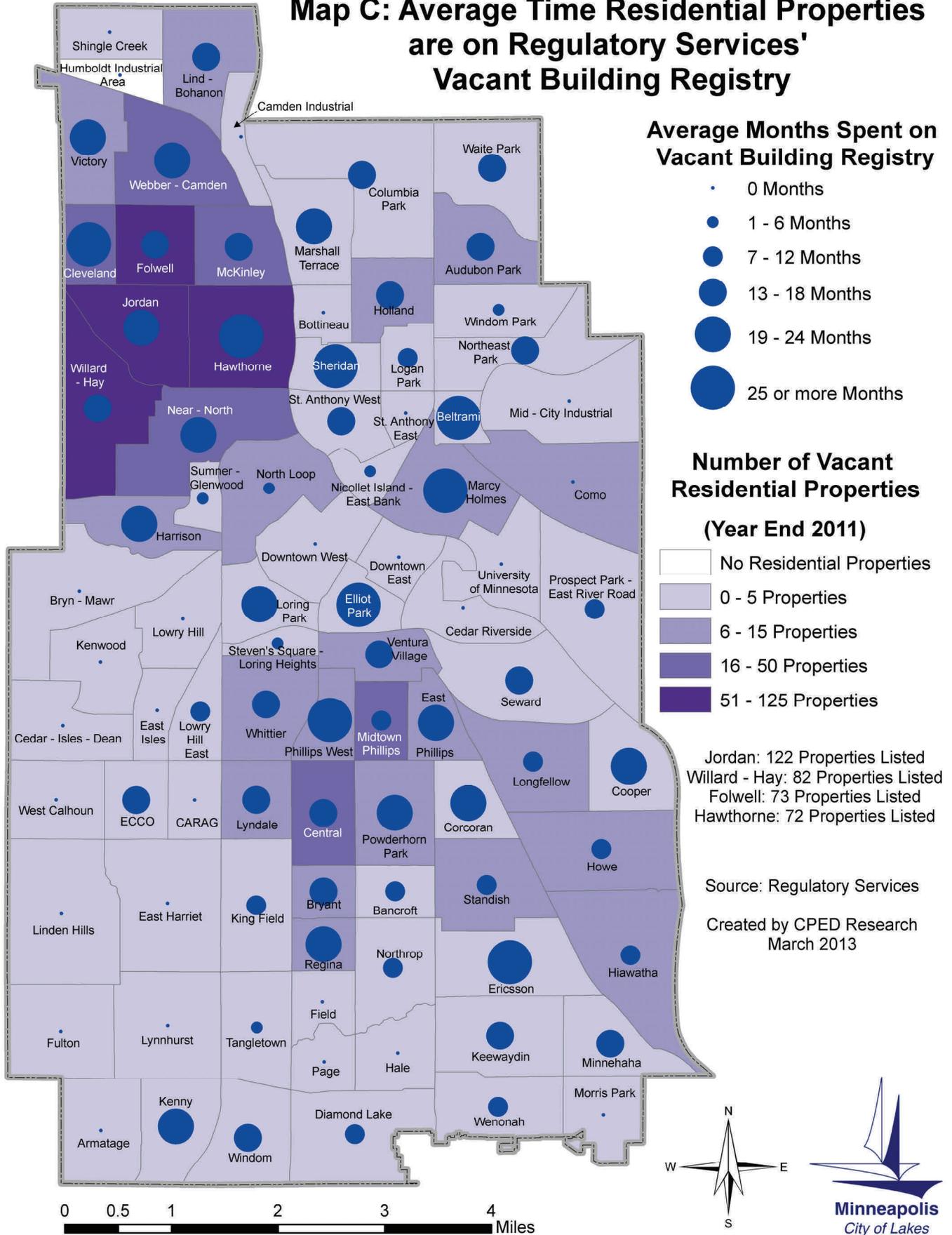
# Vacant Building Registration Summary

- The percentage of properties on the Vacant Building Registry was relatively flat during this time period.
- The majority of the city was in the average or above average category with regards to the percentage of properties on the VBR in relationship to total residential properties.
- Properties on the VBR were more common in North Minneapolis, the Phillips Community, neighborhoods in the Powderhorn Community along I-35W, and the Northeast Park neighborhood.

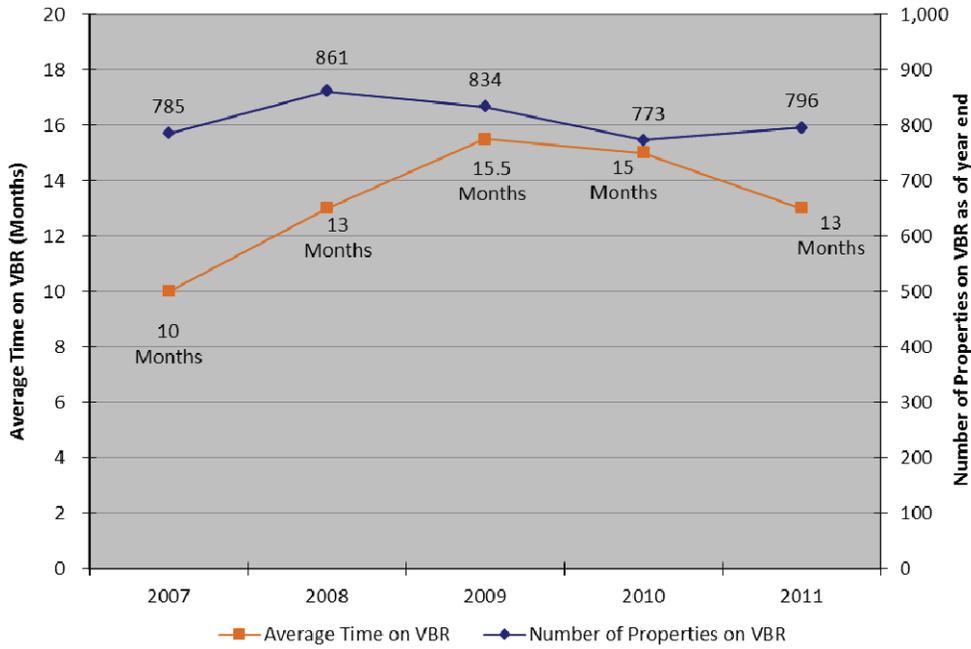
Most Affected Neighborhoods	Properties on Vacant Building Registry					Trend Line
	2007	2008	2009	2010	2011	
Jordan	97	86	115	116	110	
Willard-Hay	44	56	61	55	75	
Folwell	25	36	53	52	68	
Hawthorne	130	109	94	76	67	
Central	35	52	45	44	42	
Near North	47	45	50	43	37	
McKinley	33	24	22	30	34	
Webber-Camden	34	24	26	29	27	
Cleveland	20	21	21	24	20	
Midtown Phillips	21	33	21	10	17	



# Map C: Average Time Residential Properties are on Regulatory Services' Vacant Building Registry



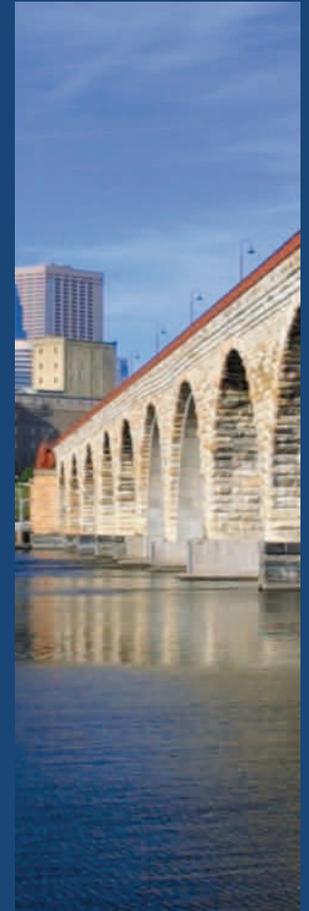
**Figure C: Average Time Residential Properties are on Regulatory Services' Vacant Building Registry**



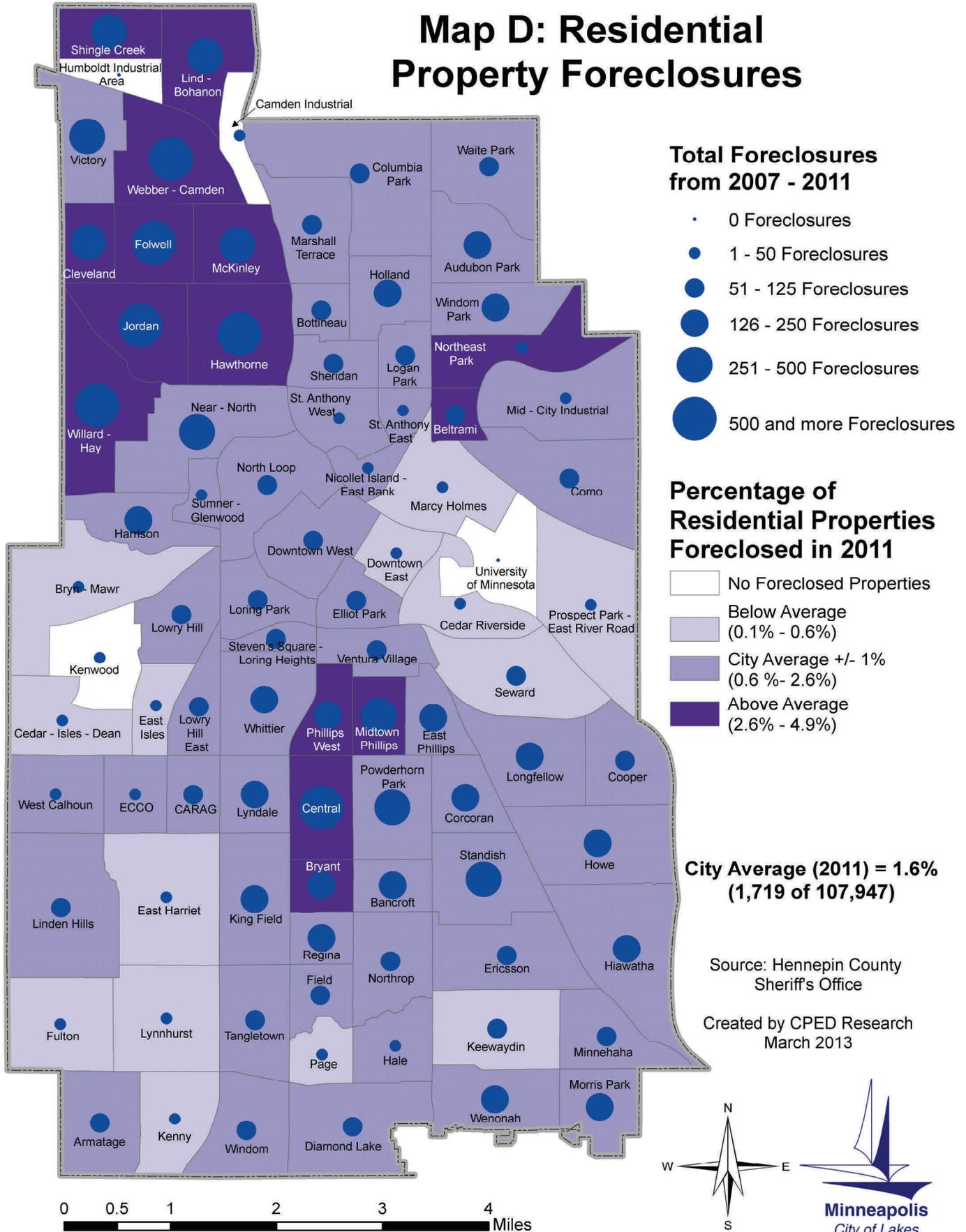
# Average Time on Vacant Building Registration Summary

- While the number of properties on the Vacant Building Registry slightly increased from 2010 to 2011, the average time spent on the VBR decreased as long standing VBR properties were dealt with.
- Properties on the VBR in North Minneapolis tended to be listed for longer periods of time.
- Properties that spend the most time on the Vacant Building Registry tend to be concentrated in North Minneapolis.
- The Elliot Park Neighborhood had a 5 year high of 51 months in 2008, but has since decreased dramatically.

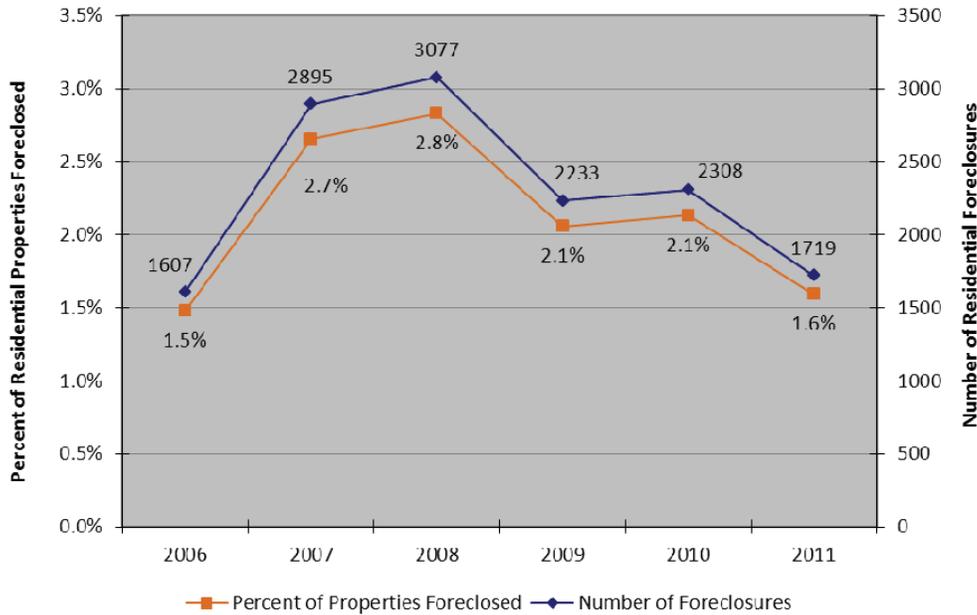
Most Affected Neighborhoods	Time Spent on VBR (in Months)					Trend Line
	2007	2008	2009	2010	2011	
Marcy-Holmes	7	17	25	27	34	
Phillips West	11	10	18	27	32	
Hawthorne	11	15	21	28	31	
Beltrami	6	18	20	26	30	
Cleveland	6	12	16	19	30	
Elliot Park	39	51	22	28	27	
Ericsson	27	9	21	18	26	
Sheridan	7	10	12	20	24	
Powderhorn Park	12	16	20	16	24	
Harrison	18	16	23	27	22	



# Map D: Residential Property Foreclosures



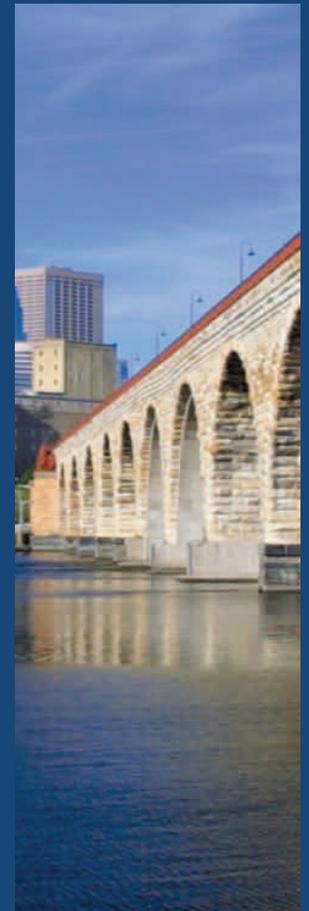
**Figure D: Residential Property Foreclosures**



# Property Foreclosures Summary

- Through intervention efforts from the City of Minneapolis and partner organizations like MN Home Ownership Center, Twin Cities Habitat for Humanity, the Northside Home Fund, the Home Depot Foundation, the MN Housing Finance Agency, and the MN Foreclosure Partners Council, home foreclosures have decreased since 2008, the peak year for foreclosures in Minneapolis.
- Foreclosure numbers have come very close to returning to pre-economic downturn numbers and are slightly higher than they were in 2006.
- 2011 was the first year in which zero neighborhoods had more than 100 foreclosed properties, numbers not seen since before 2006.

Most Affected Neighborhoods	Residential Property Foreclosures					Trend Line
	2007	2008	2009	2010	2011	
Jordan	265	233	188	124	94	
Willard-Hay	259	208	114	120	77	
Folwell	185	179	120	96	64	
Webber-Camden	136	128	77	87	64	
Central	97	128	94	72	55	
Powderhorn Park	60	92	64	64	52	
Lind-Bohanon	97	107	77	120	50	
Standish	47	53	38	42	48	
Victory	68	55	45	54	47	
Whittier	35	45	46	50	42	



# Map E: 2007 - 2011 Non-Homesteaded Single Family Detached Properties

## Total # of Non-Homesteaded Residential Properties (2007 - 2011)

- 0 - 350 Total Non-Homesteaded Properties
- 351 - 700 Total Non-Homesteaded Properties
- 701 - 1400 Total Non-Homesteaded Properties
- 1401 - 2000 Total Non-Homesteaded Properties
- 2001 or more Total Non-Homesteaded Properties

## Percent of Single Family Properties that are Non-Homesteaded (2011)

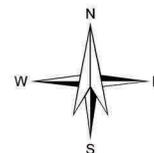
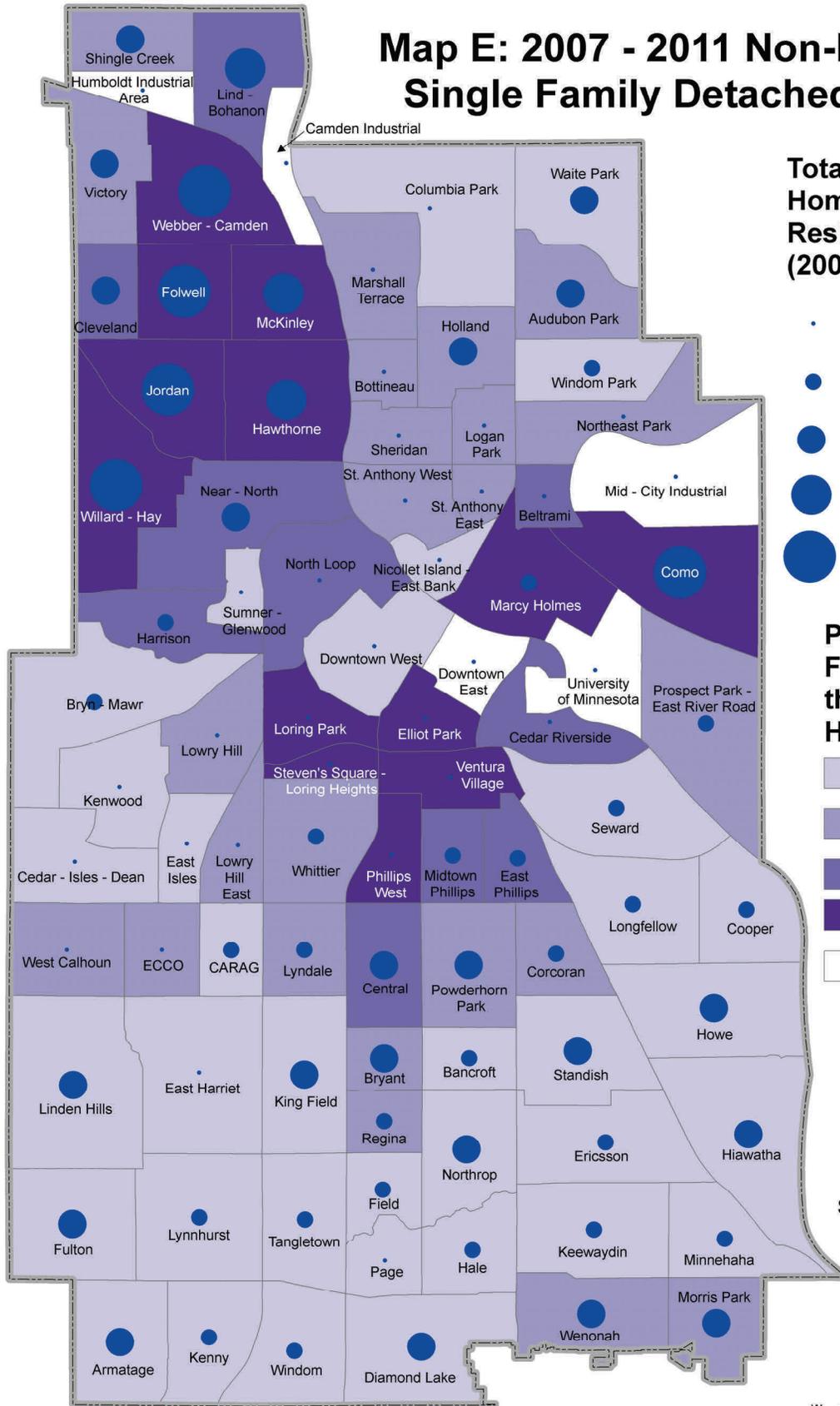
- Lower (9% - 15.9%)
- City Average: 21% (+/- 5%: 16% - 26%)
- Higher (26.1% - 36%)
- Highest (36.1 - 55%)
- Insufficient Number of Properties

### Historical Averages:

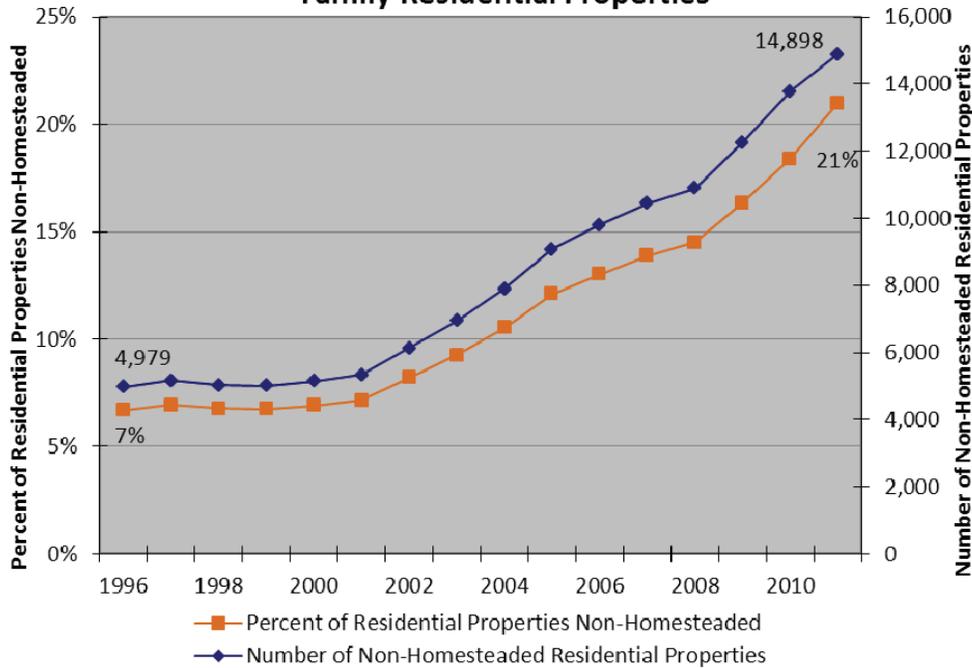
2007	14%
2008	15%
2009	16%
2010	18%
2011	21%

Source: City Assessor's Office

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March 2013



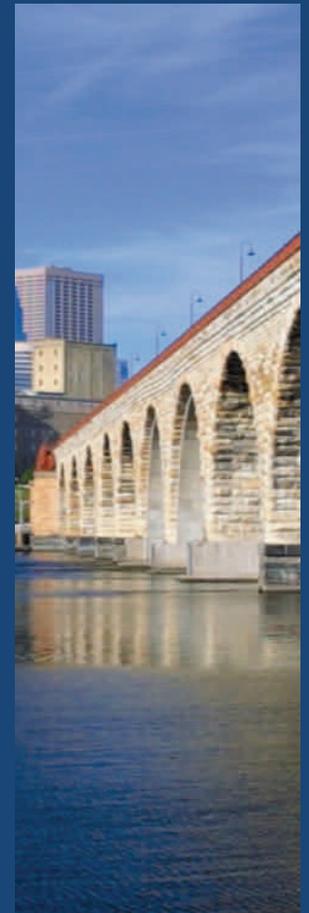
**Figure E: Non-Homesteaded Single Family Residential Properties**



# Non-Homesteaded Properties Summary

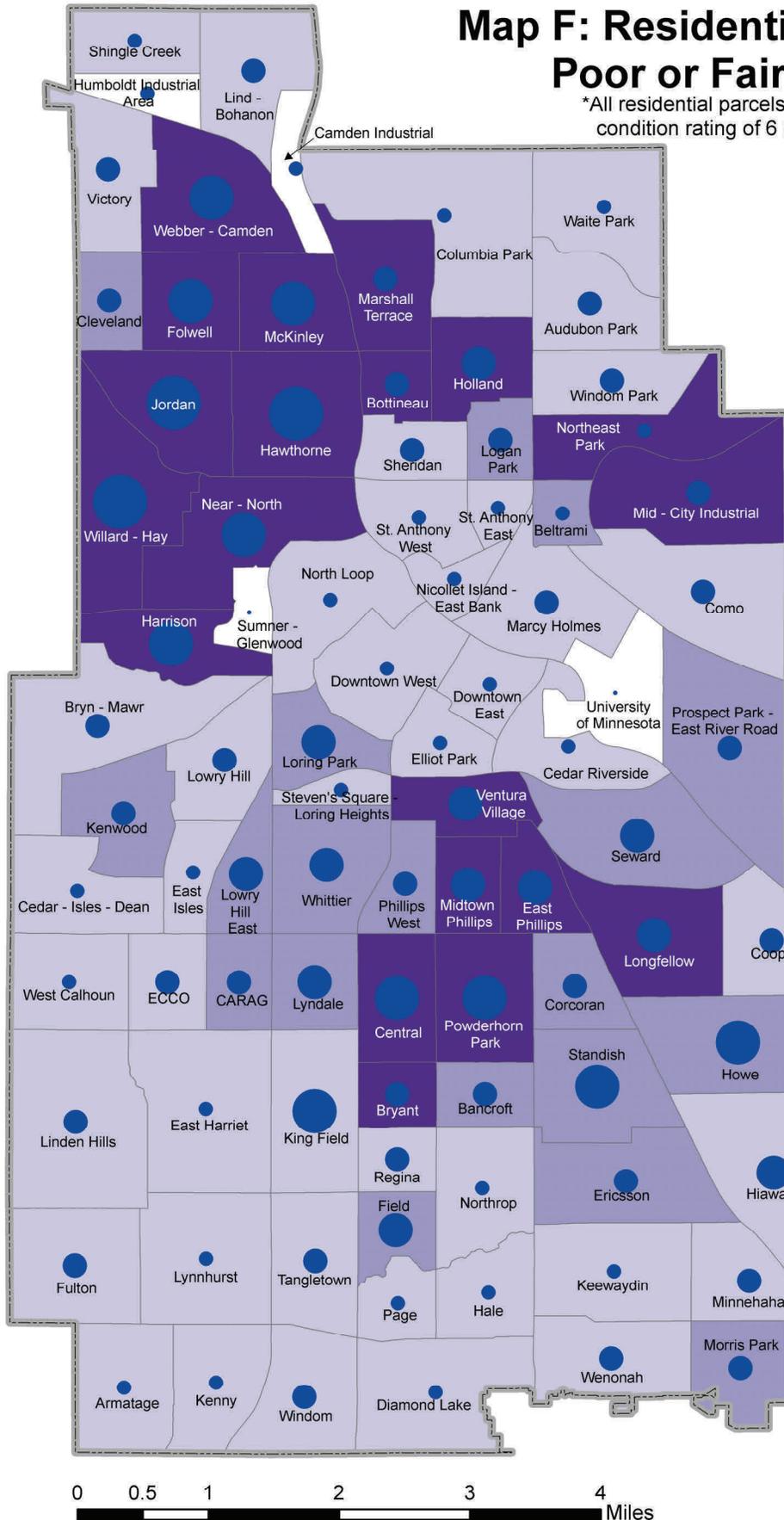
- Non-Homesteaded properties have been rising steadily since 1996.
- The number of non-homesteaded single family properties has steadily increased since 2000, likely due to a 2001 change in state tax law that reduced class rates for non-homesteaded properties.
- The 2001 tax law change along with low interest rates on mortgages made owning single family residences as investment rental property more financially affordable and appealing to first-time and local investors. The recent economic recession and mortgage foreclosure trend has increased the number of households in the market seeking single family properties to rent.

Most Affected Neighborhoods	Non-Homesteaded Properties					Trend Line
	2007	2008	2009	2010	2011	
Jordan	774	793	799	813	838	
Willard-Hay	687	698	701	758	797	
Folwell	551	582	595	621	680	
Webber-Camden	371	398	423	474	527	
Lind-Bohanon	284	329	364	402	466	
Como	349	366	403	427	458	
McKinley	370	376	380	390	412	
Hawthorne	310	298	309	326	344	
Victory	205	221	238	289	340	
Standish	212	222	233	282	336	



# Map F: Residential Properties in Poor or Fair Condition\*

\*All residential parcels with an Assessor condition rating of 6 (Fair) or 7 (Poor)



## Total Number of Properties in Poor or Fair Condition: 2007 - 2011

- 0 Properties
- 0 - 80 Properties
- 81 - 200 Properties
- 201 - 350 Properties
- 351 - 600 Properties
- 601 and more Properties

## Percent of Residential Properties with Rating of Fair or Poor (2011)

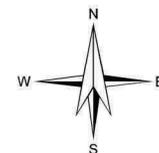
- Insufficient Number of Properties
- Lower (0% - 2.3%)
- City Average: 3.4% (+/- %1: 2.4% - 4.4%)
- Higher (4.5% - 14.9%)

City Average (2011) = 3.4% (3,647 of 107,947)

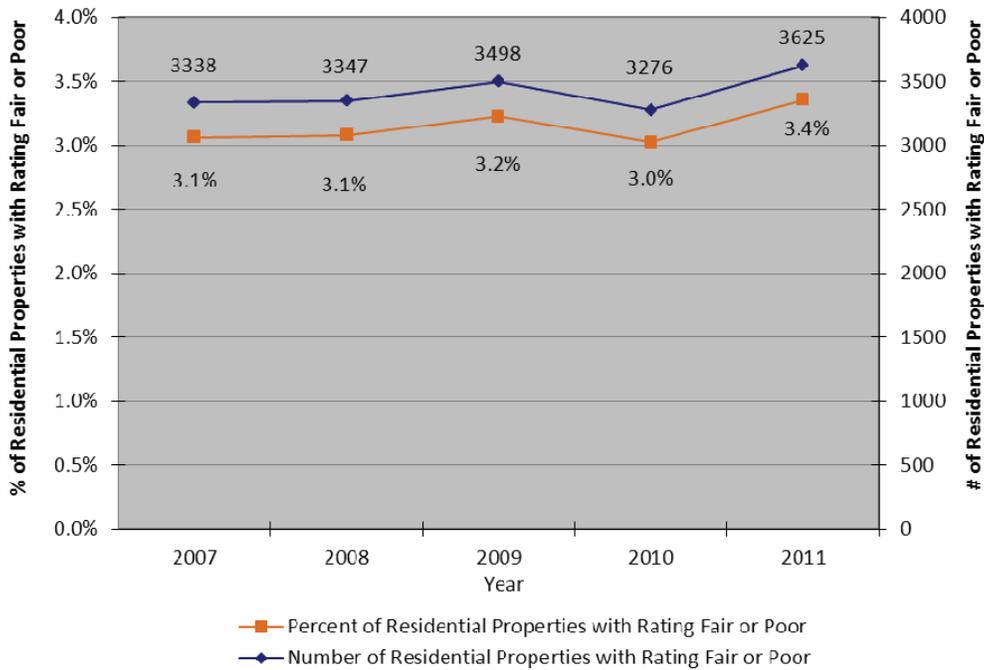
Note: Generally, Assessor field checks housing condition for 20% of residential properties per year.

Source: City Assessor's Office

Created by CPED Research  
March 2013



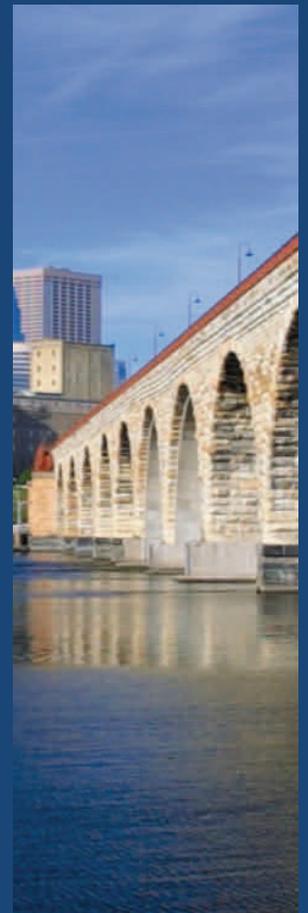
**Figure F: Residential Properties in Poor or Fair Condition**



## Property Condition Summary

- Condition ratings are done by City Assessor staff on a five year rotating basis. They describe the status of the property's general physical condition, measuring physical deterioration due to settling and damage, as well as wear and tear. The ratings are based on the observable condition of the property, information such as the building age, known improvements, and building inspector's records.
- The decline in properties in poor or fair condition between 2009 and 2010 is due in part to several dozen tear downs of properties in poor condition prior to 2010, and may also reflect an improved data management system which resulted in modified condition ratings (up or down) for around 3,000 parcels.

Most Affected Neighborhoods	Properties in Poor or Fair Condition					Trend Line
	2007	2008	2009	2010	2011	
Jordan	310	304	340	318	395	
Willard-Hay	175	225	249	241	311	
Folwell	72	84	124	102	174	
Hawthorne	244	206	184	166	165	
McKinley	118	104	117	110	130	
Central	108	109	123	129	127	
Webber-Camden	70	66	97	99	123	
Powderhorn Park	116	114	113	123	122	
Howe	74	82	87	82	93	
Standish	92	81	74	79	83	





# Part II. Indicators of Housing Investment

The following section contains maps, tables, and graphs displaying information relating to indicators of housing investment.

- G: Measures the total number of Residential permits issues and the percentages of properties in neighborhoods that obtained any type of permit that year
- H: Measures the total value of Residential permits
- I-1: Measures the value and number of new construction permits (BINB) by neighborhood
- I-2: Measures the value and number of remodeling permits (BIRE) by neighborhood
- I-3: Measures the value and number of over-the-counter permits (BOTC) by neighborhood
- I-4: Measures the total value and number of residential permits and the reinvestment as a percentage of property Estimated Market Value (EMV)
- J-1: Measures the public and private investment in single family housing
- J-2: Measures the public and private investment in multi-family housing

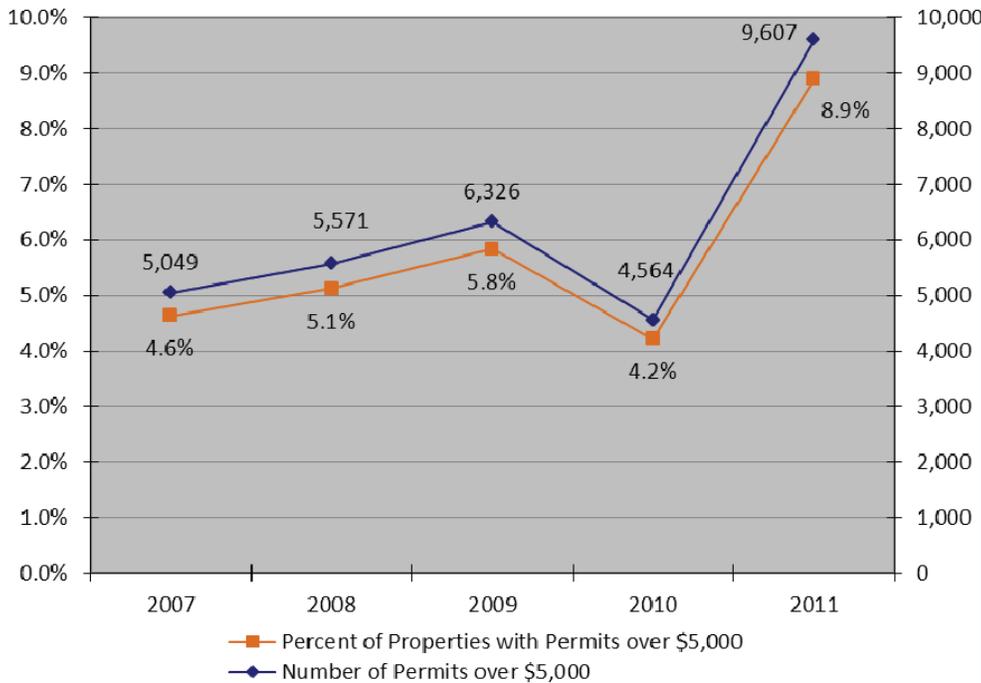
Permit activity: New building construction (BINB), remodeling/conversion (BIRE), and Building Over the Counter (BOTC), which is used for smaller projects that don't require extensive regulatory review, such as a deck or roof.

This report defines Single Family as 9 or fewer units; Multi-family as 10 and greater units per property

Map	2007	2008	2009	2010	2011	Graph Quickview
G	4.63%	5.13%	5.83%	4.21%	8.90%	
H (in Millions)	\$3.79	\$2.83	\$2.19	\$1.64	\$2.68	
I-4	1.11%	0.86%	0.67%	0.53%	0.90%	
J-1 (in Millions)	\$44.30	\$29.30	\$28.30	\$32.41	\$32.25	
J-2 (in Millions)	\$81.95	\$20.12	\$38.77	\$82.00	\$476.90	

# G: Number of All Housing Permits over \$5,000

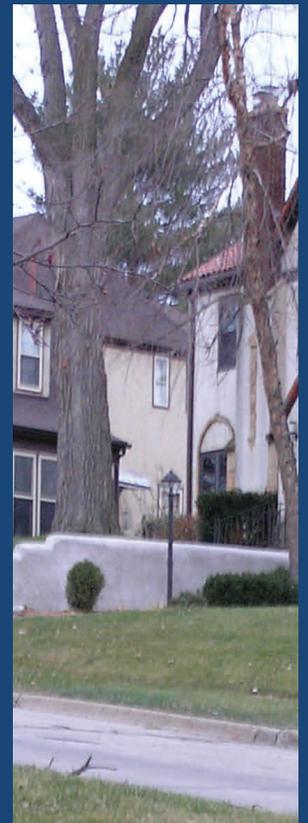
Figure G: Residential Property Permits over \$5,000



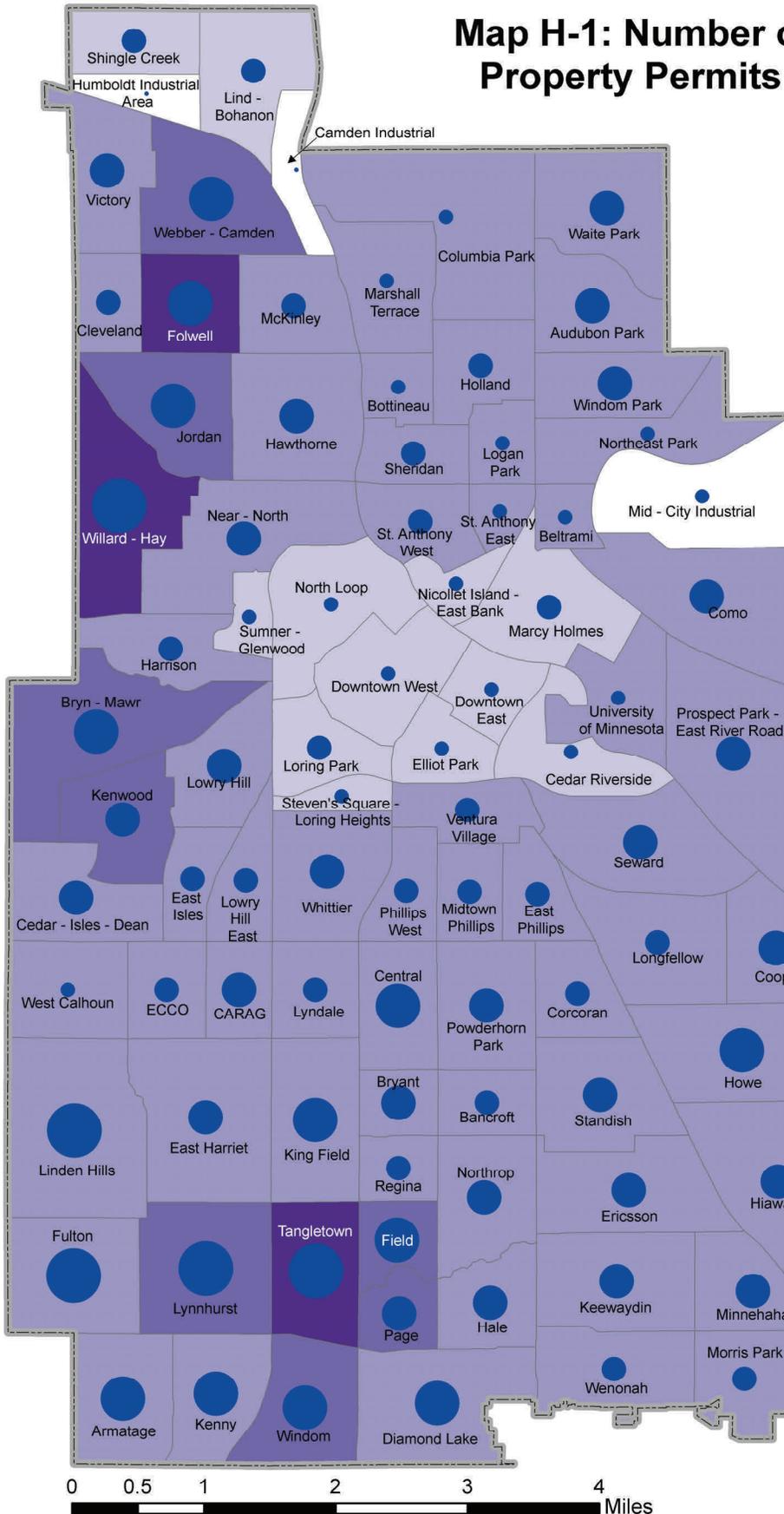
## Total Number of Housing Permits Summary

- 2010 saw the only down year in the number of residential permits over \$5,000 issued
- This was followed by a dramatic upturn in permits issues; a 110% increase
- New construction tended to concentrate in areas surrounding the downtown core, especially the Downtown East and University neighborhoods.

Top Ten Neighborhoods	% of Properties in Neighborhood with Building Permit
Tangletown	31.1%
Willard-Hay	28.8%
Folwell	27.3%
Windom	23.5%
Webber-Camden	23.3%
Field	21.9%
Page	21.3%
Jordan	20.0%
Bryn Mawr	19.9%
Kenwood	16.7%



# Map H-1: Number of Residential Property Permits over \$5,000



## Total Residential Permits over \$5,000: 2007 - 2011

- 0 Permits
- 1 - 150 Permits
- 151 - 300 Permits
- 301 - 550 Permits
- 551 - 800 Permits
- 801 and more Permits

## Percent of Residential Properties with Permits over \$5,000

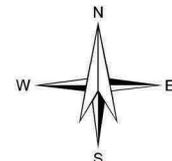
- No Residential Properties
- Lower: (0 - 4%)
- City Average: 9% (+/- 5%: 4 - 14%)
- Higher: (14 - 25%)
- Highest: (25% and greater)

**5 - Year City Average (2007 - 2011): 9%**

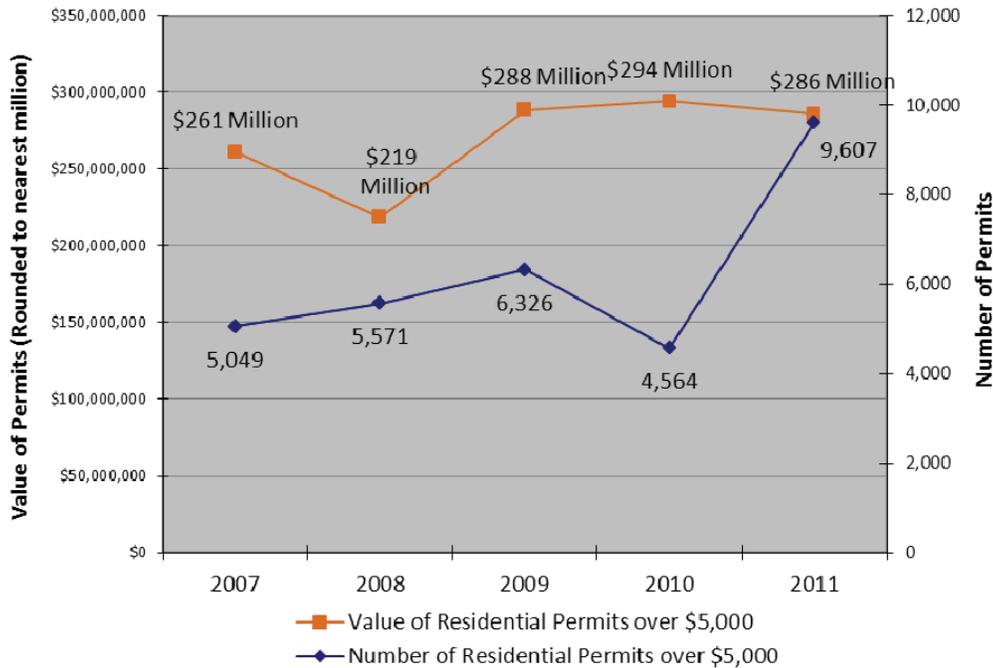
Source: Regulatory Services

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0 0.5 1 2 3 4 Miles



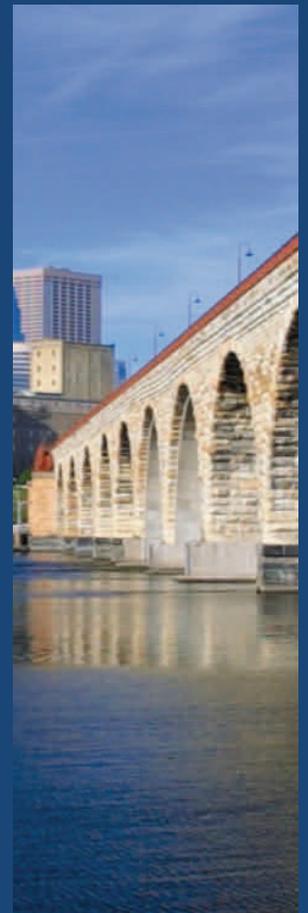
**Figure H: Number and Value of Residential Housing Permits over \$5,000 (BINB, BIRE, and BOTC)**



## Number of Residential Property Permits Summary

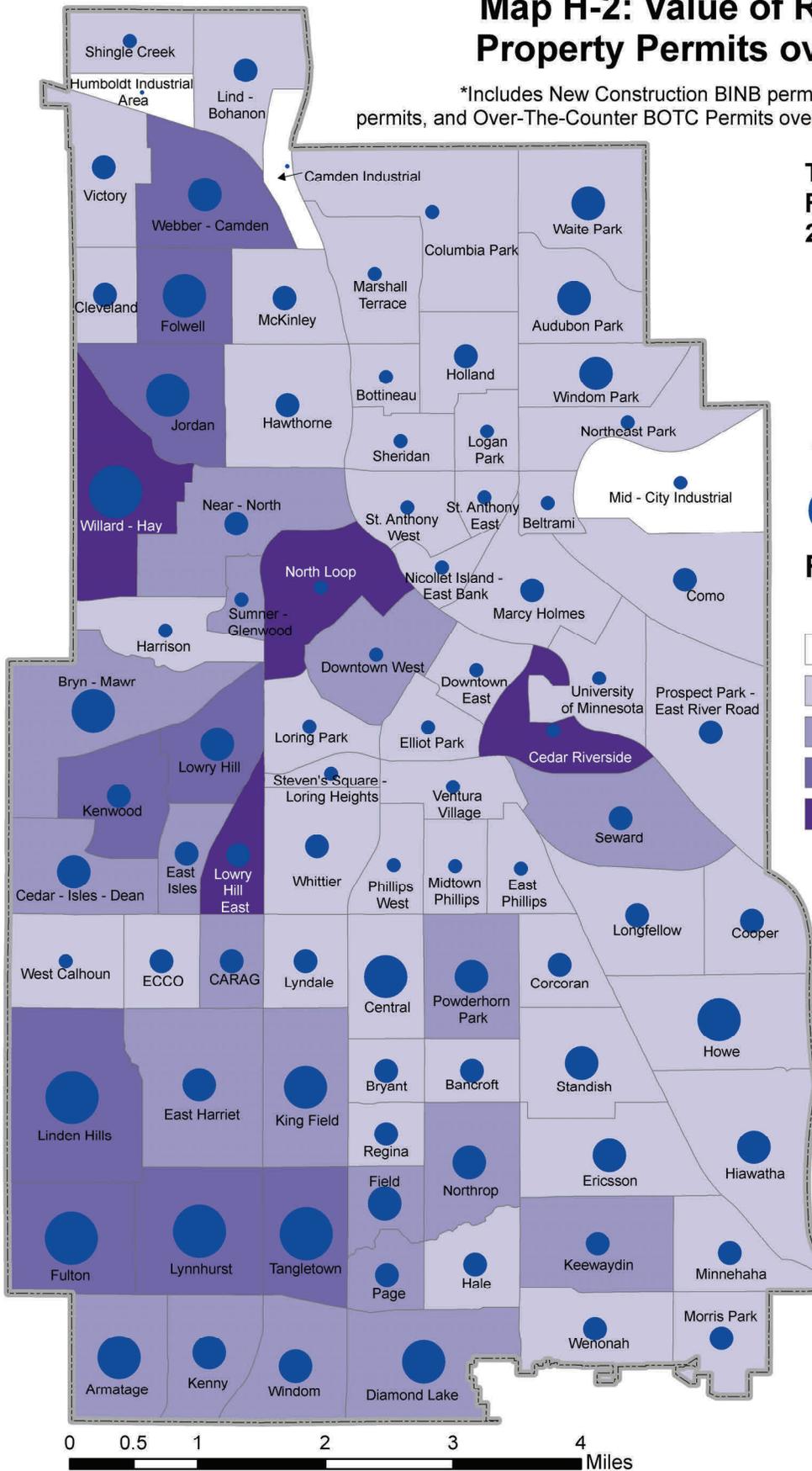
- 2011 was a record year for the number of housing permits issued in Minneapolis signaling a significant reinvestment in residential property.
- Significant investment in new construction permits issued occurred in the Marcy Holmes, Jordan, and Hawthorne neighborhoods.
- Remodeling Permits (BIRE) issued were strong in Southwest Minneapolis as well as portions of North Minneapolis (Willard-Hay, Jordan, and Folwell)
- Over-the-Counter permits (BOTC) were popular in more traditional single family detached home neighborhoods, especially those south of Lake Street, the western portion of North Minneapolis, and far northeastern sections of Northeast Minneapolis.

Top Ten Neighborhoods	Number of Residential Permits over \$5,000				
	2007	2008	2009	2010	2011
Linden Hills	265	328	249	152	241
Fulton	201	282	265	231	235
Lynnhurst	213	261	219	130	314
Willard-Hay	110	130	129	73	691
Tangletown	103	117	115	76	464
Jordan	86	92	99	71	391
Kingfield	119	121	157	88	249
Armatage	104	250	181	122	132
Diamond Lake	89	158	243	151	123
Folwell	47	59	85	85	499



# Map H-2: Value of Residential Property Permits over \$5,000\*

\*Includes New Construction BINB permits, Remodeling BIRE permits, and Over-The-Counter BOTC Permits over \$5,000 for residential properties



## Total Number of Residential Permits: 2007 - 2011

- 0 Permits
- 1 - 200 Permits
- 201 - 400 Permits
- 401 - 600 Permits
- 601 - 800 Permits
- 801 and more Permits

## Residential Property Permit Value (2011)

- No Residential Properties
- Lower: (0 - \$2.3 Million)
- City Average: \$3.3 Million (+/- \$1 Million: \$2.3 - \$4.3)
- Higher: (\$4.3 - \$10 Million)
- Highest: Greater than \$10 Million

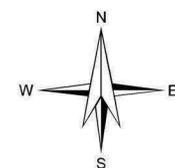
5 - Year City Average (2007 - 2011): \$3.3 Million

## Annual City Total Residential Permit Value Rounded to nearest Million

2007	261 Million
2008	219 Million
2009	288 Million
2010	294 Million
2011	286 Million

Source: Regulatory Services

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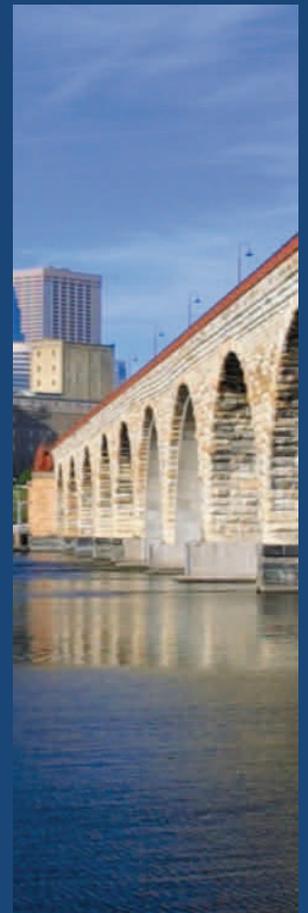




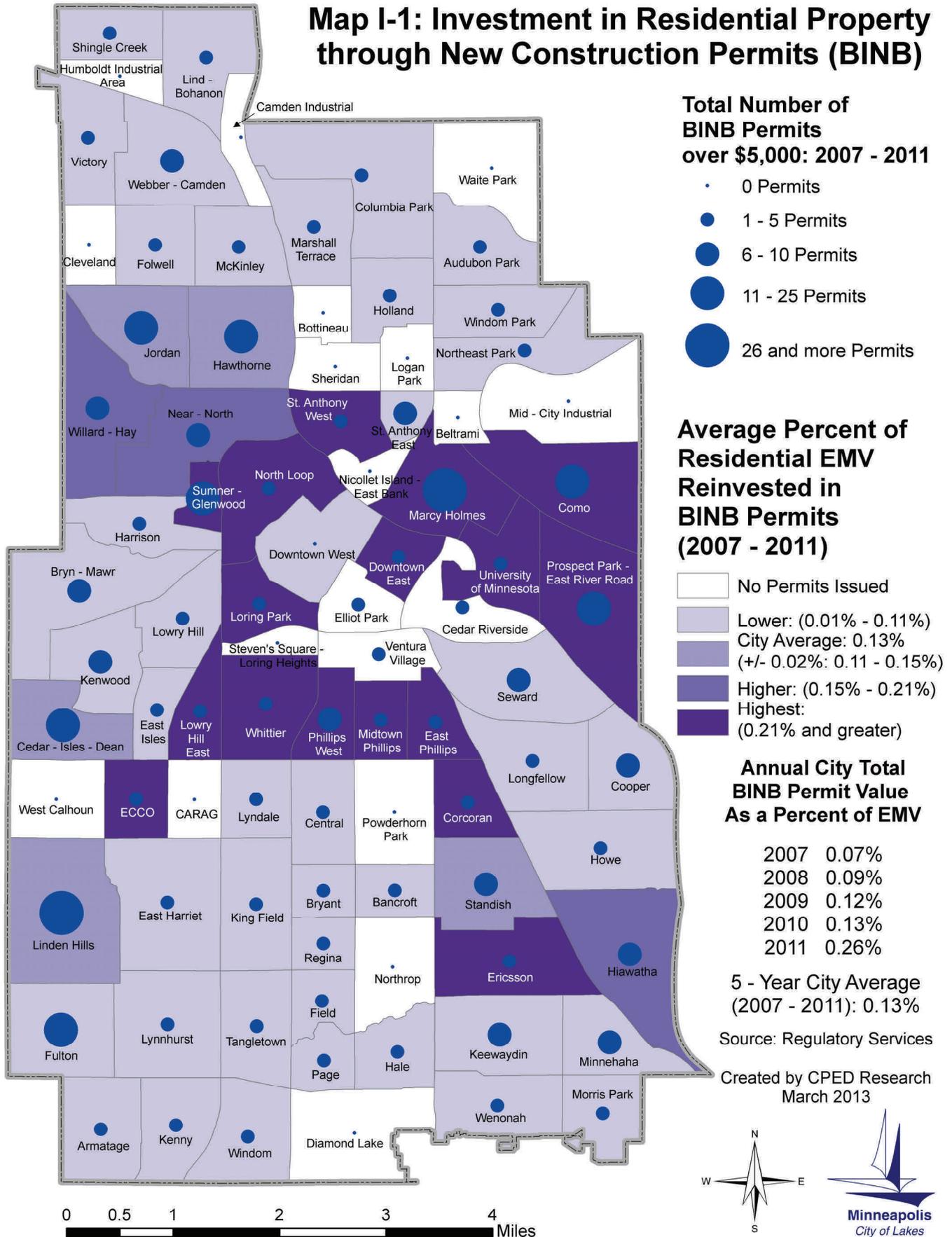
## Value of Residential Housing Permits Summary

- The U. S. Department of Housing and Urban Development loaned \$50million to the Riverside Plaza housing complex for a massive renovation of the buildings.
- The North Loop is experiencing a housing boom with over \$30 million in public and private financing going towards new construction, remodeling, and over-the-counter permits in the neighborhood.
- The top ten neighborhoods (out of 87 total neighborhoods) made up over 43% of the city's total investment in housing permits. Notably, just two of the neighborhoods equaled over one quarter of the city's total in 2011 (Cedar Riverside and the North Loop).

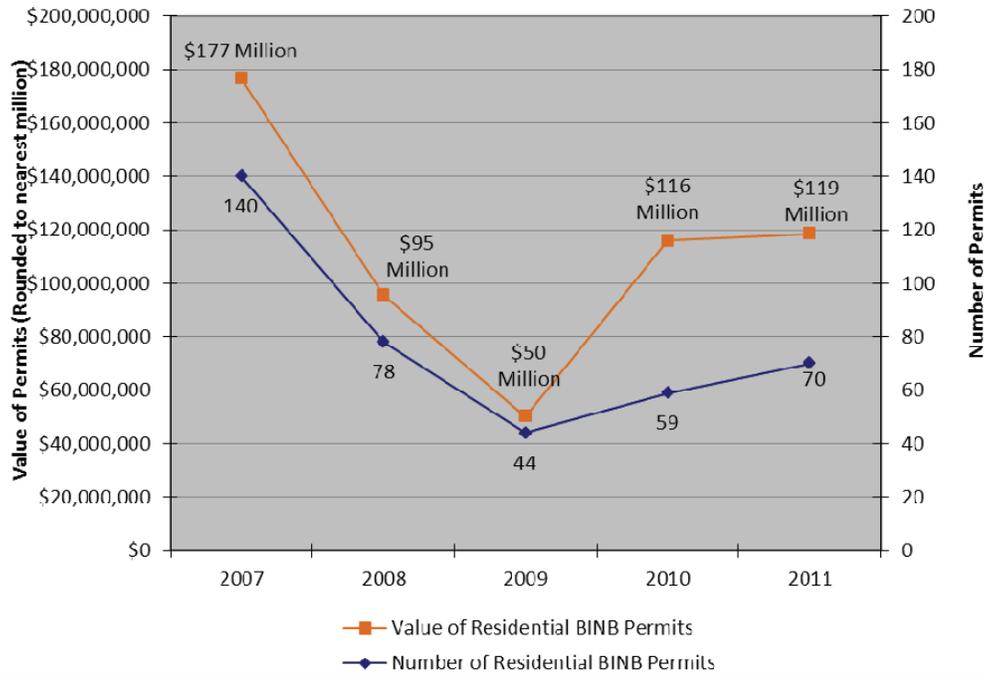
Top Ten Neighborhoods	Value of Total Permits (2011)	% of City Total 2007 - 2011
Cedar Riverside	\$ 50,280,395	17.60%
North Loop	\$ 31,041,040	10.86%
Lowry Hill East	\$ 14,985,571	5.25%
Linden Hills	\$ 8,657,406	3.03%
Lynnhurst	\$ 6,916,802	2.42%
Fulton	\$ 6,584,538	2.30%
Loring Park	\$ 2,209,738	0.77%
Prospect Park/E. Rive	\$ 1,518,351	0.53%
Downtown East	\$ 1,426,319	0.50%
Marcy-Holmes	\$ 917,998	0.32%
<b>Total</b>	<b>\$ 124,538,156</b>	<b>43.59%</b>



# Map I-1: Investment in Residential Property through New Construction Permits (BINB)



**Figure I-1: Number and Value of Residential BINB (New Construction) Permits over \$5,000**



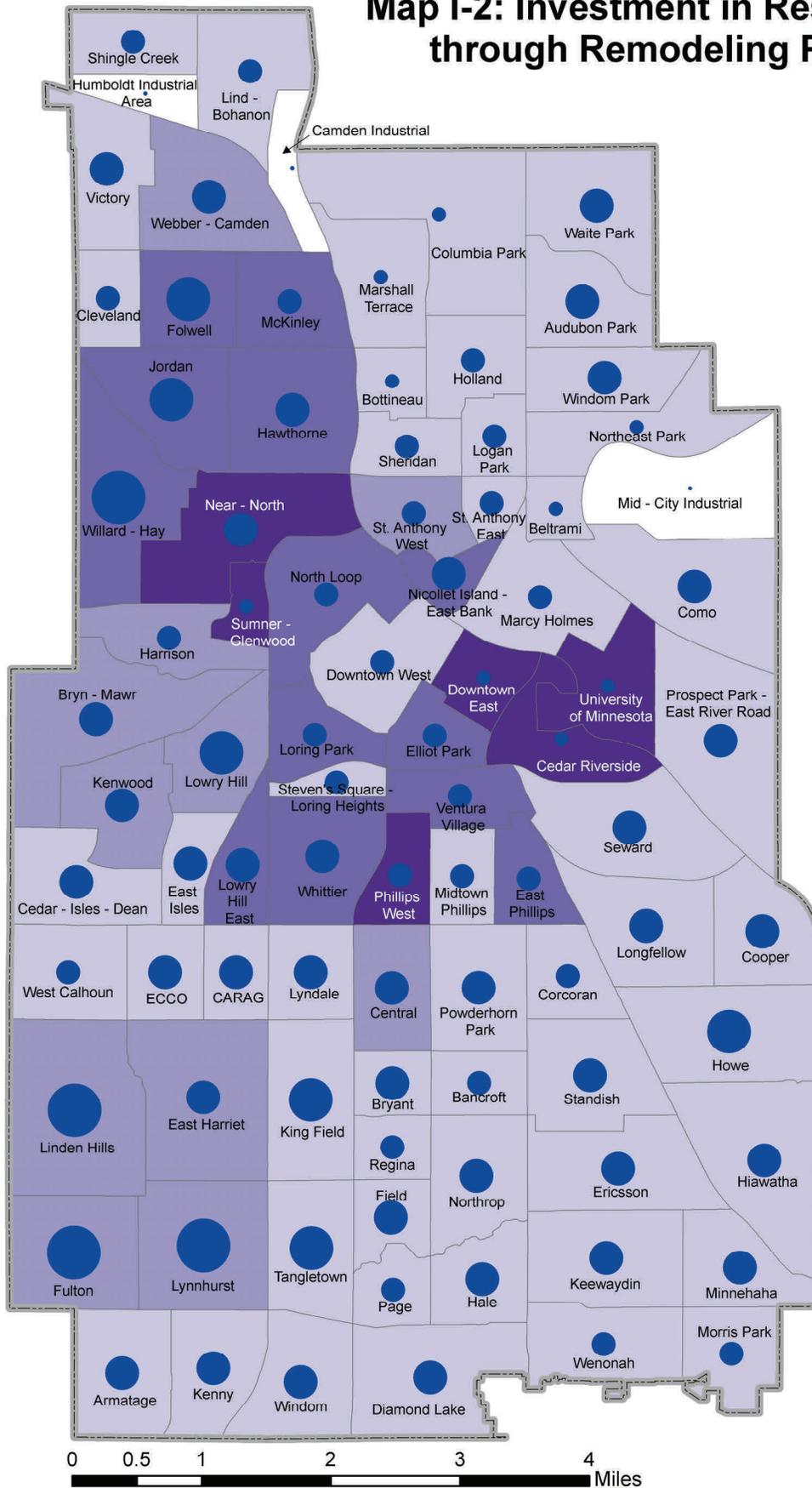
## New Construction Permit Summary

- New Construction was heavily concentrated in the areas adjacent to the downtown core.
- Over a 5-year period, Marcy Holmes and Linden Hills led the 87 neighborhoods of Minneapolis in new construction permits issued. From 2007-2011 Linden Hills had 49 permits issued and Marcy Holmes had 28.
- The percent reinvested (as permit value divided by EMV) rose each year from 2007-2011. The 5-year low in 2007 was .07%. This figure doubled from 2010 to 2011 rising from .13% to .26%.

Top Ten Neighborhoods	Average Percent of EMV Reinvested (BINB) 2007 - 2011
University	6.05%
Lowry Hill East	3.49%
Phillips West	2.01%
Sumner-Glenwood	1.62%
Downtown East	1.38%
Ericsson	1.26%
Marcy-Holmes	1.20%
Prospect Park/E. River Road	1.03%
St. Anthony West	0.87%
Como	0.70%



# Map I-2: Investment in Residential Property through Remodeling Permits (BIRE)



## Total Number of BIRE Permits over \$5,000: 2007 - 2011

- 0 Permits
- 1 - 50 Permits
- 51 - 150 Permits
- 151 - 300 Permits
- 301 - 450 Permits
- 451 - 712 Permits

## Average Percent of Residential EMV Reinvested in BIRE Permits (2007 - 2011)

- No Residential Properties
- Lower: (0.01% - 0.49%)  
City Average: 0.60%  
(+/- 0.1%: 0.50 - 0.70%)
- Higher: (0.70% - 1.5%)
- Highest: (1.5% - 7.0%)

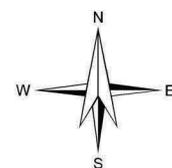
## Annual City Total BIRE Permit Value As a Percent of EMV

2007	0.51%
2008	0.51%
2009	0.52%
2010	0.55%
2011	0.90%

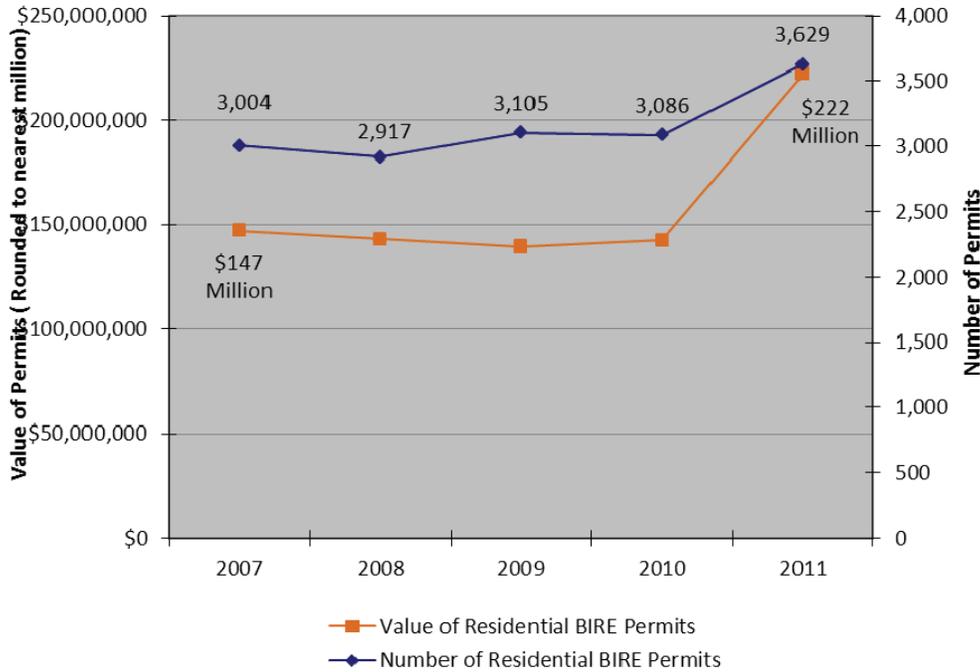
5 - Year City Average (2007 - 2011): 0.60%

Source: Regulatory Services

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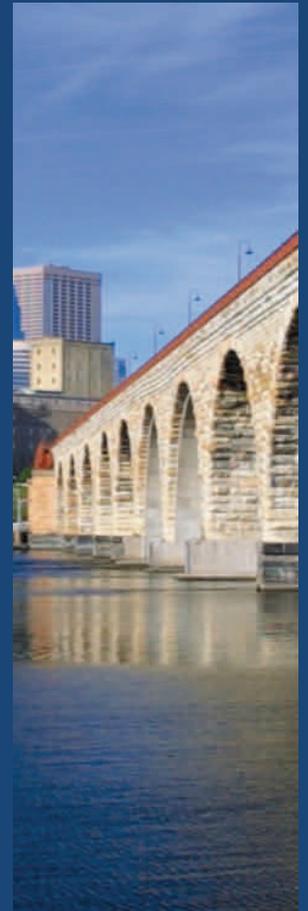
**Figure I-2: Number and Value of Residential BIRE (Remodel) Permits over \$5,000**



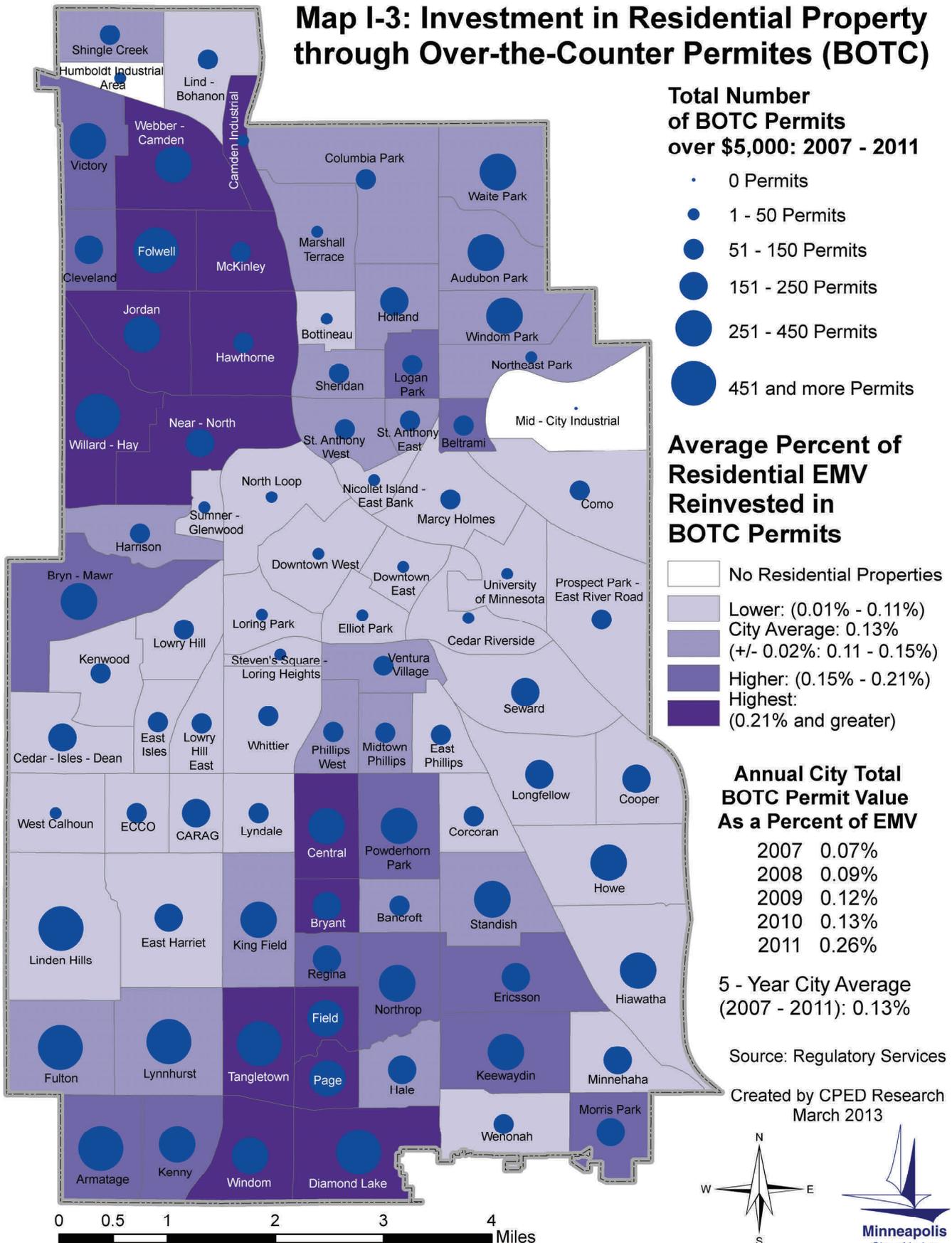
## Remodeling Permits Summary

- There were nearly 600 more permits issued in 2011 than 2010.
- The number of permits issued were relatively flat from 2007-2010, only experiencing a major uptick in 2011.
- Major remodeling projects (including Riverside Plaza) were the main reason for the dramatic increase in the value of permits issued between 2010 and 2011. The Riverside Plaza permit was worth well over \$50 million itself.
- The Fulton, Linden Hills, Lynnhurst, and Willard-Hay neighborhoods all were issued over 450 remodeling permits between 2010 and 2011.
- The Northeast portion of Minneapolis had the most neighborhoods in the lowest category of permits issued over a 5-year period. Marshall Terrace, Columbia Park, Bottineau, Beltrami, and Mid-City Industrial each had fewer than 50 permits issued over a 5-year period.

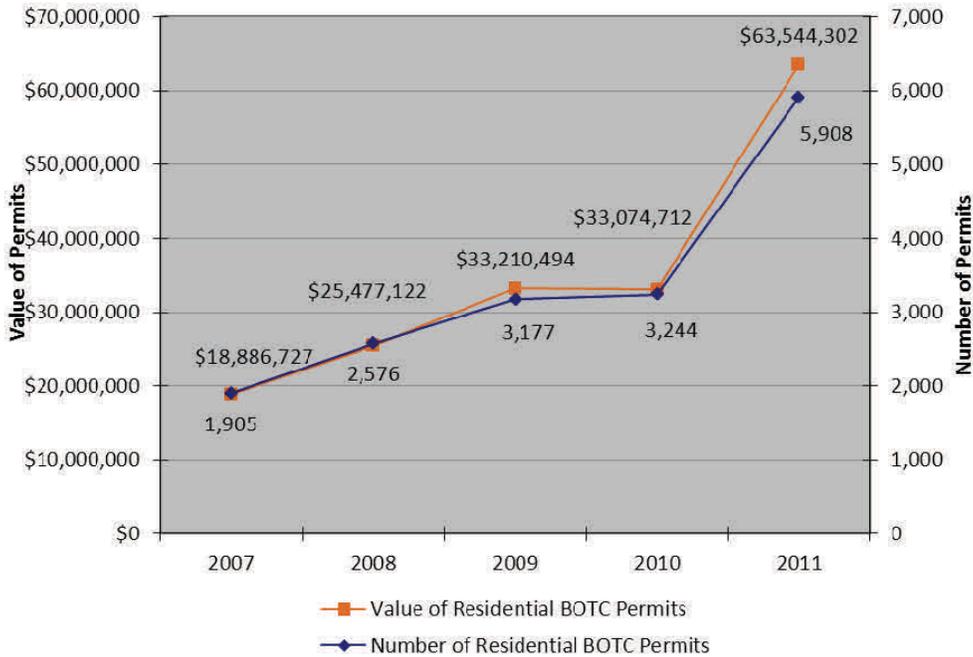
Top Ten Neighborhoods	Average Percent of EMV Reinvested (BIRE) 2007 - 2011
Cedar Riverside	6.71%
University	6.05%
Phillips West	3.32%
Downtown East	1.99%
Sumner-Glenwood	1.58%
Near North	1.57%
Hawthorne	1.44%
North Loop	1.43%
Loring Park	1.32%
Jordan	1.25%



# Map I-3: Investment in Residential Property through Over-the-Counter Permits (BOTC)



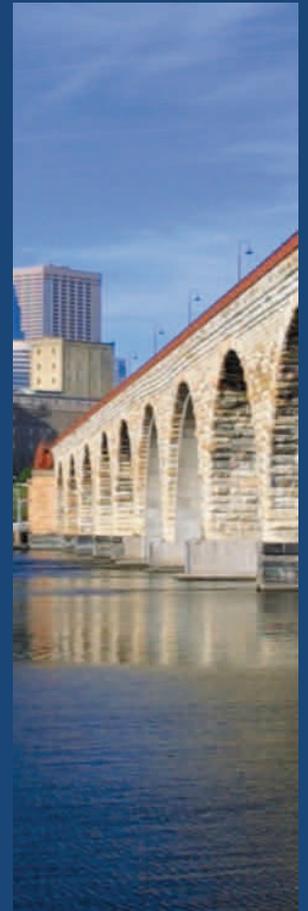
**Figure I-3: Number and Value of Residential BOTC (Over-the-Counter) Permits over \$5,000**



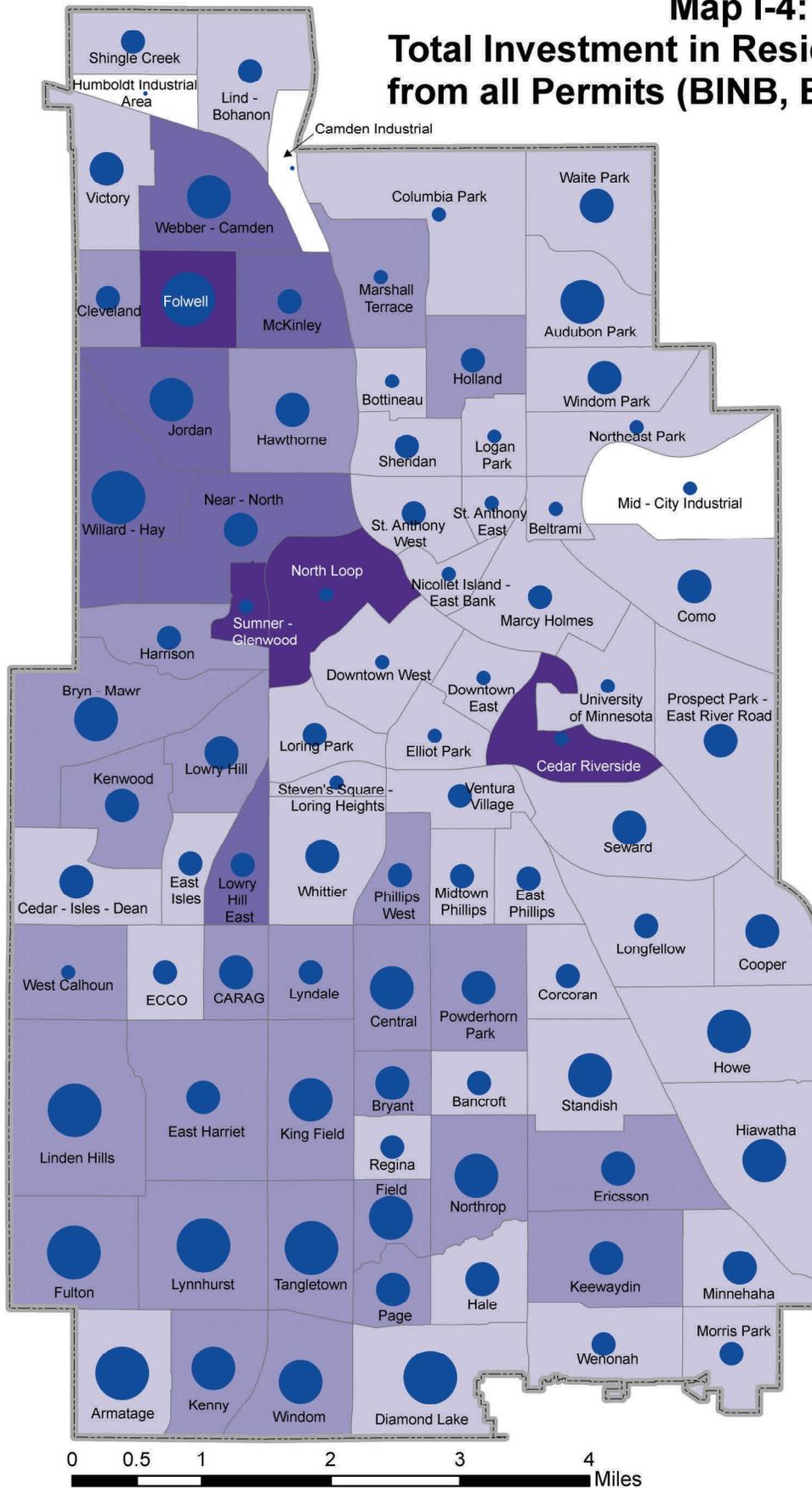
## Over-the-Counter Permit Summary

- Over-the-Counter residential building permits were more prevalent in neighborhoods with more traditional single family detached homes. Generally, neighborhoods south of Lake Street, North Minneapolis, and parts of Northeast Minneapolis saw the majority of Over-the-Counter permits issued.
- North Minneapolis had the most reinvestment in Over-the-Counter building permits as a percentage of EMV.
- Over-the-Counter permits issued were at a 5-year high in 2011 with just under 6,000 permits issued.

Top Ten Neighborhoods	Average Percent of EMV Reinvested (BOTC) 2007 - 2011
Folwell	0.54%
Willard-Hay	0.52%
Field	0.49%
Webber-Camden	0.48%
Page	0.47%
Jordan	0.40%
Tangletown	0.36%
Windom	0.34%
Near North	0.34%
Central	0.27%
Diamond Lake	0.25%



# Map I-4: Total Investment in Residential Property from all Permits (BINB, BIRE, and BOTC)



## Total Number of Residential Permits over \$5,000: 2007 - 2011

- 0 Permits
- 1 - 150 Permits
- 151 - 300 Permits
- 301 - 500 Permits
- 501 - 750 Permits
- 751 and more Permits

## Average Percent of Residential EMV Reinvested in all Permits

- No Residential Properties
- Lower: (0 - 0.7%)
- City Average: 1.2% (+/- 0.5%: 0.7 - 1.7%)
- Higher: (1.7% - 4.5%)
- Highest: (4.5% and greater)

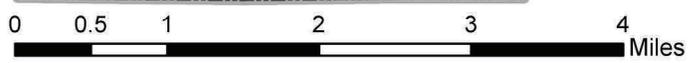
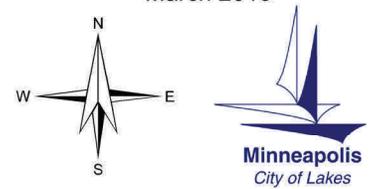
## Annual City Total Permit Value As a Percent of EMV

2007	0.9%
2008	0.7%
2009	0.5%
2010	0.9%
2011	1.2%

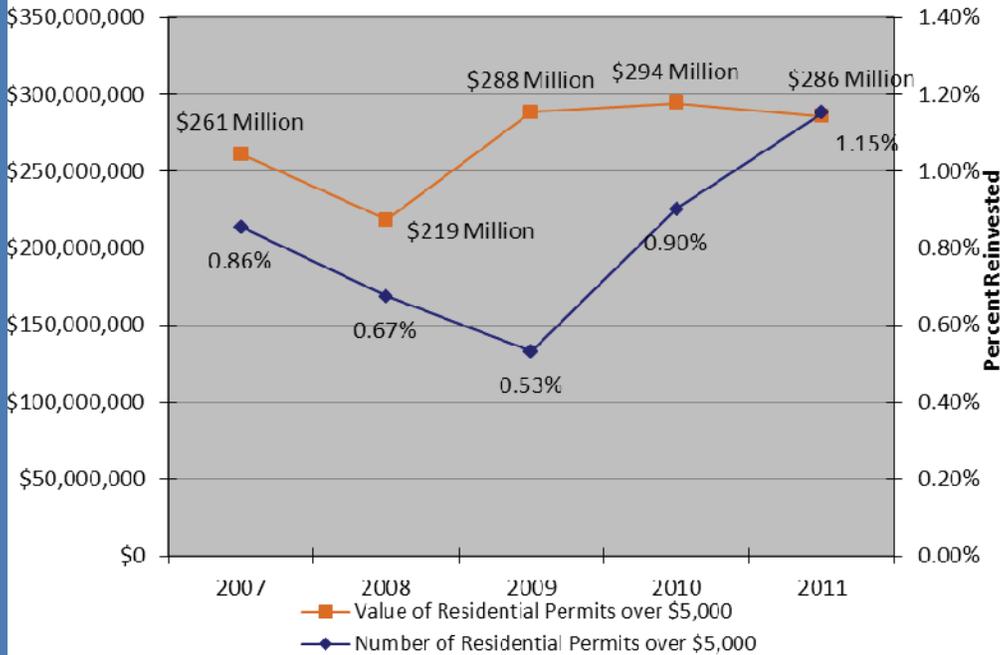
5 - Year City Average (2007 - 2011): 1.2%

Source: Regulatory Services

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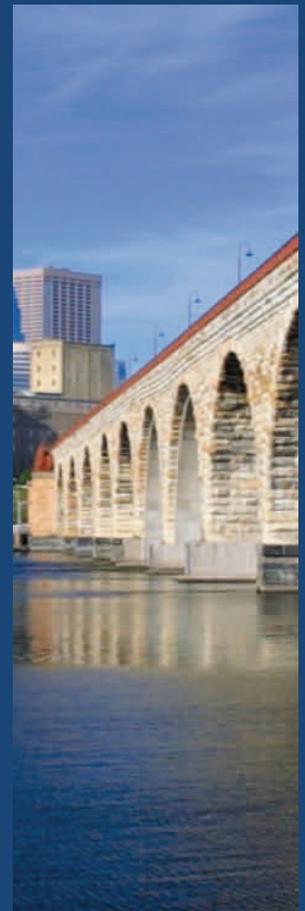
**Figure I-4: Reinvestment in Residential Property  
As a Percent of Total Residential EMV**



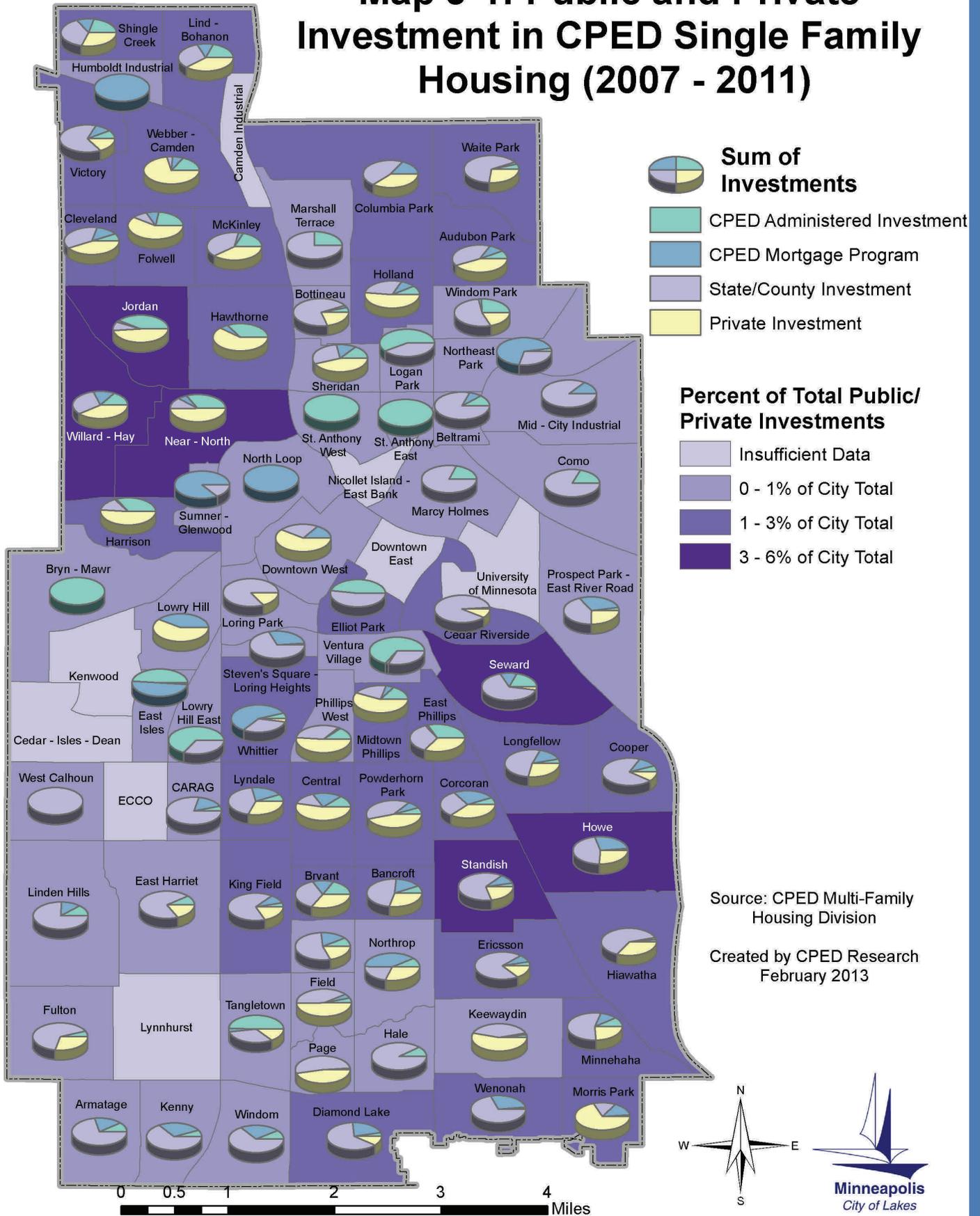
## Total Permits Summary

- Permits were heavily concentrated in an “L” shape starting in North Minneapolis, southwards towards the lakes area and southwest Minneapolis, then turning eastwards towards the Hiawatha line and the Mississippi.
- Cedar Riverside had a major renovation of Riverside Plaza, accounting for at least \$50 million in reinvestment in that neighborhood.
- In terms of the number of permits issued, the downtown core could not compare to other parts of the city. However, the magnitude of downtown neighborhoods is in the size of the projects as there were major developments in North Loop and Downtown East in 2011.
- Northeast Minneapolis, as a whole, was issued the fewest permits overall.

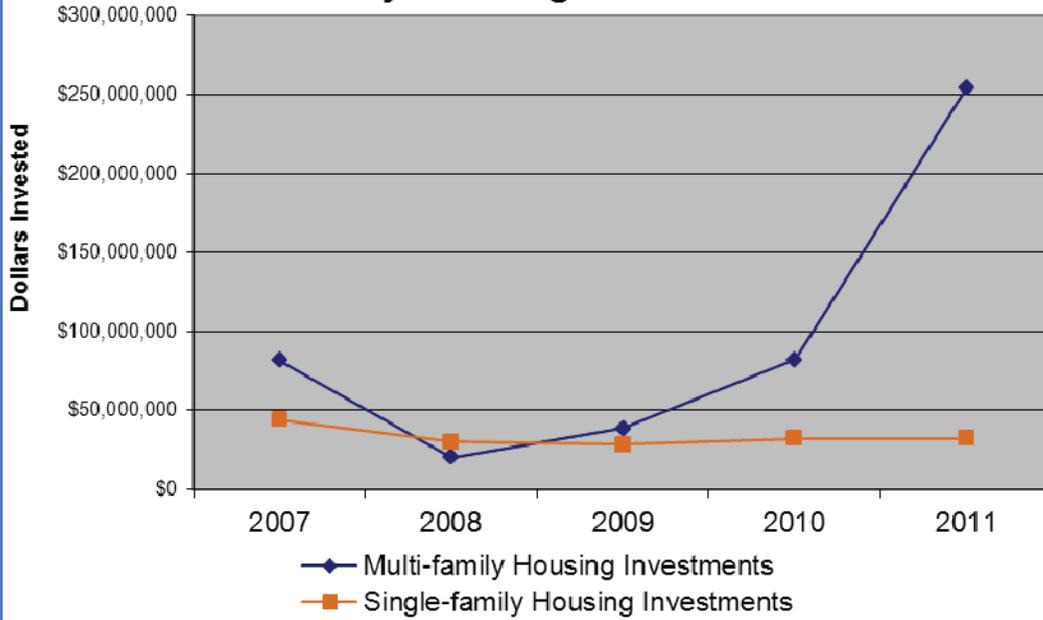
Top Ten Neighborhoods	Average Percent of EMV Reinvested (BOTC) 2007 - 2011
University	7.61%
Cedar Riverside	6.58%
Lowry Hill East	3.48%
Phillips West	3.27%
Sumner-Glenwood	3.25%
Near North	2.25%
Hawthorne	2.16%
Jordan	2.03%
Willard-Hay	1.81%
Downtown East	1.73%



# Map J-1: Public and Private Investment in CPED Single Family Housing (2007 - 2011)



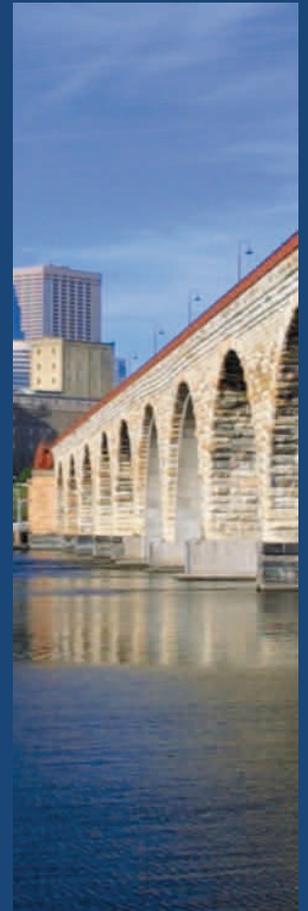
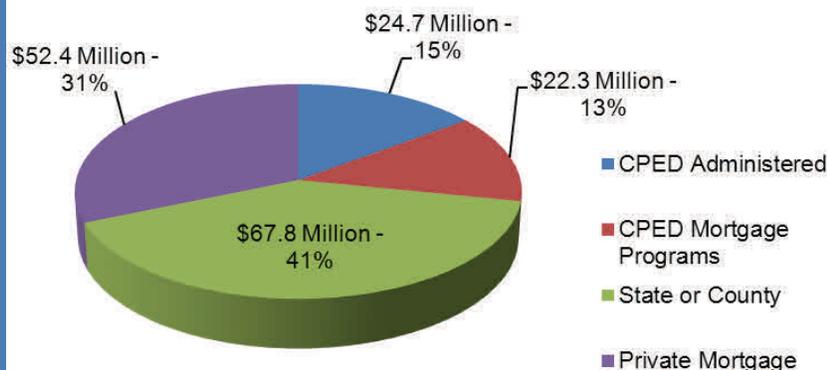
**Figure J: CPED Single Family and Multi-Family Housing Investments**



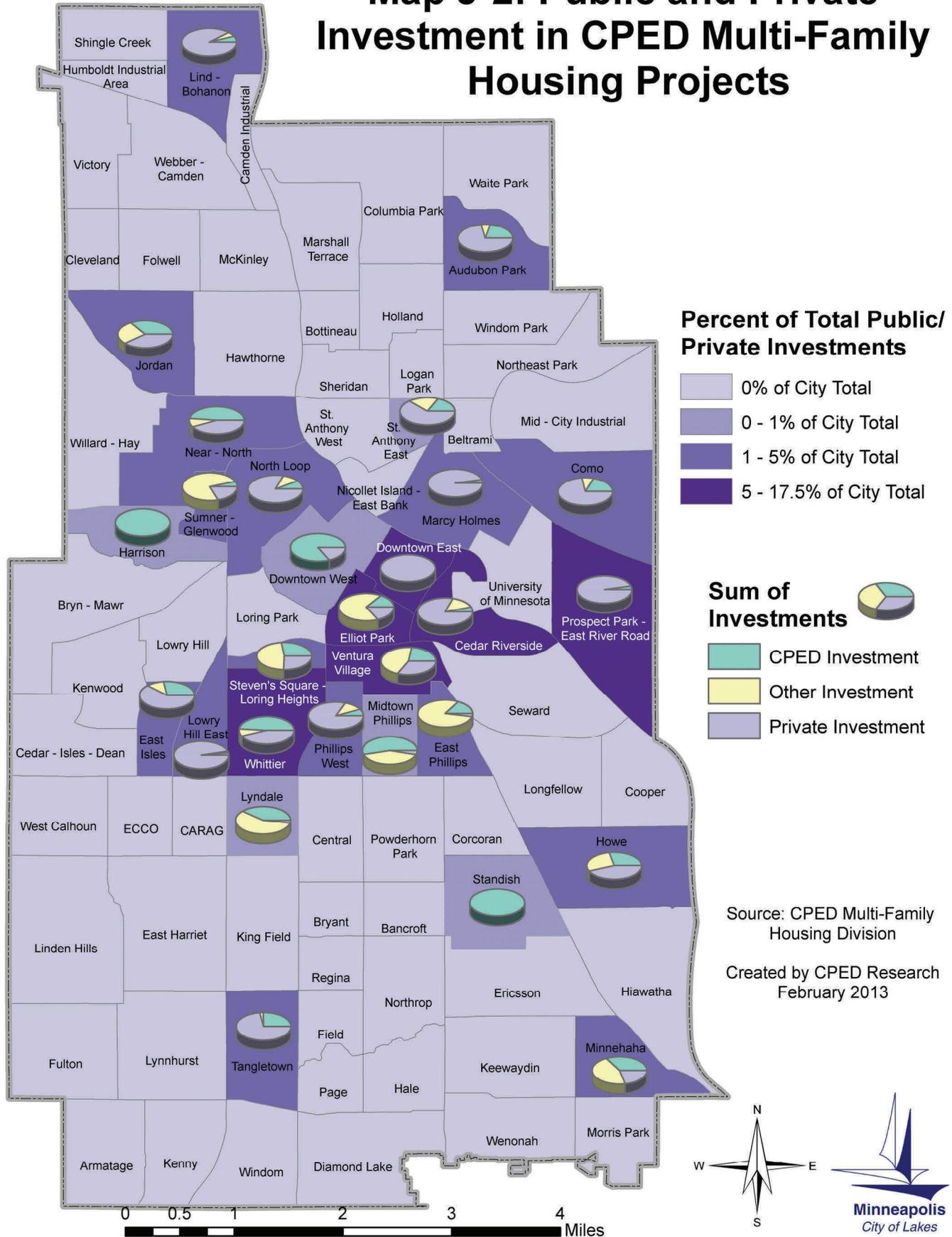
## Investment in Single Family Housing Summary

- The 6 neighborhoods of Howe, Jordan, Near-North, Seward, Standish, and Willard-Hay comprised nearly 25% of the city's total investments in Single Family Housing.
- Several neighborhoods received no funding (of sources listed here) during 2011. They were Camden Industrial, University of Minnesota, Downtown East, Nicollet Island/East Bank, Kenwood, Cedar Isles/Dean, ECCO, and Lynnhurst.
- State and County Investments led all sources of funding with nearly \$68 million in neighborhood investment in Single Family Housing.

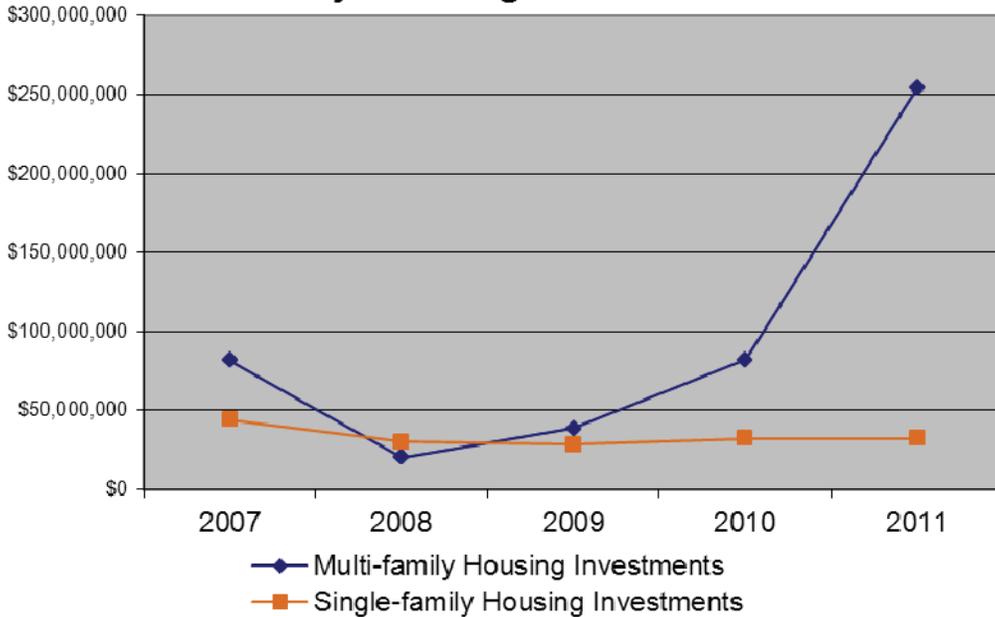
**Investment in Single Family Housing in 2011**



# Map J-2: Public and Private Investment in CPED Multi-Family Housing Projects



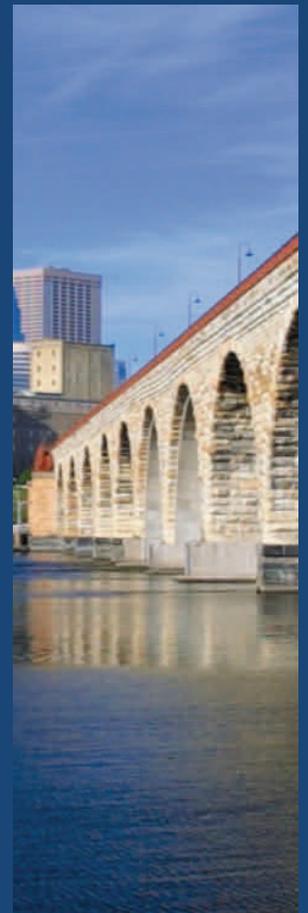
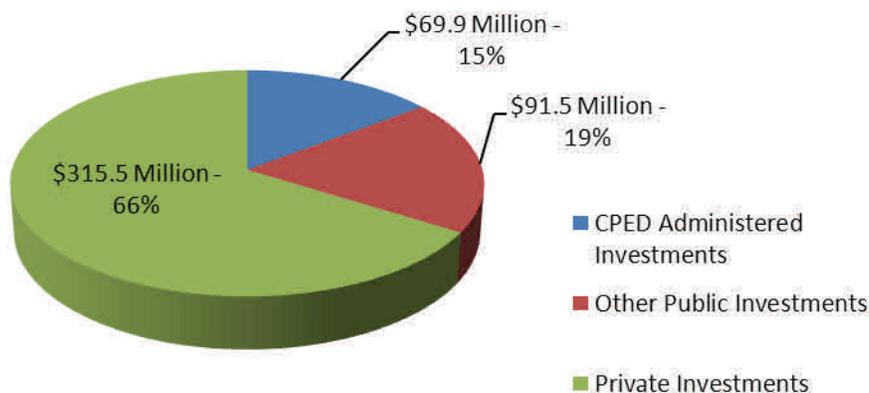
**Figure J: CPED Single Family and Multi-Family Housing Investments**



## Investment in Multi-Family Housing Summary

- Most Investment occurred in areas in and around the downtown area. Coincidentally, these are neighborhoods that have a higher proportion of multi-family housing stock.
- Private Investment was overwhelmingly the dominant form of investment in multi-family housing in 2011.
- Of total investment in multi-family housing city-wide, the top ten neighborhoods represented nearly 70% of the city total. There were also several neighborhoods with no multi-family investment present.

**Investment in Multi-Family Housing - 2011**





## Part III: Indicators of Housing Value

The following section contains maps, tables, and graphs displaying information relating to indicators of housing value.

- K: Measures the change in Median Sales Price of Single Family Detached homes over a 5-year period (note: neighborhoods with fewer than 5 traditional sales were excluded)
- L: Measures the change in Median Residential Estimated Market Value over a 5-year period

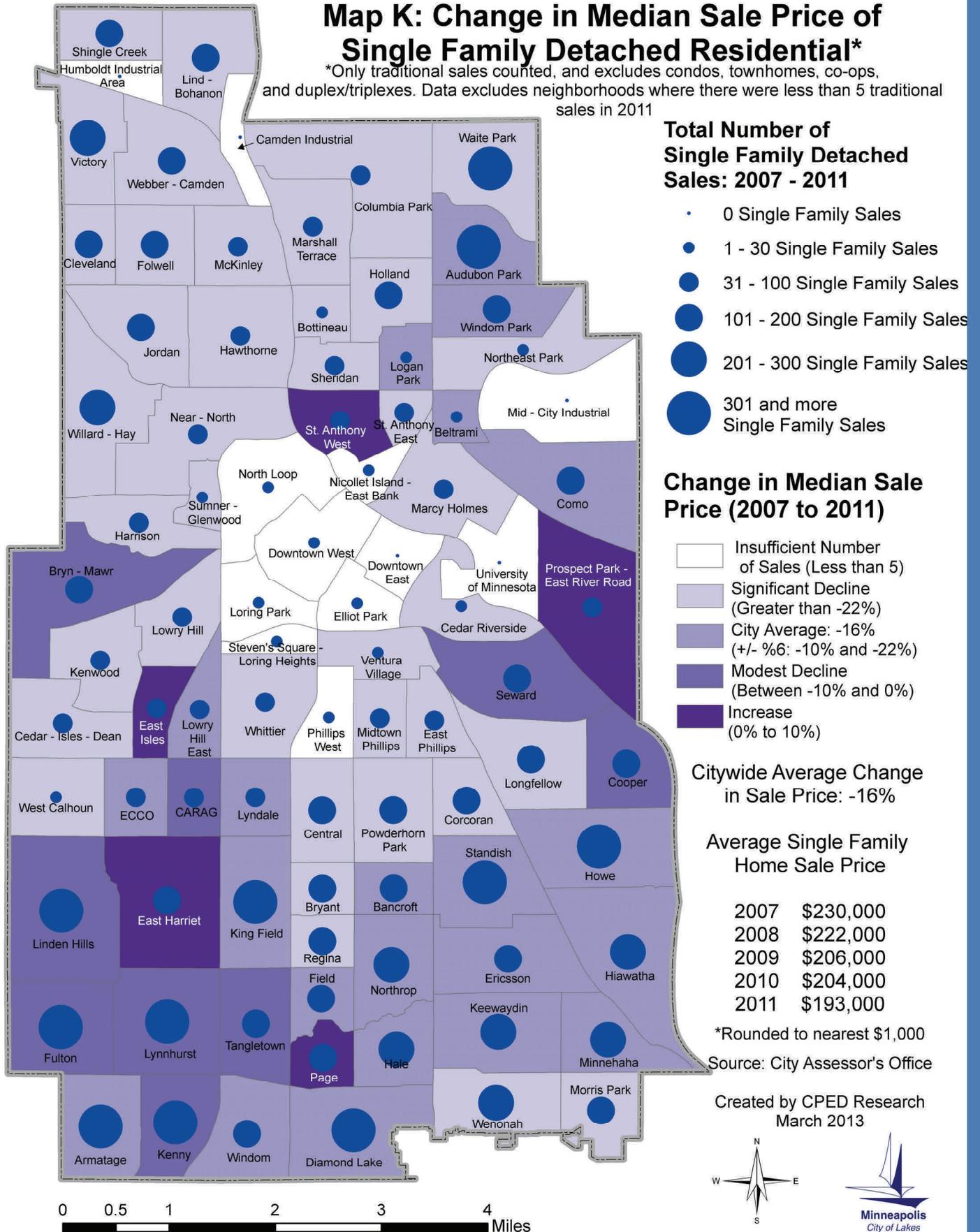
Indicator	Map	2007	2008	2009	2010	2011	Line Graph
Median Single Family Detached Sales Price	K	\$265,815	\$227,735	\$202,698	\$207,400	\$185,562	
Median Residential EMV	L	\$194,800	\$190,500	\$185,500	\$180,500	\$170,000	

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# Map K: Change in Median Sale Price of Single Family Detached Residential\*

\*Only traditional sales counted, and excludes condos, townhomes, co-ops, and duplex/triplexes. Data excludes neighborhoods where there were less than 5 traditional sales in 2011



## Total Number of Single Family Detached Sales: 2007 - 2011

- 0 Single Family Sales
- 1 - 30 Single Family Sales
- 31 - 100 Single Family Sales
- 101 - 200 Single Family Sales
- 201 - 300 Single Family Sales
- 301 and more Single Family Sales

## Change in Median Sale Price (2007 to 2011)

- Insufficient Number of Sales (Less than 5)
- Significant Decline (Greater than -22%)
- City Average: -16% (+/- %6: -10% and -22%)
- Modest Decline (Between -10% and 0%)
- Increase (0% to 10%)

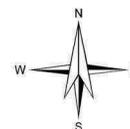
Citywide Average Change in Sale Price: -16%

## Average Single Family Home Sale Price

2007	\$230,000
2008	\$222,000
2009	\$206,000
2010	\$204,000
2011	\$193,000

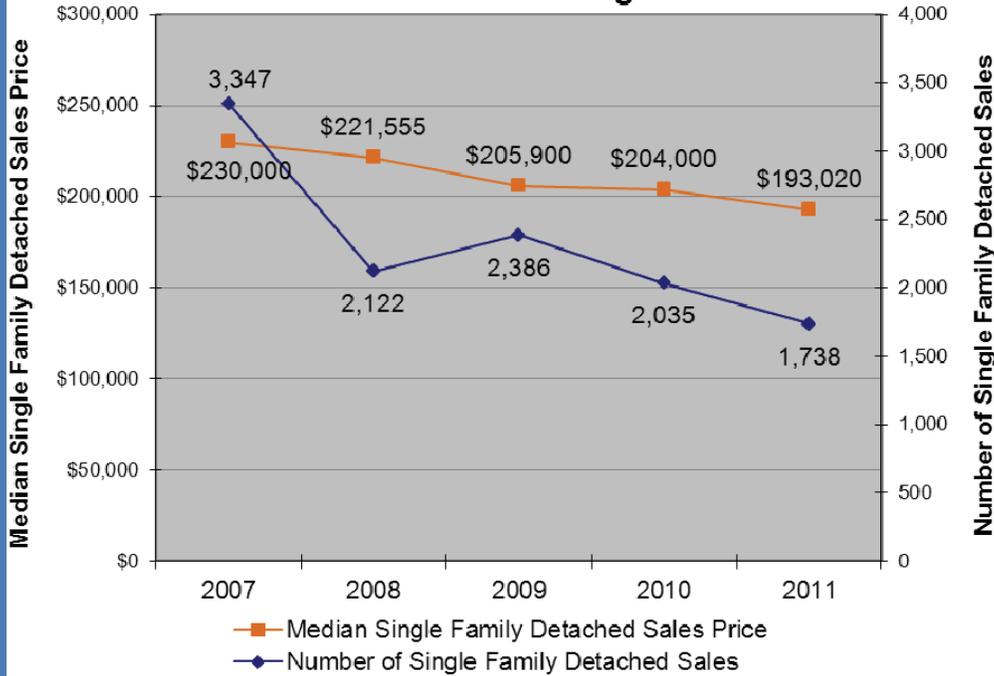
\*Rounded to nearest \$1,000  
Source: City Assessor's Office

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0 0.5 1 2 3 4 Miles

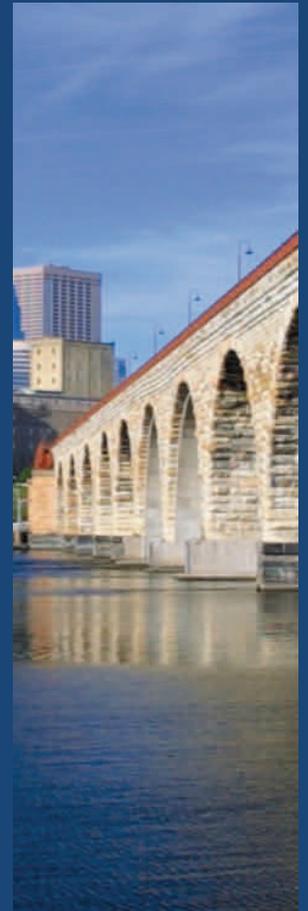
**Figure K: Single Family Detached Sales and Average Value**



## Median Sale Price Summary

- Only 5 of 87 Neighborhoods in Minneapolis experienced an increase in the median sale price in 2011.
- Several neighborhoods had an insufficient number of sales or lack of single family detached housing units.
- Both the number of sales and median sales price have been declining since 2007.
- The majority of sales occurred in neighborhoods south of Lake Street in the southern third of the city. There were notable sales in portions of North and Northeast Minneapolis with Audubon Park and Waite Park leading the way.

Top Ten Neighborhoods	Traditional Home Sales from 2007 - 2011				
	2007	2008	2009	2010	2011
Fulton	147	98	86	91	84
Linden Hills	127	75	85	94	87
Standish	119	74	85	74	47
Waite Park	98	70	91	57	66
Armatage	105	81	69	61	60
Howe	98	71	86	56	44
Lynnhurst	112	74	53	58	57
King Field	83	83	66	61	59
Diamond Lake	92	70	65	62	58
Kenny	87	58	72	53	41



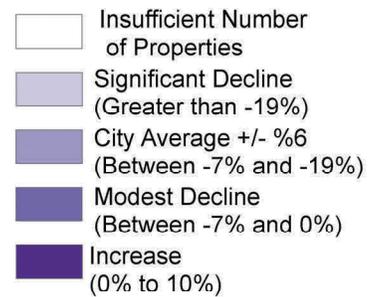
# Map L: 2007 - 2011 Change in Estimated Market Value of Residential Properties

\*Does not include condos, townhomes, co-ops, and duplex/triplexes

## 5 - Year Average Sale Price of Single Family Detached Homes: 2007 - 2011



## Change in Median Sale Price (2007 to 2011)



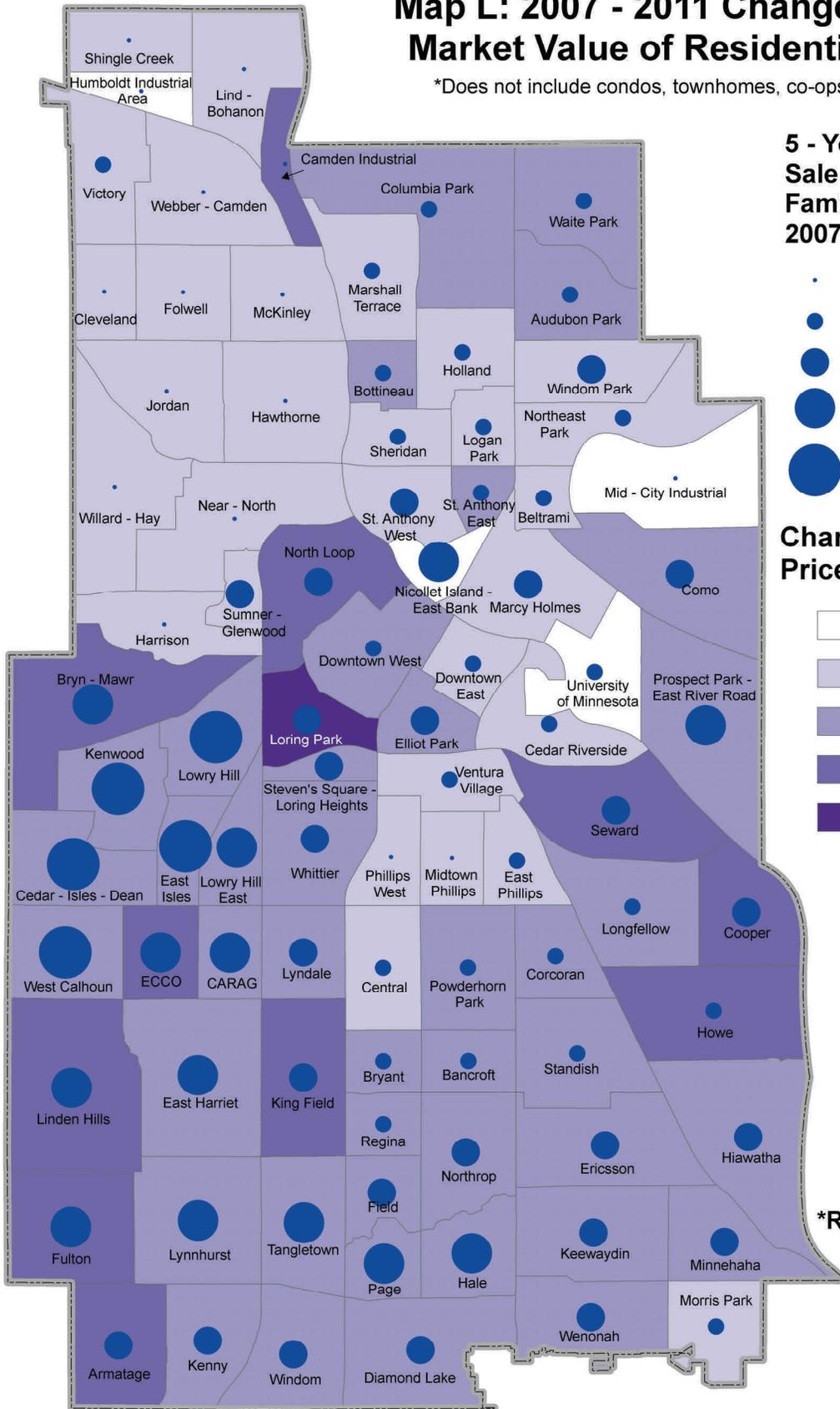
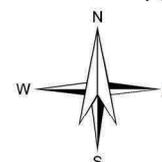
## City Average Change in Median Sale Price (2011) = -13%

### Annual City Median EMV

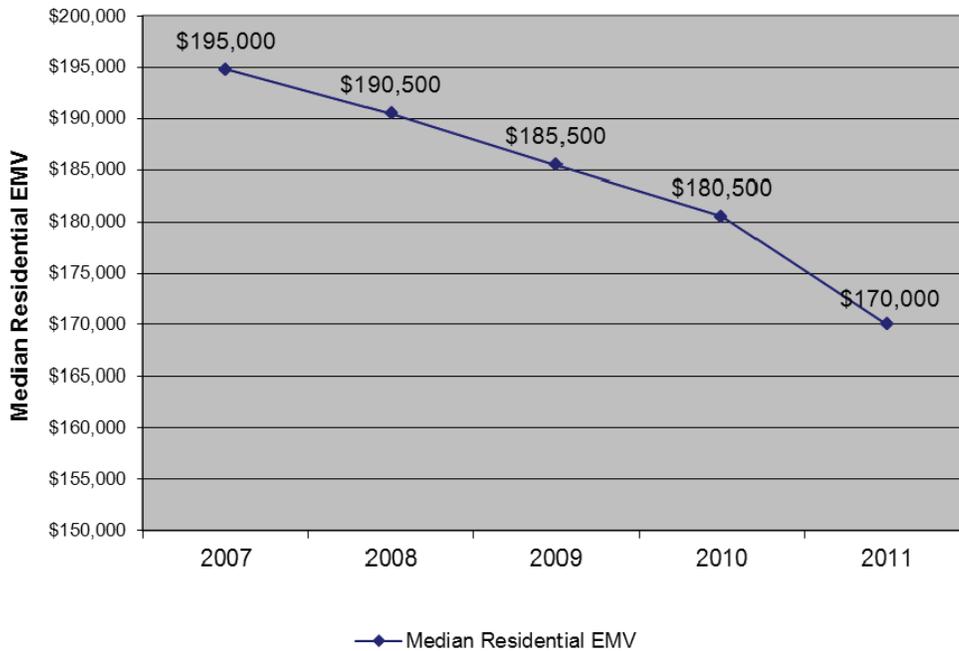
2007	\$195,000
2008	\$190,500
2009	\$185,500
2010	\$180,500
2011	\$170,000

\*Rounded to nearest \$1,000  
Source: City Assessor's Office

Created by  
CPED Research  
February 2013



**Figure L: 2007 - 2011 Median Estimated Market Value (EMV) of Residential Properties**



## Median Estimated Market Value Summary

- The Median Estimated Market Value for residential properties in Minneapolis dropped nearly \$25,000 from 2007-2011.
- Only one neighborhood increased its EMV between 2007 and 2011: Loring Park.
- Homes in North Minneapolis and portions of the Phillips Community were hit the hardest in terms of declines in Estimated Market Value.
- The EMV of homes in Sumner-Glenwood dropped over \$100,000 from 2011 to 2007.

Bottom Ten Neighborhoods	Change in Median EMV 2010 - 2011
Midtown Phillips	-27.87%
East Phillips	-28.57%
Ventura Village	-28.61%
Folwell	-30.99%
Harrison	-31.56%
Lind-Bohanon	-32.21%
Jordan	-32.34%
Near North	-33.39%
Hawthorne	-40.96%
Sumner-Glenwood	-42.40%

