



2021 NORTH MANKATO HOUSING STUDY

CITY OF NORTH MANKATO – COMMUNITY DEVELOPMENT

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EXECUTIVE SUMMARY

1. DEMOGRAPHICS

Population (+1,085): North Mankato grew by 8.1% or from 13,394 to 14,476 between 2010 and 2020. While the annual rate of growth was less than between 2000 and 2010, the city is still growing at a rate faster than many comparable geographies and has set development targets to achieve a 1.6% annual growth rate in the next 10 years for a total population growth of 16,731 in population.

Median Age (+2.9): The city's Median Age rose roughly three years over the last decade from 35.5 to 38.4. Comparison geographies also exhibited increases in median age but to a lesser extent than North Mankato.

Age Distribution (+ & -): The largest changes in North Mankato's age range occurred in ages 35-44 (+14.6%), and in the age ranges 55+ (+33.4%). The largest age cohort in North Mankato remains the 0-14 population with 2,624 members, but this population did decline by 2.9% from 2010.

Race (+125.6% Black/African American, +40.5% Hispanic, +3.7% White): North Mankato population was 90% white in 2020 growing by 3.7% from 2010. Non-White populations showed increasing rates of growth over the last decade with some minority populations doubling in size. Black or African American and Hispanic or Latino Populations represent the two largest minority populations in the City. The Black or African American population grew by 125.6% and the Hispanic or Latino population grew by 40.5% between 2010 and 2020. This indicates North Mankato is and will increasingly diversify in the next Census period and is consistent with other rates of growth in Nicollet County and the MSA.

Post-Secondary Students (4.6% of pop.): 635 post-secondary students lived in North Mankato in 2019 representing 4.6% of the total population and 2% of the total post-secondary student population in the MSA.

2. HOUSEHOLDS

Households (+500): The number of households in North Mankato increased by 8.9% or approximately 500 during 2010-2020 and this accounted for 11% of all household growth in the MSA. This is approximately 50 households per year that move into North Mankato.

Average Household Size (no change): The average number of persons per household in North Mankato stayed relatively flat at 2.38 in 2020 compared to 2.39 in 2010.

Households by Age (+&-): Households age 35-44 and 55-64 both saw increased numbers by 10.26% and 11.48% respectively. Consistent with other comparison geographies, North Mankato saw decreases in the number of households aged 15-24, 45-55, and large increases in households age 65+.

3. DEMOGRAPHIC PROJECTION DATA

Population Projections (+3.4%): North Mankato and comparison geographies are anticipated to grow over the next five years but at a decreased rate compared to growth exhibited over the past decade.

Household Projections (+3.7%): North Mankato is projected to increase the number of households in the 35-44 age range by 10.2% by 2025.

Household by Age Projections-2025 (Added Seniors): North Mankato and comparison geographies are anticipated to exhibit substantial increases in senior households and households with families with school age children.

2025 Development Targets (+120 Units): North Mankato aims to increase housing unit construction from 50 per year to roughly 74 per year or more to spur population growth that will increase tax base and achieve city goals.

4. INCOME & HOUSING AFFORDABILITY

Income Trends and Housing Assistance Thresholds (9% Below Poverty Level): Households with 1, 2, and 3 persons make up 82% of total households in North Mankato. A two- to three-person household falls in the lower-income class if they make less than \$43,700 and \$50,697 respectively. Two- to three-person families are in the middle-income class if they make \$131,078 and \$152,092 respectively and in the upper-income class if they exceed that range. 9.0% of total households in North Mankato face poverty which is similar to Nicollet County and the MSA but 5% lower than the state. Households of two and three people qualify for county assistance if they make less than \$32,200 and \$36,250 respectively.

Median Household Income Data and Housing Affordability (+21.4%): According to the ACS, the median household income level in North Mankato increased 21.4% between 2015 and 2019. This compares to increases of 14.9%, 10.7%, and 16% in Nicollet County, the MSA, and the state respectively. North Mankato's 2019 estimated median household income of \$67,728 was higher than that reported in comparison geographies and falls within a middle-income range. This compares to \$55,440 estimated median household income in 2015. The ACS 2019 estimates show a median income household in North Mankato could afford approximately \$1,680 per month for ownership or rental housing in 2019 confirming a majority can afford housing in the city.

Household Income Distribution: 35.9% of all North Mankato households had annual incomes less than \$50,000 which is similar to the county and the state but lower than the MSA. This places families of two or three persons in the lower-income class. 53% have incomes of \$50,000 to \$149,000 which is similar to the county but higher than the MSA and the state. This places families of two or three persons in the middle-income class. 11.5% of households have incomes over \$150,000 which, for a household of two or three persons, places them in the upper-income class.

Change in Homeowner & Renter Income (+12.2%, + 0.4%): The ACS indicates Homeowners in North Mankato have seen increased median income by a margin of nearly \$9,000. This 12.2% increase in income may indicate that homeowners in the community can absorb increased housing costs simultaneously. Renter households have not seen increases in median income exhibiting \$36,500 in 2010 up to \$36,635 in 2019. This lack of increase in income makes it less likely that renters can accommodate increased housing costs. 47.4% of renter households had annual incomes below \$35,000 compared to only 15.9% of homeowner households in North Mankato.

Homeowner Housing Cost Burden (15% spend more than 30% on Housing): Approximately 85% of the homeowners in North Mankato reported applying 30% or less of income to housing costs. Of the 15% reporting 30% or more income to housing costs, most of these households had an annual income below \$50,000. This indicates North Mankato's moderate to low-income residents are more likely to dedicate a higher percentage of their income on housing costs compared to other geographies.

Rental Housing Cost Burden (45% spend more than 30% on housing): Approximately 55% of renter household reported spending 30% or less on housing. The remaining 45% of renter households in North Mankato had a housing cost burden in 2019, with 30% or more of their income required for rent. Nearly all renter households with a housing cost burden had an annual income below \$35,000 representing a severe cost burden.

5. GROWTH TARGETS

New Housing Building Permit Trends (+144 Single-Family; +208 Rentals): North Mankato constructed an average of 26 single-family detached homes each year during the period 2011-2020. There are several active residential subdivisions in the community with approximately 144 lots available for single-family construction. The city has also had several multi-family developments constructed in the past decade. Some units are planned for completion in the near term for approximately 208 permitted rental units.

North Mankato's New Building Permit Growth Target (+5%): North Mankato currently captures 18-19% of housing unit construction in the base area and aims to capture at least 23% of the new building permits in the base area consistent with its current percentage of population in the base area. North Mankato has captured 32% of the single-family detached base area, well above the 23% benchmark. However, the city has lagged on single-family attached and multi-family capturing only 15% and 6% respectively.

Target Market Increase (\$2.1 million Annual Investment Target): A larger proportion of North Mankato's housing unit construction consisted of more single-family detached homes than the market at 70% to 42% respectively. City staff identified an annual target investment increase up to \$2.1 million to achieve city goals. This equates to an additional five single-family detached homes, one single-family attached structure (two units), and two multi-family units annually.

New Housing Building Permit 10-Year Goals (+740): North Mankato aims to increase housing unit construction from 50 per year to roughly 74 per year to meet the 1.6% annual average growth rate and target population of 16,731.

6. SINGLE FAMILY DETACHED & ATTACHED AVAILABILITY

Single-Family Detached Recent Residential Sales (\$226,800, +\$41,900): Median home sales prices for single-family detached homes in North Mankato have been increasing each year from 2015, surpassing \$225,000 in 2019. Only 7% of homes sold for less than \$150,000 and the majority sold for \$200,000 or more.

Single-Family Attached Recent Residential Sales (\$197,950, +\$46,450): Median home sales prices for single-family attached homes in North Mankato have been increasing since 2016 after a small drop from 2015 to 2016. Annual price increases from 2016 to 2018 were \$8-\$9,000 until a significant increase of \$34,000 during 2018-2019.

Mankato Area Single-Family Detached Sales Comparison (North Mankato; Mid-range sale prices with consistent annual increases): Eagle Lake tends to have the highest home sale prices among Greater Mankato cities exhibiting a significant jump in 2018 after remaining steady in prior years. North Mankato has seen more consistent median sale prices increases annually and tends to have mid-range

sale prices. Mankato has also exhibited significant home sale price increases since 2015, however median sales in the city are consistently the lowest in Greater Mankato.

Mankato Area Single-Family Attached Sales Comparison (North Mankato; Mid-range sale prices with consistent annual increases): Mankato median single-family attached home sale prices have been sporadic over the last five years but have generally been higher than North Mankato. North Mankato saw a slight drop in sales prices in 2016 but has continued to climb since, surpassing Mankato in 2019.

Number of Sales in North Mankato / Mankato (776): There were 776 total sales for attached and detached dwellings in 2019 with an average price of \$250,000 for single-family attached and detached dwellings, this compares with 531 sales in 2010 with an average price of \$163,628.

Average Days on the Market (95): The average number of days a home was listed on the market for sale in 2019 was 95, a decrease from 167 in 2011. A decreasing number of homes listed and an increase on the number sold over time is closing the gap between supply and demand.

Upper & Lower North Mankato MLS Market Information (Sales at 96% of listing): Sales prices reported in Upper North Mankato were higher than those in Lower North Mankato and the Mankato/North Mankato area at \$285,187 vs. \$169,758 and \$247,835 respectively. The average listing time for the entire Mankato/North Mankato area was 95 vs. 101 in Upper North and 65 in Lower North. Sales in North Mankato have been 96% of listing price, similar to the region.

7. RENT PRICE & RENTAL AVAILABILITY

ACS Survey Rental Inventory Data (1,635 units): The ACS estimates there were 1,635 occupied rental units in North Mankato in 2019. Two-bedroom units were the most common among these representing 50% of all rental options. Most units are conventional, market-rate housing. When comparing number of available units with renter households, the ACS identifies a need for affordable rental options for low-income households showing there were well over seven times as many households with incomes below \$20,000 as there were units available. This forces some households to reside in higher priced units that may create a cost burden. The supply of units within the \$650-\$899 rent range was the highest in the city overall. Approximately 34% of all renter households in 2019 had an annual income of \$50,000 or more but fewer than 12% of all rental units were priced at \$1,250 or more for gross rent.

Relative Rental Distribution (75% rented at less than \$1,000): The ACS shows that North Mankato offered the highest percentage of affordable housing and moderately priced housing among comparison geographies with 75% of rental units rented at less than \$1,000. While rentals priced \$1000+ made up 23% of North Mankato's housing stock, the percentage of these units were less than the makeup of other comparison geographies.

Median Gross Rent (\$818): North Mankato median gross rent was more affordable than comparison geographies.

Median Rent by Bedrooms (1 - \$748, 2 - \$832, 3 - \$1,242): North Mankato had substantially higher median gross rents than Nicollet County and the MSA for 1- & 3-bedroom rentals but slightly lower 2-bedroom rents. The state had significantly higher rents than other geographies. Two-bedroom units make up a majority of rental units in North Mankato and this is why North Mankato's median rent is less than comparison geographies but has higher rents for 1- and 3-bedroom units.

Percentage of Income for Rent (28.1%): North Mankato had the second highest median gross rent as percentage of income among comparison geographies but still required less than 30% of income to afford the median rental unit meaning a typical renter could secure housing they could afford.

Age of Rental Housing (42 years): North Mankato and the MSA exhibit the oldest median housing construction among geographies. Planned multi-family for Mankato and North Mankato will undoubtedly impact median years.

8. RENTAL UNIT AFFORDABILITY

Rental Housing Survey: According to Community Partners Research and city data, the North Mankato Rental market had:

- 841 total market rate multi-family units
- 185 tax credit units
- 73 subsidized units

Market Rate Summary: Two-bedroom units totaled 408 units representing more than 72% of market rate rental units in North Mankato. One-bedroom units represented nearly 18% of units and three-bedroom were nearly 6% of all market rate units. Larger rentals with three to four bedrooms are becoming more common. The following provides vacancy rates and prevailing rent ranges for each rental type surveyed:

Table 57. Rent Ranges Per Bedroom & Vacancy Rate		
Units Type	Identified Range	Vacancy Rate
Efficiency /Studio	No Data	No Data
1 Bedroom	\$550 - \$930	0.0%
2 Bedroom	\$675 - \$1,110	1.5%
3 Bedroom	\$1,065 - \$1,950	0.0%
4 Bedroom	\$1,475 - \$1,950	0.0%

Moderate Rent Tax Credit Summary: There are approximately 185 units subject to tax credit regulations in North Mankato among 3 properties. North Mankato projects that utilized tax credits for new housing construction and are income-restricted were Hoover Estates (1990) and Riverway Townhomes (1996). Colony Apartments (2000) in North Mankato used tax credits for preservation and/or renovation. Given the state’s preference for workforce housing construction, more than 83% of tax credit units have two or more bedrooms to accommodate families. Tax credit projects in North Mankato have estimated gross rents that are well below the maximum limits for respective counties. The following provides vacancy rates and prevailing rent ranges for each rental type surveyed:

Type	# Total Units Contacted	% of Total Units Contacted
Efficiency/Studio Units	0	0%
One-Bedroom	24	13%
Two-Bedroom	140	76%
Three-Bedroom	21	11%
Four-Bedroom	0	0%
Total	185	100%

Source: City Data, Community Partners Research

Subsidized Summary: Most subsidized projects in North Mankato are available as general occupancy housing. Koppen Garden Apartments are the only in North Mankato and have shifted from primarily senior/disabled to allowing younger, non-disabled people. The total number of subsidized rentals available in North Mankato is 73, among which one-bedroom units make up 99%. Vacancy in Koppen Garden is very low and there is a waiting list.

9. SPECIALIZED SENIOR HOUSING

Senior Housing with Light Services: According to Community Partners Research and city data, there are 68 units in North Mankato offering light services. Estimates show the MSA (including Blue Earth and Nicollet Counties) has approximately 350 units available for seniors looking for light services packages. In mid-2020, there was unused capacity presumably due to COVID-19 and seniors’ reluctance to move into facilities. Rents for housing with light services varied widely based on what services are being offered. Using an estimate that approximately 68 light services units are present in Mankato and North Mankato, an approximate capture rate of 9% of the primary target market would be needed to achieve full occupancy. Growth in younger senior groups (65 to 74) should also result in increased demand for independent senior housing.

Assisted Living: There are 127 units available offering assisted living services in North Mankato. The MSA is estimated to have 620-625 total assisted living units. In mid-2020, there was unused capacity similar to light services offerings. The Elderly Waiver Program provides assistance through the County to seniors; however, this can be restricted by the assisted living facilities given demand from private-pay residents. According to Esri, the current inventory requires a capture rate of 15% of senior households to achieve full occupancy and this will be 12.7% by the year 2024 if no unit expansion occurs. In early 2020, the required capture rate was not being achieved.

Memory Care Housing: There are 61 units to accommodate seniors in need of memory care facilities in North Mankato. The MSA has capacity for 280 people which is higher than the estimated capacity of 250 to 255 at the time of the 2016 study. Analysts suggest, based on projected growth through 2024, the supply of memory care beds in Greater Mankato will drop below the required 5.5% to sustain the inventory.

Skilled Nursing Homes: There are no skilled nursing homes in North Mankato. However, There are four in Mankato providing capacity for 289 residents which is down slightly from 2016. 175 to 180 are available for long-term stays. The MSA has 428 nursing home beds available which is up from 416 in 2016. Up to 290 of these are for longer-term occupancy. There is a long-term moratorium on adding

Skilled Nursing Home beds which limits new nursing home facilities to replacing beds rather than adding inventory which will cause the percentage of older seniors residing in these facilities to decrease as population grows and supply remains fixed.

Housing with Services: Esri estimates there were more than 4,200 seniors, age 75 and above in Greater Mankato in 2019 which was up by 600 since 2010. 2,850 households containing seniors were estimated in 2019 also, up by 390 since 2010. In the MSA, Esri estimated 6,695 seniors over 75 were living among 4,490 households: up by 840 (14.4%) and 491 (12.3%) from 2010 respectively. By 2024, Esri projects there will be 5,000 seniors in Greater Mankato living among 3,380 senior households showing increases of 780 people and 525 households. Esri is projecting similar increases for the MSA.

INTRODUCTION

Housing Study Chapters

Over the past year, the city of North Mankato has studied its residential housing stock to identify needs for various types of housing options including single-family detached, single-family attached, and multi-family. The following chapters are included in this study providing an in-depth look into housing in the community:

- *Demographics*: This chapter examines population statistics to understand age of population, population growth trends, student population, population race/ethnicity breakdown, and household trends. This chapter also provides an introduction to the city's goals for achieving growth rate targets through housing unit construction. The primary comparison geographies used in this chapter were the North Mankato, Nicollet County, the Mankato-North Mankato Metropolitan Statistical Area (MSA), and the State of MN.
- *Demographic Projection Data*: Demographic Projection Data examines population and household projections provided by Esri and identifies targets established by the city for future population growth based on future housing unit growth. The primary comparison geographies used in this chapter were the North Mankato, Nicollet County, the MSA, and the state.
- *Income and Housing Cost Data*: This chapter examines homeowner and renter incomes in comparison with housing costs to understand how affordable housing options are in North Mankato for both cohorts. As with demographics chapters, the primary comparison geographies used in this chapter were the North Mankato, Nicollet County, the MSA, and the state.
- *Housing Construction Data*: Through the Housing Construction Data chapter, the city examines growth trends in housing unit construction in the community and establishes targets for future growth aimed at spurring population growth in the community. The primary comparison geographies in this chapter were North Mankato, Mankato, and Eagle Lake.
- *Single-Family Housing Value Data*: This chapter goes in-depth into home value trends for single-family residential housing including single-family detached and single-family attached units. The primary comparison geographies used in this chapter were the North Mankato, Mankato, and Eagle Lake.
- *ACS Rental Housing Data*: This chapter examines available data from the American Community Survey (ACS) from the U.S. Census Bureau on rental unit rent ranges compared to annual incomes to provide measures of supply versus demand in rental options. It also looks at gross rent distribution among North Mankato, Nicollet County, the MSA, and the state.
- *Rental Housing Inventory*: This chapter is mostly referenced from the Mankato Housing Study Update – 2020 and inventories rental options for the Greater Mankato Area with an emphasis on North Mankato, Mankato, and Eagle Lake. Using a telephone survey, data was collected on market rate multi-family units, tax credit units, subsidized units, student-oriented units, and assisted living units.
- *Senior Housing with Services*: This chapter is also mostly referenced from the Mankato Housing Study and includes in-depth examination of senior living with light services, assisted living, memory care, and skilled nursing home facilities in the Greater Mankato Area.

Housing Study Data

There were several data sources utilized for the housing study and many comparisons made between geographies to understand which factors and/or trends are unique to North Mankato versus those that are present in other locations or on a larger scale. The following data sources were referenced:

- *U.S. Census Bureau*: The U.S. Census Bureau provides significant data on populations of people and households including total population, population by age, race/ethnicity, household population, data on homeowners versus renters, and other data used in this study. Previous Decennial Census' were referenced for historic totals used to understand trends over time while the American Community Survey (ACS) was also utilized which provides estimates for each year since the last recorded Decennial Census in 2010. The latest vintage for ACS data is 2019.
- *Environmental Systems Research Institute (Esri)*: Esri is a leader in geographic information technologies and provides the ArcGIS Business Analyst demographic mapping software that includes current-year updates and five-year projections of various demographic topics throughout the U.S. and internationally.
- *City Data from North Mankato, Mankato, and Eagle Lake*: City data provided the basis for building permit data used in Housing Construction Data estimates and data trends.
- *Real Estate Association of Southern Minnesota (RASM)*: Data from RASM was used to understand trends in housing sales in and around North Mankato.
- *Nicollet County and Blue Earth County Assessors*: County data provided the basis for North Mankato and Mankato home sales data.
- *Community Partners Research*: Community Partners Research recently completed the Mankato Area Housing Study Update – 2020. Data insight from Community Partners Research is included throughout this document including results of outreach and research they completed as part of the Mankato Housing Study Update – 2020.
- *Minnesota State Demographer*: Population data from the MN State Demographer's Office was referenced for comparison to other data sources.

North Mankato Housing Supply Overview

This study provides an in-depth look at housing in North Mankato often providing comparisons to other geographies to understand if trends extend beyond city limits. This includes detailed information on single-family detached, single-family attached, and multi-family housing in the community.

Single-family detached homes are housing units designed for and used for occupancy by one family and are surrounded by open space on the same lot. *Single-family attached* homes are housing units designed for and used for occupancy by one family, joined to other dwellings by a party wall or walls, including but not limited to such common references as townhouse, twin home, and row house. *Multiple-family dwellings* are designed for or intended to contain three or more dwelling units, including but not limited to such common references as apartment buildings and condominiums.

Table 1 provides an overview of these housing types in the city. Overall, according to the U.S. Census Bureau 2019 American Community Survey (ACS) 5-Year Estimates, the city of North Mankato had a total of 6,153 housing units, up from 5,864 total units recorded in 2010; an increase of 5%.

This study also provides an inventory of rental properties. Using records from the U.S. Census Bureau and the results of their outreach, Community Partners, Inc. estimate that there

were 1,975 rental units within the North Mankato Housing supply in 2020. A look at North Mankato’s rental housing registration program indicates there were 1,690 registered rental units as of October 2021. City records also show an additional 256 senior housing units that, if combined, would yield 1,946 total rental units, confirming Community Partner’s estimates.

The Community Partners Research inventory was focused on rental properties in larger, multifamily rental projects with eight or more units. A review of that data, combined with a review of city data, indicates an estimated 570 market rate units, 185 tax credit units, and nearly 73 subsidized units were contacted in North Mankato for a total of 828 rental units. All 256 senior housing units were also contacted for a total of 1,084 total units or 56% of all rental units in North Mankato. The senior housing unit inventory included approximately 68 units with light services, 127 assisted living units, and 61 memory care units in the mix.

The following chapters explore housing options in North Mankato in terms of service to varying household incomes, age groups, and housing occupancy (i.e. owner vs. renter) to gain an understanding of the needs of the community moving forward.

Housing Type	# of Units
Single-Family Detached	3,742
Single-Family Attached	421
2-4 Unit Multi-Family	488
5+ Unit Multi-Family	1,170
Mobile Home	332

Source: ACS 2019 Estimates

DEMOGRAPHICS

The city of North Mankato population is growing at a rate similar to many comparable geographies including Nicollet County, the Metropolitan Statistical Area (MSA), and the State of Minnesota. However, the city’s growth rate overall has decreased over the past couple decades from 16.1% over the 1990-2000 period, to 13.5% over the 2000-2010 period, and, lastly, 8.1% over the 2010-2020 period.

The median age has increased three years over the nine-year period from 2010 to 2020 from 35.5 to 38.4. Esri 2020 estimates indicate that North Mankato’s population age groups fall within 2.5% of the Metropolitan Statistical Area (MSA) in the Youth, Retiree/Seniors, and Elderly age ranges. The College age group has 6% less residents than the MSA and the Working Age group has 6% more than the MSA.

Table 2a and **2b** identify key age groups in the city for 2010 and 2020 respectively.

Table 2a. 2010 Population by Age Group					
Group	Age	North Mankato		MSA	
		Pop.	%	Pop.	%
Youth	0-19	3,490	26%	25,273	26%
College	20-24	1,050	8%	14,097	15%
Working Age	25-64	7,251	54%	45,891	47%
Retirees/Seniors	65-84	1,353	10%	9,492	10%
Elderly	85+	239	2%	1,987	2%
		13,383	100%	96,740	100%

Table 2b. 2020 Population by Age Group					
Group	Age	North Mankato		MSA	
		Pop.	%	Pop.	%
Youth	0-19	3,427	24%	26,231	25%
College	20-24	962	7%	13,860	13%
Working Age	25-64	7,683	53%	50,590	47%
Retirees/Seniors	65-84	2,117	15%	13,781	13%
Elderly	85+	284	2%	2,297	2%
		14,473	100%	106,759	100%

Source: Esri 2020 Estimates

In terms of race, North Mankato remains predominantly White which represents 90% of the total city population. Nicollet County, the MSA, and the State all show similar characteristics for race with the State showing slightly greater percentages of minority populations in some instances. While non-White populations are low, groups have grown 50% to 100% from 2010-2020 which indicates the area is slowly diversifying.

The number of households in North Mankato increased by 8.9%, or approximately 500 households, between 2010-2020 which accounted for 11% of all household growth in the MSA. Despite this, the average number of persons per household in North Mankato stayed relatively flat at 2.38 in 2020 compared to 2.39 in 2010. In 2020, the city, and other geographies, exhibited significant decline in households in the 15-24 and 45-54 age ranges but also significant increases in households in the 55 and over age ranges. Households in the 35-44 age range increased over 10% in North Mankato also. While data may indicate the city has an aging population, it also may indicate that North Mankato residents

wish to stay in the community as they become empty nesters and that more and more young families are choosing to reside in the city to raise their families and these trends are in line with other comparison geographies.

Population Trends

Figure 1 illustrates North Mankato’s continued growth in population from 1930 to the present. While the city’s growth has been constant, the rate of that growth has been consistently declining over time.

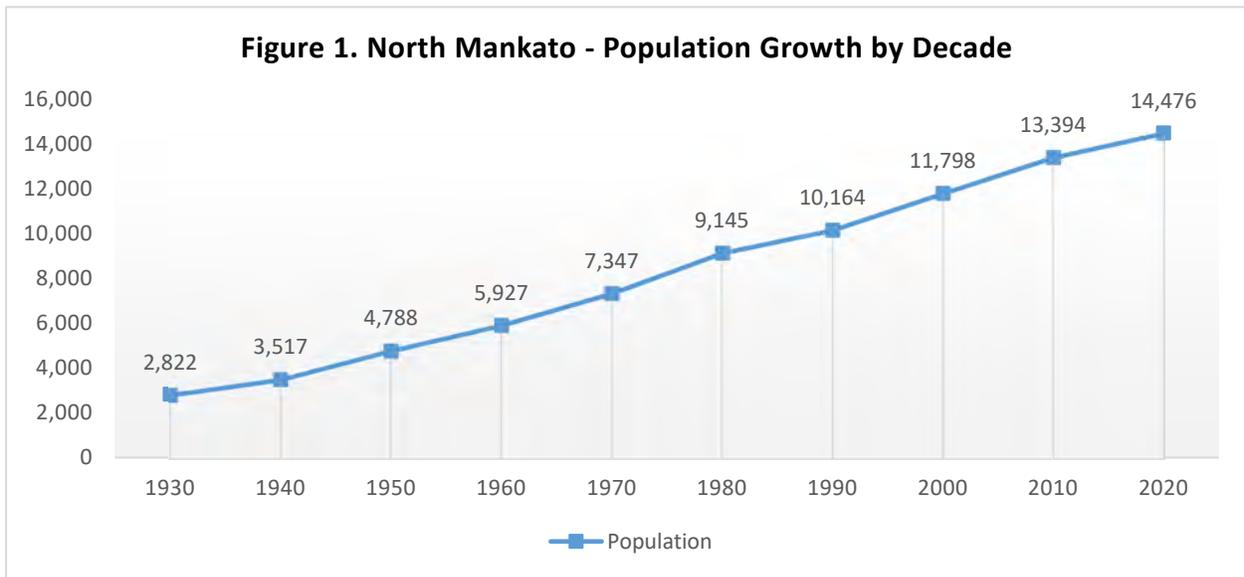


Figure 1. North Mankato Total Population Growth by Decade. Source: City of North Mankato, US Census Bureau, Esri 2020 Estimates.

Figure 2 illustrates declining growth trends by observing average annual percentage growth in population per decade in the city. After a spike in 1950, the city dropped from a 3.6% growth rate to 2.4%. Growth was steady at 2.4% annually until a drop in 1990 to 1.1%. After exhibiting an increase in growth rates from 1990 to 2000, a downward trend has prevailed to the present, with the growth rates dropping from 1.6% in 2000 to 0.8% in 2020. As depicted in **Figure 2**, the city has been exhibiting 0.8% annual growth since 2010, adding roughly 109 individuals annually and 1,093 over the 10-year period.

Table 3 compares North Mankato’s percentage growth with that of 17 comparable geographies including mostly comparable cities along with the MSA, Nicollet County, and the State of MN. North

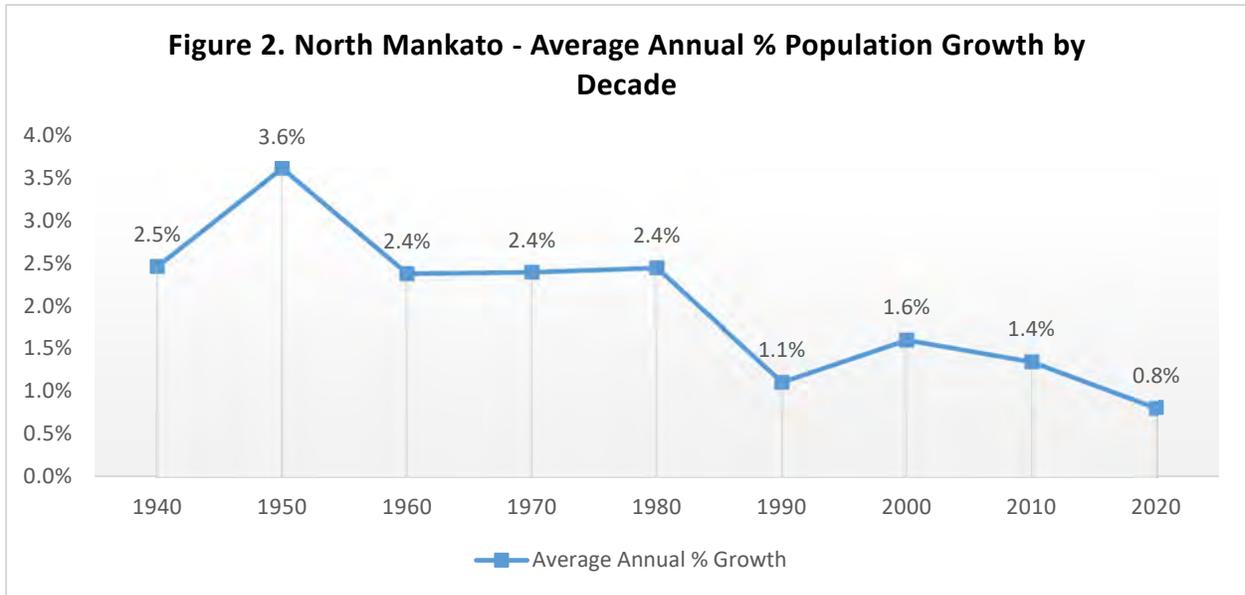


Figure 2. North Mankato Average Annual Percentage Population Growth by Decade. Source: City of North Mankato, US Census Bureau, Esri 2020 Estimates.

	1990 Census	2000 Census	% Change 1990-2000	2010 Census	% Change 2000-2010	2020 ESRI	% Change 2010-2020
North Mankato	10,164	11,798	16.1%	13,394	13.5%	14,476	8.1%
MSA	82,120	85,712	4.4%	96,740	12.9%	106,759	10.4%
Nicollet County	28,076	29,771	6.0%	32,727	9.9%	35,082	7.2%
MN State	4,375,099	4,919,479	12.4%	5,303,925	7.8%	5,750,797	8.4%
St. Peter	9,421	9,747	3.5%	11,196	14.9%	11,808	5.5%
New Ulm	13,132	13,594	3.5%	13,522	-0.5%	13,895	2.8%
Faribault	17,085	20,818	21.8%	23,352	12.2%	24,765	6.1%
Owatonna	19,386	22,434	15.7%	25,599	14.1%	26,101	2.0%
Marshall	12,023	12,735	5.9%	13,680	7.4%	13,851	1.3%
Mankato	31,477	32,427	3.0%	39,309	21.2%	44,839	14.1%
Worthington	9,977	11,283	13.1%	12,764	13.1%	13,372	4.8%
Austin	21,907	23,314	6.4%	24,718	6.0%	25,467	3.0%
Albert Lea	18,310	18,356	0.3%	18,016	-1.9%	18,025	0.0%
Windom	4,283	4,490	4.8%	4,646	3.5%	4,546	-2.2%
Fairmont	11,265	10,889	-3.3%	10,666	-2.0%	10,395	-2.5%
Rochester	70,745	85,806	21.3%	106,769	24.4%	122,662	14.9%
Winona	25,399	27,069	6.6%	27,592	1.9%	27,684	0.3%

Source: U.S. Census Bureau 1990, 2000, and 2010 Decennial Census; Esri 2020 Estimates

Mankato exhibits the fifth highest percentage increase in population among the 17 comparable geographies, surpassing Nicollet County and trending similarly to the state according to 2020 data.

For North Mankato, there is some consistency between the available data sources on total population. Esri’s estimate for 2020 showed 14,476 people living in the city. For comparison, the State Demographer’s 2019 estimate for the city was 14,114 people, and the Census Bureau’s 2019 estimate was 13,778. To understand how estimates compare, they were reduced to an annual average to adjust for the one-year time difference and normalize the data. These data indicate the city has been adding between 43 and 98 people annually since 2010. Estimates from Esri and the State Demographer are more similar and near the upper end of this range, with average growth of approximately 80 to 98 people per year.

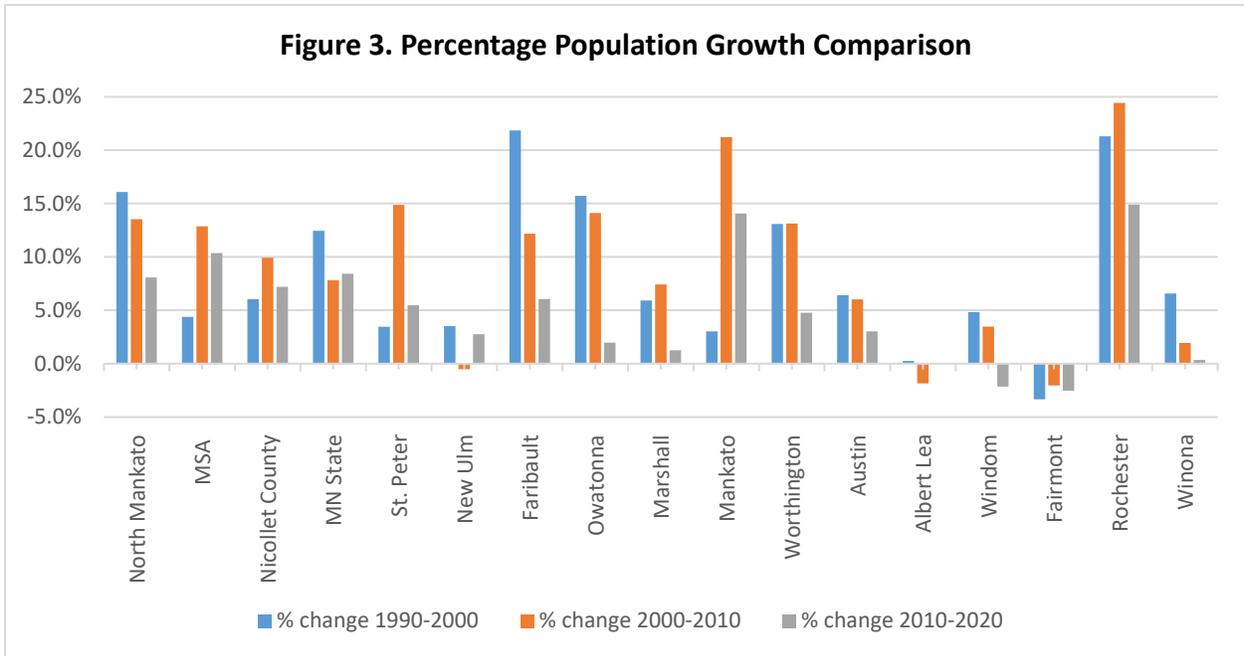
As mentioned, the city of North Mankato has consistently grown, but at a decreasing rate. However, North Mankato isn’t the only community exhibiting this trend. Cities such as Faribault, Owatonna, Austin, and Winona are trending similarly.

Table 4 shows North Mankato leading in growth rate between 1990 and 2000 over the MSA, Nicollet County, and the State. North Mankato also grew at a higher percentage between 2000 and 2010. Growth percentages between 2010 and 2019 were similar between each geography with the MSA exhibiting the greatest growth.

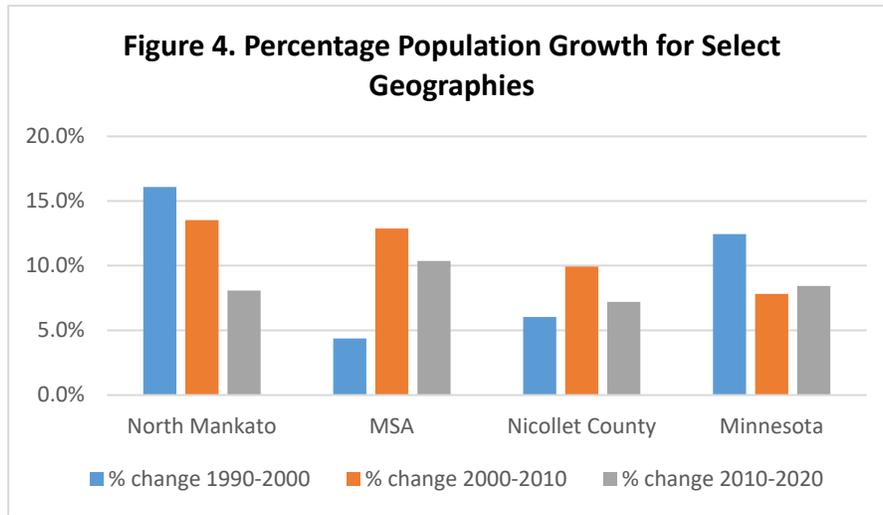
Table 4. Percentage Population Growth Comparison			
	% Change 1990-2000	% Change 2000-2010	% Change 2010-2020
North Mankato	16.1%	13.5%	8.1%
MSA	4.4%	12.9%	10.4%
Nicollet County	6.0%	9.9%	7.2%
Minnesota	12.4%	7.8%	8.4%

Source: U.S. Census Bureau 1990, 2000, and 2010 Decennial Census; Esri 2020 Estimates

North Mankato is growing at a similar rate as the State of MN with both exhibiting 0.8% annual growth. The city wishes to promote an upward trend in population growth to increase the population needed to support desired amenities and generate the necessary tax revenue to finance operations and debt service of the government. To achieve desired population growth, the city has studied residential building unit construction over the past decade to understand the needed number of newly constructed units to achieve annual growth rate targets of between 1.6% and 2.4% for the years 2020 to 2030. This is discussed further in *Chapter 2: Projections* and *Chapter 3: Housing Construction Data*.



Source: U.S. Census Bureau 1990, 2000, and 2010 Decennial Census; Esri 2020 Estimates



Source: U.S. Census Bureau 1990, 2000, and 2010 Decennial Census; Esri 2020 Estimates

Key Takeaway	
POPULATION +1,085	<p>North Mankato grew by 8.1% or from 13,394 to 14,476 between 2010 and 2020. While the annual rate of growth was less than between 2000 and 2010, the city is still growing at a rate faster than many comparable geographies and has set development targets to achieve a 1.6% annual growth rate in the next 10 years for a total population growth of 16,731 in population.</p>

Median Age

The city of North Mankato’s median age is estimated to be 38.4 in 2020 compared to 35.5 in 2010. North Mankato’s median age is within 4.7 years of the MSA, exhibiting a median age of 33.7, and within 1 year of the State, exhibiting a median age of 38.7. Generally, these populations exhibit similar median age characteristics. **Table 5** identifies median age among comparable geographies.

Table 5. Median Age: 2020		
	2010 Census	2020 Estimate Esri
North Mankato	35.5	38.4
MSA	31.3	33.7
Nicollet County	34.2	36.5
Minnesota	37.3	38.7

Source: U.S. Census Bureau 2010 Decennial Census; Esri 2020 Estimates

Key Takeaway	
Median Age +2.9	The city’s median age rose roughly three years over the last decade from 35.5 to 38.4. Comparison geographies also exhibited increases in median age but to a lesser extent than North Mankato.

Post-Secondary Student Population

The Census Bureau’s American Community Survey (ACS) Survey includes an estimate of the number of residents enrolled in some type of post-secondary educational program, including undergraduate and graduate school programs. In addition to the actual number of people, this information can be compared to the total population level to provide information of the percentage of students. The ACS total population estimate has also been used when calculating the percentage. The most recent data release from the ACS is for 2019 (**Table 6**).

Table 6. Student Population: 2019		
	Number enrolled	% of population*
North Mankato	635	4.6%
Mankato	11,078	26.3%
MSA	28,895	28.7%
Nicollet County	3,460	10.2%
Minnesota	356,485	6.3%

Source: ACS 2019: 5-Year Estimates

According to the 2019 ACS, there were 635 post-secondary students living in North Mankato. When compared to the total population estimate for the city, fewer than 5% of the city’s residents were enrolled in college as an undergraduate, graduate, or professional school program. Presumably, the

student population would include people enrolled at South Central College in North Mankato, as well as Minnesota State University and Bethany Lutheran College in Mankato. In the MSA, students in St. Peter would also be reflected which includes students from Gustavus Adolphus College. Of the entire post-secondary population living in the MSA, nearly 40% lived in the city of Mankato while only 2% lived in North Mankato.

Key Takeaway	
Post-Secondary Students 4.6% of Pop.	635 post-secondary students lived in North Mankato in 2019 representing 4.6% of the total population and 2% of the total post-secondary student population in the MSA.

Population by Age

Table 7 shows age distribution for the city of North Mankato from 2000 to 2020. Data for 2000 and 2010 is derived through respective Decennial Census results from the US Census Bureau while 2020 data is derived from Esri 2020 estimates.

Age	Census 2000		Census 2010		2000-2010 Change		2020 ESRI		2010-2020 Change	
	#	%	#	%	#	%	#	%	#	%
0-14	2,545	21.6%	2,702	20.2%	157	6.2%	2,624	18.1%	-78	-2.9%
15-19	932	7.9%	788	5.9%	-144	-15.5%	803	5.5%	15	1.9%
20-24	911	7.7%	1,050	7.8%	139	15.3%	962	6.6%	-88	-8.4%
25-34	1,783	15.1%	2,059	15.4%	276	15.5%	2,129	14.7%	70	3.4%
35-44	1,830	15.5%	1,664	12.4%	-166	-9.1%	1,907	13.2%	243	14.6%
45-54	1,740	14.7%	1,879	14.0%	139	8.0%	1,724	11.9%	-155	-8.2%
55-64	920	7.8%	1,649	12.3%	729	79.2%	1,923	13.3%	274	16.6%
65-74	643	5.5%	817	6.1%	174	27.1%	1,445	10.0%	628	76.9%
75-84	399	3.4%	536	4.0%	137	34.3%	672	4.6%	136	25.4%
85+	95	0.8%	239	1.8%	144	151.6%	284	2.0%	45	18.8%
Total Pop.	11,798	100.0%	13,383	100.0%	1,585	13.4%	14,473	100.0%	1,090	8.1%

Source: U.S. Census Bureau 2000 and 2010 Decennial Census; Esri 2020 Estimates

Data show that those aged 0-14 represent the largest age group in North Mankato at nearly 20% of the population. This age cohort, along with the population of those aged 15-19, has remained somewhat steady since 2000, fluctuating only slightly. The population of those ages 20-24 has exhibited some decline since 2021, dropping by 8.9%, (88 individuals). Numbers of those ages 55+ have increased significantly since 2000 with those ages 65-84 exhibiting the highest growth. Data may suggest North Mankato is an aging community that will require more senior living options. Data may also indicate that

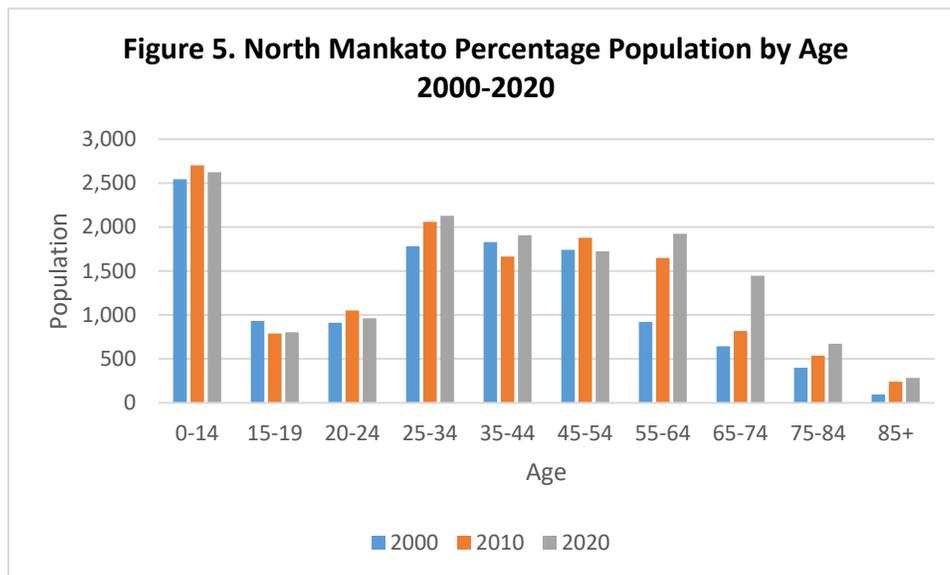
residents are choosing to stay in North Mankato during their retirement years due to quality of life. Increases in the 25-44 age groups may indicate more families are choosing to call the city their home.

Table 8 and **Figures 5 & 6** use Esri’s 2020 population estimates to show the percentage distribution by age for North Mankato, the MSA, Nicollet County, and the State.

Table 8. Percentage Population by Age – 2020				
Age	North Mankato	MSA	Nicollet County	Minnesota
0-14	2,624 / 18.1 %	17,843 / 16.7 %	6,213 / 17.7 %	1,075,021 / 18.6 %
15-19	803 / 5.5 %	8,388 / 7.8 %	2,729 / 7.7 %	361,460 / 6.2 %
20-24	962 / 6.6 %	13,860 / 12.9 %	3,276 / 9.3 %	372,614 / 6.4 %
25-34	2,129 / 14.7 %	15,125 / 14.1 %	4,636 / 13.2 %	778,674 / 13.5 %
35-44	1,907 / 13.1 %	12,383 / 11.5 %	4,243 / 12 %	733,618 / 12.7 %
45-54	1,724 / 11.9 %	10,533 / 9.8 %	3,874 / 11 %	705,566 / 12.2 %
55-64	1,923 / 13.2 %	12,549 / 11.7 %	4,517 / 12.8 %	775,556 / 13.4 %
65-74	1,445 / 9.9 %	9,275 / 8.6 %	3,351 / 9.5 %	553,150 / 9.6 %
75-84	672 / 4.6 %	4,506 / 4.2 %	1,561 / 4.4 %	267,360 / 4.6 %
85+	284 / 1.9 %	2,297 / 2.1 %	682 / 1.9 %	127,778 / 2.2 %
Total Pop.	14,473 / 100 %	106,759 / 100 %	35,082 / 100 %	5,750,797 / 100 %

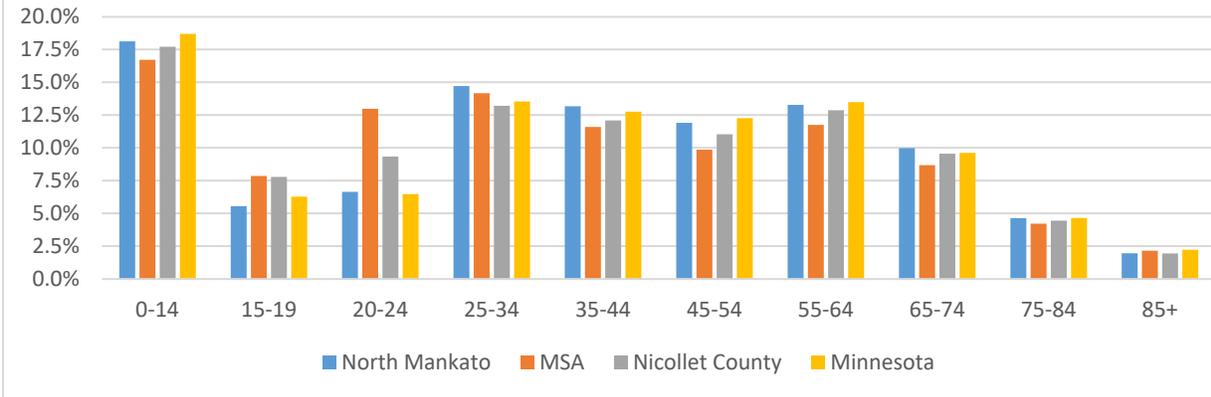
Source: Esri 2020 Estimates

North Mankato has a smaller population distribution in the secondary and post-secondary student age ranges than Nicollet County and the MSA. The comparison of age group populations for North Mankato, the MSA, Nicollet County, and the State shows age distribution is generally within a range of 2.5% of each other showing overall similarities between these geographies. One exception to this is the 20-24 age group, indicating the MSA stands out in the 20-24 age group exhibiting 12.9% which is 6.3% higher than North Mankato.



Source: U.S. Census Bureau 2000 and 2010 Decennial Census; Esri 2020 Estimates

Figure 6. Percentage Population by Age - 2020



Source: Esri 2020 Estimates

Key Takeaway	
Age Distribution 35-44 (+14.6%) 55 & up (+34%)	The largest changes in North Mankato’s age range occurred in ages 35-44 (+14.6%), and in the age ranges 55+ (+34%). The largest age cohort in North Mankato remains the 0-14 population with 2,624 members, but this population did decline by 2.9% from 2010.

Population by Race

The city of North Mankato is predominantly White, as is Nicollet County, the MSA, and the State of Minnesota. 2020 estimates from Esri indicate that White individuals made up 90% of the city’s population. Nicollet County and the MSA showed similar proportions with White individuals making up 89.6% and 89% respectively. The State of Minnesota, however, has a White population of 81%, which is significantly lower than other geographies but is still predominantly White. **Table 9** and **Figure 7** illustrate population distribution by Race/Ethnicity.

Those identifying as Black or African American make up the second largest demographic in the city at 625, or 4.3%, of the population. Nicollet County and the MSA have a Black or African American population similar to the city at 4.4% and 4.6% of the population respectively. The State has the highest of the geographies with 7% of the population being Black or African American.

The American Indian/Alaskan Native group made up a very small portion of the population at 51 (0.4%). Other geographies have similar populations aside from the State which was slightly higher at 1.2% of the population being American Indian/Alaskan Native.

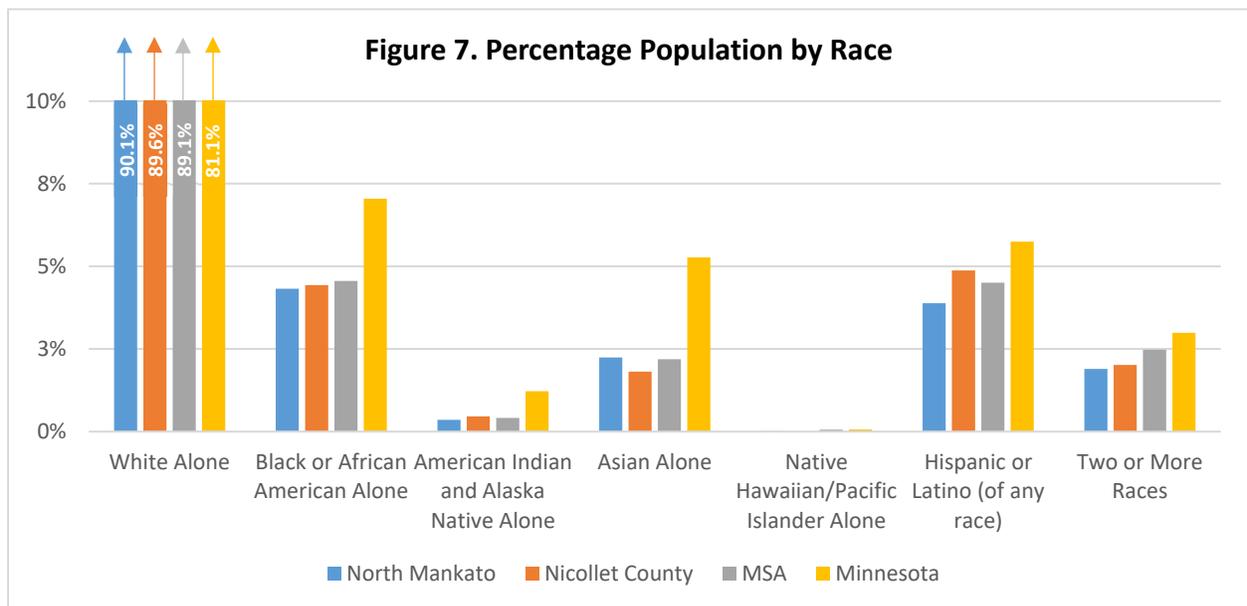
Asians made up roughly two percent of the population for North Mankato, Nicollet County, and the MSA. The State had a slightly higher percentage at 5.2%.

Native Hawaiian/Pacific Islander populations were almost non-existent in all geographies with only 1 (0%) reporting in North Mankato and Nicollet County and 0.1% in the MSA and the State.

Race/Ethnicity	North Mankato	Nicollet County	MSA	Minnesota
White Alone	13,036 / 90.05%	31,433 / 89.59%	95,069 / 89.05%	4,664,294 / 81.1%
Black or African American Alone	625 / 4.31%	1,555 / 4.43%	4,861 / 4.55%	404,992 / 7.04%
American Indian and Alaska Native Alone	51 / 0.35%	161 / 0.45%	435 / 0.4%	70,098 / 1.21%
Asian Alone	324 / 2.23%	635 / 1.81%	2,335 / 2.18%	303,091 / 5.27%
Native Hawaiian/Pacific Islander Alone	1 / 0%	1 / 0%	59 / 0.05%	3365 / 0.05%
Hispanic or Latino (of any race)	562 / 3.88%	1,709 / 4.87%	4,808 / 4.5%	330,399 / 5.74%
Two or More Races	274 / 1.89%	706 / 2.01%	2,643 / 2.47%	171,704 / 2.98%
Total*	14,476	35,082	106,759	5,750,797

Source: Esri *Total Populations are representative of the 2019 total population estimate for each geography represented. Population numbers for individual Race/Ethnicity groups shown in the table will not calculate to the Total Population number when summed. This is due to several individuals identifying as more than one Race/Ethnicity.

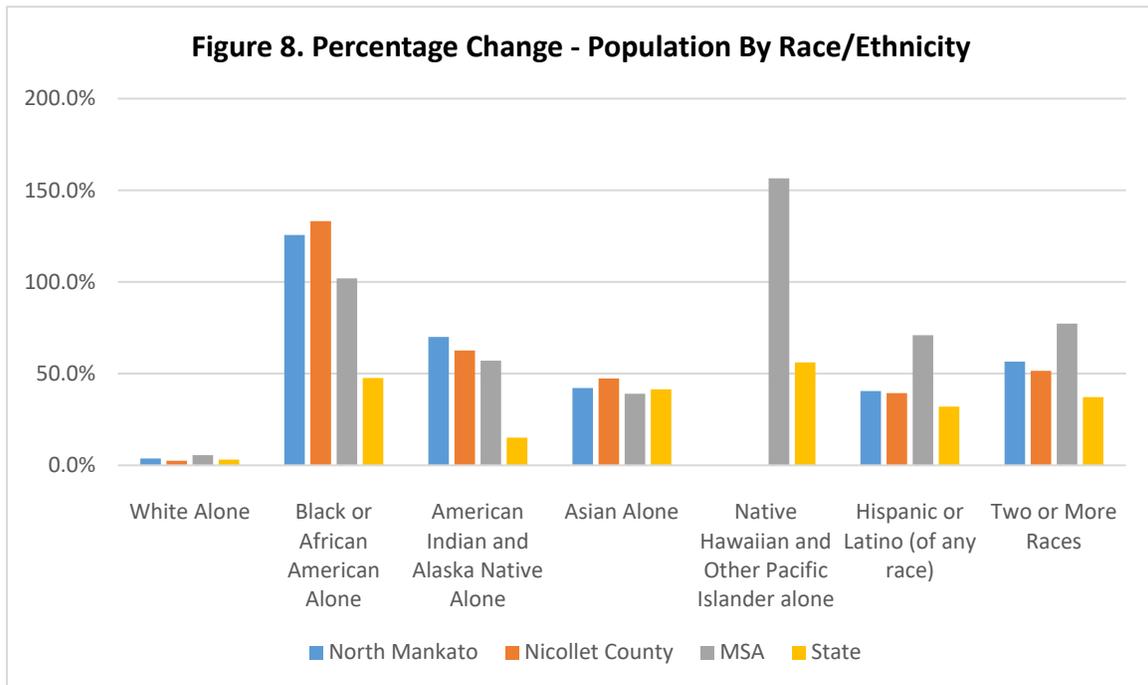
There were 562 (3.9%) in the city who identify as Hispanic/Latino. This is the third largest demographic group in the city. Other geographies had slightly higher populations of Hispanic/Latino individuals including Nicollet County with 4.9%, the MSA with 4.5% and the State with 5.7%.



Source: Esri 2020 Estimates

Despite North Mankato’s population increasing at a decreasing rate, the population is slowly diversifying as more minority populations are choosing to call North Mankato home.

According to **Table 9** and **Figure 8**, Trends indicate a 126% increase in the number of Black or African American residents, which is much higher than the 4% increase in White populations. While Black or African American residents only make up 4.3% of the population to date, this will increase significantly if trends continue. All other races and ethnicities are increasing as well with the exception of Native Hawaiian, and Other Pacific Islander in which only one resident claimed as their origin.



Source: Esri 2020 Estimates

Table 9. Percentage Change - Population By Race/Ethnicity

	White Alone			Black or African American Alone			American Indian and Alaska Native Alone			Asian Alone			Native Hawaiian and Other Pacific Islander Alone			Hispanic or Latino (of any race)			Two or More Races		
	Census 2010	Esri 2020	% Change	Census 2010	Esri 2020	% Change	Census 2010	Esri 2020	% Change	Census 2010	Esri 2020	% Change	Census 2010	Esri 2020	% Change	Census 2010	Esri 2020	% Change	Census 2010	Esri 2020	% Change
North Mankato	12,575	13,036	3.7%	277	625	125.6%	30	51	70.0%	228	324	42.1%	1	1	0.0%	400	562	40.5%	175	274	56.6%
Nicollet County	30,666	31,433	2.5%	667	1,555	133.1%	99	161	62.6%	431	635	47.3%	1	1	0.0%	1,226	1,709	39.4%	466	706	51.5%
MSA	90,066	95,069	5.6%	2,408	4,861	101.9%	277	435	57.0%	1,680	2,335	39.0%	23	59	156.5%	2,812	4,808	71.0%	1,491	2,643	77.3%
Minnesota	4,524,062	4,664,294	3.1%	274,412	404,992	47.6%	60,916	70,098	15.1%	214,234	303,091	41.5%	2,156	3,365	56.1%	250,258	330,399	32.0%	125,145	171,704	37.2%

Source: 2010 Decennial Census; ESRI 2020 Estimates

Key Takeaway

Race/Ethnicity
 +126% - Black
 +41% Hispanic
 +3.7% White

North Mankato population was 90% white in 2020 growing by 3.7% from 2010. Non-White populations showed increasing rates of growth over the last decade with some minority populations doubling in proportion. Black or African American and Hispanic or Latino Populations represent the two largest minority populations in the city. The Black or African American population grew by 125.6% and the Hispanic or Latino population grew by 40.5% between 2010 and 2020. This indicates North Mankato is and will increasingly diversify in the next Census period and is consistent with other rates of growth in Nicollet County and the MSA.

Household Trends Analysis

Table 10 contains 2020 household estimates from Esri. According to Esri, there were 6,070 households in North Mankato in 2020. When compared to the 2010 Census, this was an increase of approximately 500 households, or an annual average of 50 households per year over the decade. The MSA, containing all of Blue Earth and Nicollet Counties, shows an increase of 4,554 households over the same time period representing average annual growth of 455 households. This indicates North Mankato represents nearly 11% of household growth in the MSA.

Similar to population growth, the number of households has continued to increase but at a decreasing rate. Between 1990 and 2000 the city of North Mankato experienced a faster rate of household growth than the MSA, Nicollet County, and the State compared to the lower rate of growth in the past ten years (**Table 10**).

Table 10. Household Trends - 1990-2020							
	1990 Census	2000 Census	% Change 1990-2000	2010 Census	% Change 2000-2010	2020 Esri	% Change 2010-2020
North Mankato	3,823	4,744	24.1%	5,574	17.5%	6,070	8.9%
MSA	28,755	31,704	10.3%	36,646	15.6%	41,200	12.4%
Nicollet County	9,478	10,642	12.3%	12,201	14.6%	13,235	8.5%
Minnesota	1,647,853	1,895,127	15.0%	2,087,227	10.1%	2,258,758	8.2%

Source: U.S. Census Bureau 1990, 2000, and 2010 Decennial Census; Esri 2020

Key Takeaway	
Households + 500	The number of households in North Mankato increased by 8.9% or approximately 500 during 2010-2020 and this accounted for 11% of all household growth in the MSA. This is approximately 50 households per year that move into North Mankato.

Average Household Size

Table 11 provides decennial Census information on household size. Esri's 2020 estimates have also been provided.

Table 11. Average Number of Persons Per Household - 2000 to 2020				
	2000 Census	2010 Census	2019 ACS	2020 Esri
North Mankato	2.48	2.39	2.35	2.38
MSA	2.49	2.44	2.41	2.43
Nicollet County	2.78	2.46	2.40	2.44
Minnesota	2.52	2.48	2.49	2.49

Source: U.S. Census Bureau 2000 and 2010 Decennial Census; ACS 2019: 5-Year Estimates; Esri 2020 Estimates.

Household formation has generally been occurring at a different rate than population change in recent decades due to a steady decrease in average household size. This has been caused by household composition changes, such as more single person households and single parent families, fewer children per family, and more senior households due to longer life spans. These patterns have been present in North Mankato, as the city’s average household size has decreased since the year 2000 when it was 2.48. However, the most recent estimate from Esri shows only a minor decrease since 2010.

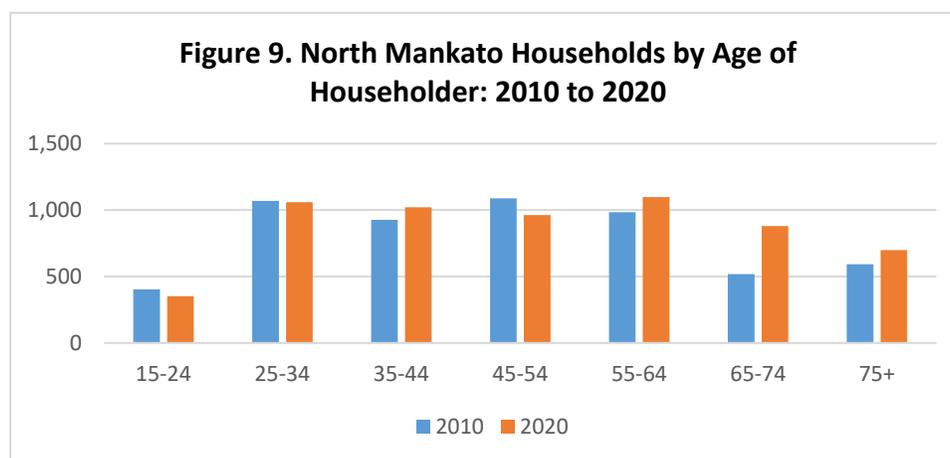
Key Takeaway	
Average HH Size No Change	The average number of persons per household in North Mankato stayed relatively flat at 2.38 in 2020 compared to 2.39 in 2010.

North Mankato Household by Age Trends: 2010-2020

Table 12 and Figure 9 display Esri’s estimates on the change in the number of households by age range between 2010 and 2020.

Age	2010	2020	Change	%
15-24	403	351	-52	-12.90%
25-34	1,069	1,059	-10	-0.94%
35-44	926	1,021	95	10.26%
45-54	1,088	962	-126	-11.58%
55-64	984	1,097	113	11.48%
65-74	518	879	361	69.69%
75+	592	699	107	18.07%
Total	5,580	6,068	488	8.75%

Source: U.S. Census Bureau 2010 Decennial Census; Esri 2020 Estimates.

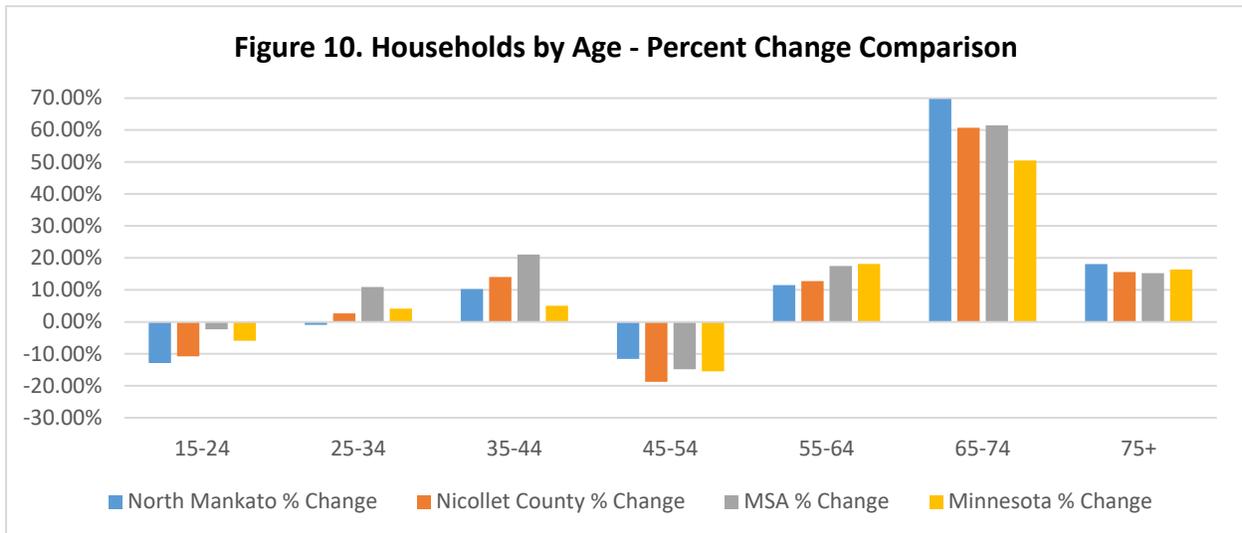


Source: U.S. Census Bureau 2010 Decennial Census; Esri 2020 Estimates.

The largest numeric age-based change among households in North Mankato has occurred within the senior citizen age group between 65 and 74 years old which increased over 70% from 2010 to 2020. Esri estimates that the city has had a net decrease of 93 households in the under 55 age range and an increase of 495 households between the age range of 55 and older since 2010. **Table 13** and **Figure 10** show a comparison of age of householder trends between the city, Nicollet County, the MSA, and the State.

Age	North Mankato % Change	Nicollet County % Change	MSA % Change	Minnesota % Change
15-24	-12.90%	-10.78%	-2.32%	-5.90%
25-34	-0.94%	2.62%	10.90%	4.13%
35-44	10.26%	14.01%	21.03%	5.05%
45-54	-11.58%	-18.75%	-14.80%	-15.46%
55-64	11.48%	12.76%	17.44%	18.12%
65-74	69.69%	60.71%	61.43%	50.43%
75+	18.07%	15.55%	15.23%	16.36%
Total	8.75%	8.47%	12.43%	8.22%

Source: 2010 Decennial Census; Esri 2020 Estimates



Source: 2010 Decennial Census; Esri 2020 Estimates.

All geographies saw decline in the 15-24 age range with North Mankato exhibiting the most loss of householders in that age group. The 35-44 age ranges exhibited increases across the board with the MSA showing the largest increase in these age ranges and the State showing the least. All geographies exhibited similar decline in the 45-54 age range. While all geographies exhibited growth in the 55-64 age group, North Mankato showed the least growth. All geographies grew significantly in the 65-74 age groups, all growing 50% or more. North Mankato showed the greatest growth in this group with 70%. All

geographies are experiencing growth in 55+ ages suggesting this is not a phenomenon exclusive to North Mankato but a larger trend. This indicates an increased need for more senior housing options.

<i>Key Takeaway</i>	
Households by Age (+) & (-)	Households age 35-44 and 55-64 both saw increased numbers by 10.26% and 11.48% respectively. Consistent with other comparison geographies, North Mankato saw decreases in the number of households aged 15-24, 45-55, and large increases in households age 65+.

DEMOGRAPHIC PROJECTION DATA

Historic and current data examined in this study show that North Mankato has been growing consistently. This chapter examines future population and household growth projections from Esri. Population and household projections have been calculated for North Mankato along with comparison geographies including the State of MN, the MSA, and Nicollet County for a five-year period from 2020 to 2025.

According to Esri, North Mankato is anticipated to add nearly 500 residents by 2025, which represents annual growth rate of 0.7%. This rate of growth is less than the 0.8% exhibited over the previous 10-year period from 2010 to 2020. The number of households is also anticipated to grow but that rate of growth is also anticipated to decline. Major increases are anticipated in senior households and in households likely to contain families with young children. The city will need to prepare for an aging population and to accommodate these families. These trends are anticipated to be similar for comparison geographies.

Decreases in annual growth rates have spurred the city to perform subsidiary study of past housing unit construction to understand area market performance and set targets for future housing unit growth that will increase estimated population growth. If the city can realize 10-year goals in housing unit construction, it can surpass projections in population and households and begin to get back to historic levels of growth that will increase its tax base.

Population Projections

The following table presents population projections generated by Esri.

Table 14. Population Projections to 2025				
	2020	2025	Change	% Change
North Mankato	14,476	14,965	489	3.4%
Nicollet County	35,082	36,238	1,156	3.3%
MSA	106,759	111,825	5,066	4.7%
Minnesota	5,750,797	5,987,731	236,934	4.1%

Source: Esri 2020 & 2025 Estimates

According to Esri, North Mankato’s population is projected to increase from 14,476 in 2020 to 14,965 in 2025, representing a 3.4% change over five years adding 0.68%, or 98 new residents annually (**Table 14**). This shows a 0.1% decline in growth when compared to the 0.8% annual growth exhibited from 2010 to 2020. When compared to other geographies, Nicollet County is trending similarly, projected to add 3.3% over the next five years or 0.66% annually. Both the state and the MSA are projected to have higher increases; the State is projected to see 4.1% growth, adding 0.82% annually; and the MSA is projected to increase by 4.7%, adding 0.95% annually.

Key Takeaway	
Population Projections (2025) + 3.4%	North Mankato and comparison geographies are anticipated to grow over the next five years but at a decreased rate compared to growth exhibited over the past decade.

Household Projections

In the following table, Esri’s household projections to the year 2025 have been provided.

Table 15. Household Projections To 2025				
	2020 Estimate	2025 Projection	Change	% Change
North Mankato	6,070	6,293	223	3.5%
Nicollet County	13,235	13,749	514	3.7%
MSA	41,200	43,370	2,170	5.0%
Minnesota	2,258,758	2,350,439	91,681	3.9%

Source: Esri 2020 & 2025 Estimates

Esri estimates the city of North Mankato will add 223, or 3.5% new households over the five-year period from 2020 to 2025. This equates to an additional 45 households per year. This projection for North Mankato is lower than the 50 households added annually from 2011 to 2020. The MSA, which encompasses North Mankato and Nicollet County, anticipates adding 2,170 total households by 2025, of which 10.3% are projected for North Mankato.

North Mankato exhibits the lowest projected growth compared to Nicollet County, the MSA, and the state exhibiting increases of 3.7%, 5.0%, and 3.9% respectively over the 2020 to 2025 period. Due to the limited detail provided in the data, identifying specific locations where development is occurring at a faster rate in larger geographies is not possible.

Key Takeaway	
Household Projections (2025) + 3.7%	North Mankato is projected to increase the number of households in the 35-44 age range by 10.2% by 2025.

Projected Households by Age

Table 16 provides a comparison of change in number of households from 2020 to 2025 for North Mankato and comparison geographies based on Esri estimates.

Age	North Mankato			Nicollet County			MSA			Minnesota		
	2020	2025	% Change	2020	2025	% Change	2020	2025	% Change	2020	2025	% Change
<25	351	346	-1.4%	687	702	2.2%	4,292	4,409	2.7%	93,376	96,428	3.3%
25-34	1,059	1,023	-3.4%	2,194	2,079	-5.2%	7,262	6,947	-4.3%	357,049	359,143	0.6%
35-44	1,021	1,125	10.2%	2,173	2,373	9.2%	6,510	7,319	12.4%	386,677	410,611	6.2%
45-54	962	952	-1.0%	2,050	2,062	0.6%	5,732	5,932	3.5%	387,910	377,803	-2.6%
55-64	1,097	1,006	-8.3%	2,537	2,273	-10.4%	7,204	6,629	-8.0%	442,427	413,864	-6.5%
65-74	879	948	7.8%	2,041	2,281	11.8%	5,592	6,452	15.4%	331,658	380,186	14.6%
75+	699	891	27.5%	1,553	1,979	27.4%	4,608	5,682	23.3%	259,652	312,395	20.3%
Total	6,068	6,291	3.7%	13,235	13,749	3.9%	41,200	43,370	5.3%	2,258,749	2,350,430	4.1%

Source: Esri 2020 & 2025 Estimates

In North Mankato, the largest projected household growth is among the 75+ group anticipated to grow 27.5%. This trend is similar to other comparison geographies with Nicollet County exhibiting similar growth at 27.4%, the MSA at 23.3%, and the state at 20.3%. However, other geographies are also expected to exhibit substantial growth in the households in the 65-74 age group. North Mankato's next largest household increase is anticipated to be households for those aged 35-44 which has high potential for school-age children living in the home. These findings are consistent with trends observed over the last decade.

Other age groups are anticipated to decline in the city including the <25-34 age groups and 45-64 age groups which are anticipated to decline from 1.4% to 8.3% by 2025 in North Mankato. This decline undoubtedly contributes to anticipated need for senior housing as North Mankato's population ages in the next five years. Other geographies show similar trends.

Key Takeaway	
Household by Age Projections (2025) Added HH with Seniors and Families with Children	North Mankato and comparison geographies are anticipated to exhibit substantial increases in senior households and households with families with school age children.

Residential Development Targets Based on Housing Unit Growth

The city of North Mankato analyzed housing unit construction in the community from 2011 to 2020 to understand the community’s residential unit construction performance in the Greater Mankato Area. This assisted the city in establishing targets for housing unit construction aimed at spurring population growth. By reviewing historic data trends in residential housing unit construction, the city is able to target the number of units needed to support added population.

The populations of Mankato, North Mankato, and Eagle Lake were combined to establish the base market in which the comparison was set for the analysis. As North Mankato is estimated to be 23% of the overall market population, the city is considered to meet or exceed performance if the market capture in a segment of the market development is at or above 23%.

The city looked at single-family detached, single-family attached, and multi-family residential unit construction from 2011 to 2020, identifying the previous investment and providing a comparison between the value captured by North Mankato in each market segment with city’s population share of 23%.

Over that period, the city built 264 single-family detached units, 105 single-family attached units, and 135 multi-family units. This amounts to 50 residential units annually based on city data (Esri data estimated 45 additional households per year). To spur development, and in turn population growth, the city aims to increase housing unit construction by 9 to 24 units annually or 90 to 240 units over the next ten years.

Should North Mankato add 24 units annually over the 5-year period from 2020 to 2025 (120 units), it is estimated the new housing could support an additional 800 residents by 2025 for a total population of 15,278 in comparison to Esri’s estimate of 14,965. From a 10-year perspective, this would be 240 additional housing units that could support an additional 1,600 new residents for a new total population of 16,081. This would equal an average annual growth rate of 1.1%, which marks some increase from today’s 0.8% average annual growth rate.

As illustrated in **Figure 2** (see *Chapter 1: Demographics*), the city achieved 1.6% annual growth over the 10-year period from 1990 to 2000 and strives to achieve this growth again as an internal goal. Still, 1.1% annual growth is a significant increase over the past decade and does outperform existing demographic projections. Nonetheless, if North Mankato wishes to increase the community’s rate of population growth to historical averages, target market capture for new development will need to increase.

<i>Key Takeaway</i>	
2025 Development Target + 120 Units	North Mankato aims to increase housing unit construction from 50 per year to roughly 74 per year or more to spur population growth that will increase tax base and achieve city goals.

INCOME AND HOUSING COST DATA

The city of North Mankato has a diverse mix of homes, offering housing options for families and individuals of all income levels. This is evidenced through data collected from the American Community Survey (ACS) through the U.S. Census Bureau. This chapter examines detailed information on household income levels, including comparison of household income to housing costs for the city compared to Nicollet County, the MSA, and the State of Minnesota. North Mankato's goal for housing related to income and housing costs is that all people are given the opportunity to call North Mankato their home. This will be accomplished through accommodating a variety of housing options to ensure housing stock diversity and providing quality and sufficient affordable housing options.

In 2019, the ACS indicated the North Mankato median income was up to \$67,278 from \$55,440 in 2010, which was the highest increase among geographies examined at 21.4%. Also, 64% of households in North Mankato had incomes greater than \$50,000 placing them in the middle- and upper-income classes. This is lower than the MSA but higher than Nicollet County and the state. However, North Mankato has a lower instance of households considered below the poverty line among geographies examined with roughly 9% of households in North Mankato facing poverty. This is lower than other geographies by a margin of 0.5%-5%.

From a homeowner perspective, the ACS indicates the median income level for all homeowner households in North Mankato in 2019 had risen to \$81,111 from \$72,299 in 2010. Just over 15% of these reported applying 30% or more of income to housing costs compared to 15.79% in Nicollet County, 17.46% in the MSA, and 18.33% in the state.

Homeowners have higher income levels than renters. This, combined with the nearly 12.2% increase in median income, indicates that homeowners in the community are better equipped to absorb increased housing costs, making them less likely to require using greater than 30% of household income for housing costs and experiencing a cost burden.

Renter households have only seen minimal increases in median income exhibiting \$36,500 in 2010 up to \$36,635 in 2019. This miniscule increase makes it less likely that renters can accommodate increased housing costs. 45% of all renter households in the city reported spending greater than 30% of income on housing costs compared to 15% of homeowners. As would be expected, nearly all of the renter households with a housing cost burden had an annual income below \$35,000 representing a severe cost burden exists.

These trends indicate that housing cost burden is growing among renters at a greater rate than homeowners and suggests that obtaining more affordable housing stock should remain a priority for the city.

Income Trends and Housing Assistance Thresholds

The following information includes an understanding of income classes in the U.S., poverty levels, and income level thresholds for housing assistance locally to assist with better understanding income in respect to housing costs. Information from the Pew Research Institute, the U.S. Census Bureau, and the South-Central Minnesota Multi-County Housing and Redevelopment Authority (SCMMCHRA) is referenced below.

	Estimate	%
1-person household	1797	31%
2-person household	2155	37%
3-person household	790	14%
4-person household	641	11%
5-person household	284	5%
6-person household	84	1%
7-or-more person household	76	1%
Total Households	5827	100%

Source: ACS 2019: 5-Year Estimates

Variations in household size and income make it difficult to apply a “one size fits all” understanding of the impacts of income levels on families in the community. For example, as you’ll see in the following information, there are 650 households making \$35,000-\$49,000 annually in North Mankato. That would generally place a household of 1 individual in the middle-income range, however, a family of three making the same amount would be in the lower-income range.

According to the U.S. Census, 2-person and 3-person households make up 51% of community households (**Table 17**). If you add in 1-person households, this equals 82% of community households. Similarly, the median household size in the city is 2.4 individuals. Based on this information, this report generalizes information based on 2- to 3-person family to provide some indication of how income levels are affecting housing affordability while still understanding that other factors exist.

Income Class

Figure 11 illustrates income classes based on family size in the U.S. as presented by the Pew Research Center¹. According to **Figure 11**, families of two and three fall in the lower-income range if they make less than \$43,693 and \$50,697 per year respectively. The U.S. Census reports income distribution over several income brackets as outlined in **Table 22** below. For the purposes of this report, those making less than \$50,000 a year are considered in the lower-income range.

¹ M. LaMagna, ‘Who is really middle class in America? This chart shows just how much family size matters’. *Market Watch, Inc.*, 2018, <https://www.marketwatch.com/story/who-is-really-middle-class-in-america-this-chart-shows-just-how-much-family-size-matters-2018-12-28>, (accessed August 30, 2021).

Income Classes Based on Family Size in U.S.



Figure 11. U.S. Distribution of Income Classes. Source: <https://www.marketwatch.com/story/who-is-really-middle-class-in-america-this-chart-shows-just-how-much-family-size-matters-2018-12-28>.

Poverty

Table 18 shows poverty guidelines for 2019 according to the U.S. Census Bureau. In 2019, the poverty threshold for a 2-person household was \$16,521 and a 3-person household was \$20,335. While 2019 ACS 5-Year estimates for poverty status among households do not distinguish between household sizes, they do show that roughly 9.0% of total households in North Mankato face poverty compared to 9.8% for Nicollet County, 14.1% for the MSA, and 9.5% for the state of Minnesota (Table 19). This means that, of the 2,091 households in the lower-income class, 525 or 25% are below the poverty line in North Mankato.

Household/ Family Size	Poverty Guideline
1	\$13,011
2	\$16,521
3	\$20,335
4	\$26,172
5	\$31,021
6	\$35,129
7	\$40,016
8	\$44,461
9 or more	\$52,875

Source: <https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-poverty-thresholds.html>

	North Mankato	Nicollet County	MSA	State
Total	5,827	12,885	38,976	2,185,603
# of Households with Income Below Poverty Level	525	1257	5489	207,898
%	9.0%	9.8%	14.1%	9.5%

Source: ACS 2019: 5-Year Estimates

Housing Assistance Thresholds

Housing assistance for North Mankato households includes properties offering a percentage of low-income housing tax credit (LIHTC) units, Section 8 units, and others. Households qualifying for housing assistance programs such as these will earn either less than 50% or 60% of the area median income (AMI), depending on the set-aside option chosen by the property owner.

The South-Central Minnesota Multi-County Housing and Redevelopment Authority (HRA) is one example of an agency overseeing housing assistance, serving as the housing and

redevelopment authority for Nicollet County and, in turn, for North Mankato. The HRA administers the Section 8 HCV program in Martin, Nicollet, Sibley, Waseca and Watonwan Counties. The Section 8 HCV Program is one option that provides opportunities for eligible low-income individuals and families to locate and rent any type of housing in the private rental market. **Table 20** provides income limits serving as eligibility guidelines for lower-income families in Nicollet County interested in obtaining housing assistance. According to the HRA, a 2-person household making \$32,200 or less, and a 3-person household making \$36,250 or less would qualify for housing assistance.

Household/ Family Size	Income Limit
1	\$28,200
2	\$32,200
3	\$36,250
4	\$40,250
5	\$43,500
6	\$46,700
7	\$49,950
8	\$53,150

Source: <https://www.scommchra.org/IncomeLimits.html>

The HRA income limits are calculated based on a percentage of the Area Median Income similar to other housing assistance programs including programs geared around low-income tax credit multi-family housing options discussed later in the Chapter 7: Rental Housing Inventory Data.

Key Takeaway	
<p>Income Trends 9% of HH Below Poverty Level</p>	<p>Households with 1, 2, and 3 persons make up 82% of total households in North Mankato. A two- to three-person household falls in the lower-income class if they make less than \$43,700 and \$50,697 respectively. Two- to three-person families are in the middle-income class if they make \$131,078 and \$152,092 respectively and in the upper-income class if they exceed that range. 9.0% of total households in North Mankato face poverty which is similar to Nicollet County and the MSA but 5% lower than the state. Households of two and three people qualify for county HRA assistance if the make less than \$32,200 and \$36,250 respectively.</p>

Median Income Data and Housing Affordability

Annual household income estimates are available at the city, county, MSA, and state level through the ACS (ACS). The most recent income information from the ACS is for 2019.

Table 21 compares 2015 and 2019 estimates from the ACS to track 5-year changes. Also included is percentage change for each income period. Household income represents income from all independent households, including those with people living alone and with unrelated individuals living together in a housing unit. It is important to note that the ACS relies on an annual sampling of households and a margin of error exists within each estimate.

Table 21. Median Income - 2015-2019			
Households			
	2015 Median Income	2019 Median Income	% Change
North Mankato	\$55,440	\$67,278	21.4%
Nicollet County	\$58,640	\$67,399	14.9%
MSA*	\$53,437	\$59,154	10.7%
Minnesota	\$61,492	\$71,306	16.0%

*Source: ACS 5-Year Survey *MSA data is from Esri 2019 Estimates*

Income information contained in the ACS show median income levels within the city of North Mankato have been increasing. If 2019 median incomes are compared to 2015, the city’s median household income had increased significantly by 21.4%. The city exhibited the highest percentage increase among comparable geographies with Nicollet County, the MSA, and the State exhibiting 14.9%, 10.7%, and 16.0% respectively. According to the U.S. Census Bureau, gains in 2019 median income can be attributed to increased earnings and slowing inflation between 2018 and 2019.² However, it should be noted that this data has a margin of error (MOE) of +/- 6,600 which is attributed to the data collection occurring during the beginning of the COVID-19 pandemic. Still, on the low end of that range, the 2019 median income would still be \$60,700 which is a significant increase at 9.5% and still within the middle-income range for a 2- to 3-person family.

Table 22 shows suggested ranges of monthly income that can be used for housing for each household income bracket, based on the standard recommendation that 30% of income is not exceeded for housing expenses. Households are not considered to have a housing cost burden if they are within 30% of monthly income for housing costs.

The data for monthly housing costs, or expenses, are developed from a combination of “Selected Monthly Owner Costs” for owner-occupied units and “Gross Rent” for renter-occupied units. Selected monthly owner costs are the sum of payments for mortgages, deeds of trust, contracts to purchase, or similar debts on the property (including payments for the first mortgage, second mortgages, home equity loans, and other junior mortgages); real estate taxes; fire, hazard, and flood insurance on the

² E. Gould & Z. Mokhiber, ‘Household income gains welcome in 2019 Census Data, but may not be as strong as they first appear’, *Economic Policy Institute-Working Economics Blog*, Washington, DC, Economic Policy Institute, 2020, <https://www.epi.org/blog/household-income-gains-welcome-in-2019-census-data-but-may-not-be-as-strong-as-they-first-appear/>, (accessed July 13, 2021).

Annual Household Income	# of Households		30% for Housing (Monthly)	
	#	%	Low	High
\$0-9,999	114	2.0%	\$0	\$250
\$10,000-\$14,999	400	6.9%	\$250	\$375
\$15,000-\$19,999	222	3.8%	\$375	\$500
\$20,000-\$24,999	222	3.8%	\$500	\$625
\$25,000-\$34,999	485	8.3%	\$625	\$875
\$35,000-\$49,000	648	11.1%	\$875	\$1,250
\$50,000-\$74,999	1218	20.9%	\$1,250	\$1,875
\$75,000-\$99,000	822	14.1%	\$1,875	\$2,500
\$100,000-\$149,999	1028	19.9%	\$2,500	\$3,750
\$150,000+	668	12.9%	\$3,750+	-
Totals	5827	100.0%		

Source: ACS 2019: 5-Year Estimates

property; utilities (electricity, gas, and water and sewer); and fuels (oil, coal, kerosene, wood, etc.). It also includes, where appropriate, the monthly condominium fee for condominiums and mobile home costs (installment loan payments, personal property taxes, site rent, registration fees, and license fees). Gross rent is the contract rent plus the estimated average monthly cost of utilities electricity, gas, and water and sewer) and fuels (oil, coal, kerosene, wood, etc.) if these are paid by the renter (or paid for the renter by someone else)³.

The ACS 2019 estimates show a median income household in North Mankato could afford approximately \$1,680 per month for ownership or rental housing in 2019 (see **Table 23**). Discussed later in this chapter, the income available to most households in North Mankato does allow a majority to secure affordable housing in the city.

Median Monthly Income	\$5,606.50
30% Housing Costs (per month)	\$1,681.95

Source: ACS 2019: 5-Year Survey

³ American Community Survey and Puerto Rico Community Survey 2018 Subject Definitions, U.S. Census Bureau: https://www2.census.gov/programs-surveys/acs/tech_docs/subject_definitions/2018_ACSSubjectDefinitions.pdf

Key Takeaway	
Median HH Income + 21.4%	<p>According to the ACS, the median household income level in North Mankato increased 21.4% between 2015 and 2019. This compares to increases of 14.9%, 10.7%, and 16% in Nicollet County, the MSA, and the state respectively. North Mankato’s 2019 estimated median household income of \$67,728 was higher than that reported in comparison geographies and falls within a middle-income range. This compares to \$55,440 estimated median household income in 2015. The ACS 2019 estimates show a median income household in North Mankato could afford approximately \$1,680 per month for ownership or rental housing in 2019 confirming a majority can afford housing in the city.</p>

Household Income Distribution

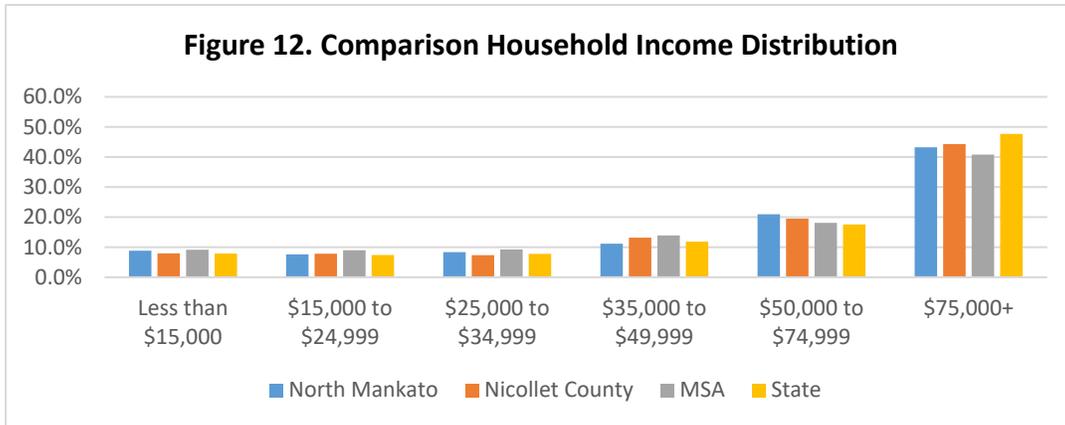
The following tables and figures present the 2019 ACS estimates for household income distribution in North Mankato compared to Nicollet County, the MSA, and the state.

In **Table 24** and **Figure 12**, the ACS shows 35.9% of all households in North Mankato had annual incomes of less than \$50,000 which would place families of two or three persons in the lower-income class. Household populations in the county and the state are similar, with 36.2% and 34.8% falling below the \$50,000 annual income mark respectively. The MSA exhibits a slightly higher percentage of households with income in this range at 41.2%.

Nearly 52.7% of all households in North Mankato had incomes between \$50,000 and \$149,999. This indicates that many, if not a majority, of North Mankato households fall in the middle-income class.

Household Income	North Mankato		Nicollet County		MSA*		State of Minnesota	
	#	%	#	%	#	%	#	%
\$0-9,999	114	2.0%	390	3.0%	1,798	4.6%	92,223	4.2%
\$10,000-\$14,999	400	6.9%	632	4.9%	1,760	4.5%	79,830	3.7%
\$15,000-\$19,999	222	3.8%	543	4.2%	1,716	4.4%	77,384	3.5%
\$20,000-\$24,999	222	3.8%	466	3.6%	1,770	4.5%	84,403	3.9%
\$25,000-\$34,999	485	8.3%	943	7.3%	3,599	9.2%	168,949	7.7%
\$35,000-\$49,999	648	11.1%	1,695	13.2%	5,411	13.9%	258,205	11.8%
\$50,000-\$74,999	1,218	20.9%	2,515	19.5%	7,040	18.1%	383,640	17.6%
\$75,000-\$99,999	822	14.1%	2,029	15.7%	5,878	15.1%	310,757	14.2%
\$100,000-\$149,999	1,028	17.6%	2,297	17.8%	6,381	16.4%	388,899	17.8%
\$150,000+	668	11.5%	1,375	10.7%	3,623	9.3%	341,313	15.6%
Total	5,827	100.0%	12,885	100.0%	38,976	100.0%	2,185,603	100.0%

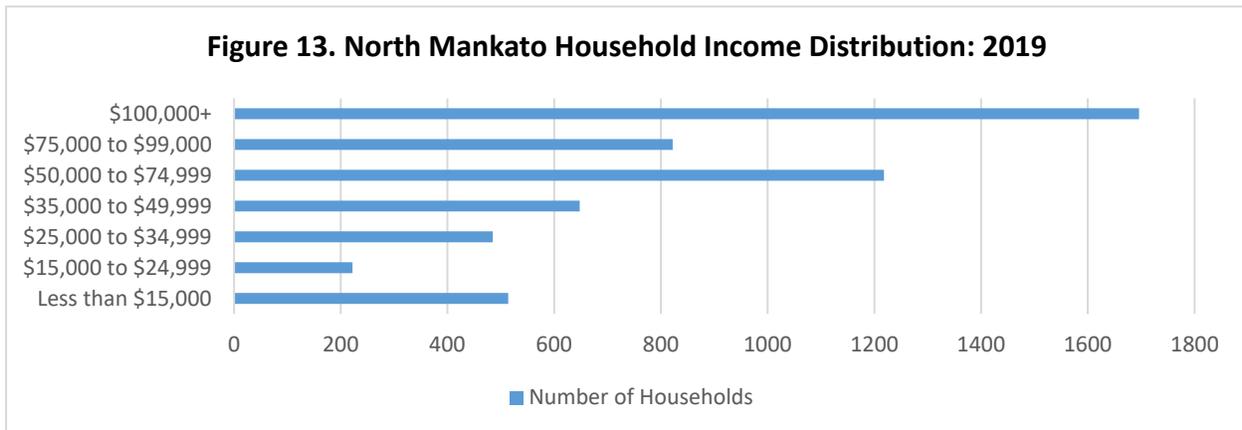
*Source: ACS 2019: 5-Year Estimates. *ACS 2019: 5-Year Estimates are listed in the Census Data Explorer as "Mankato, MN Metro Area"; Previous ACS Vintages are listed as "Mankato-North Mankato, MN Metro Area"*



Source: ACS 2019: 5-Year Estimates

Other geographies are close to North Mankato but the county is the only other geography to show a potential majority of households in the middle-income range at 53.1% of the population. 49.5% of households in the MSA and 49.6% in the state have income levels in this range.

Data also show that 11.5% of households in North Mankato have incomes over \$150,000, placing them in the upper-income class. Nicollet County and the MSA exhibited similar percentages at 10.7% and 9.3% respectively. The state had a slightly higher percentage of households in the upper-income class at 15.6%.



Source: ACS 2019: 5-Year Estimates

Key Takeaway	
HH Income Distribution 35.9% Lower-Income 53.1% Middle-Income 11.5% Upper-Income	35.9% of all North Mankato households had annual incomes less than \$50,000 which is similar to the county and the state but lower than the MSA. This places families of two or three persons in the lower-income class. 53% have incomes of \$50,000 to \$149,000 which is similar to the county but higher than the MSA and the state. This places families of two or three persons in the middle-income class. 11.5% of households have incomes over \$150,000 which, for a household of two or three persons, places them in the upper-income class.

Income by Housing Tenure – Homeowners and Renters

Tables 25a and 25b provide comparisons of median household income and income distribution by owner/renter tenure for 2010 and 2019. It's common that most homeowners and renters exhibit differences in income levels in a community. Renting is often cheaper than owning a home making it a more affordable option for those with lower incomes. The following information supports that contrast, showing renter median incomes to be roughly half that of homeowners in North Mankato.

Table 25a. Median Income by Owner/Renter (Tenure): 2010		
	Homeowners	Renters
North Mankato	\$72,299	\$36,500
Nicollet County	\$67,243	\$32,789
MSA	\$63,632	\$26,858
State	\$69,542	\$29,190
Table 25b. Median Income by Owner/Renter (Tenure): 2019		
North Mankato	\$81,111	\$36,635
Nicollet County	\$80,393	\$37,609
MSA	\$79,553	\$36,294
State	\$86,805	\$39,637

Source: ACS 2019: 5-Year Estimates

Homeowner-Household Income

According to the ACS, the median income level for all homeowner households in North Mankato in 2019 was \$81,111, well into the middle-income range for most families. This indicates an increase of \$8,812 since 2010 where homeowner median income was estimated to be \$72,299. Nicollet County and the MSA exhibited similar median incomes as North Mankato in 2019, while the state estimate was higher than other geographies by nearly \$6,000 at \$86,805.

The 2019 ACS shows that 24% of homeowner households were in the lower-income class with incomes that were less than \$50,000. Alternatively, 61.5% of homeowner households had annual incomes between \$50,000 and \$150,000 placing them in the middle-income class. The county and the MSA exhibited similar statistics both with 60.2% middle-income households. However, the state had a lower percentage of middle-income homeowner households at 55.2%.

14.5% of North Mankato homeowner households were in the upper-income class with incomes over \$150,000. The county and MSA exhibited similar statistics with 13.6% and 12.9% respectively. However, the state had a much higher percentage of upper-income homeowner households at 20.3%.

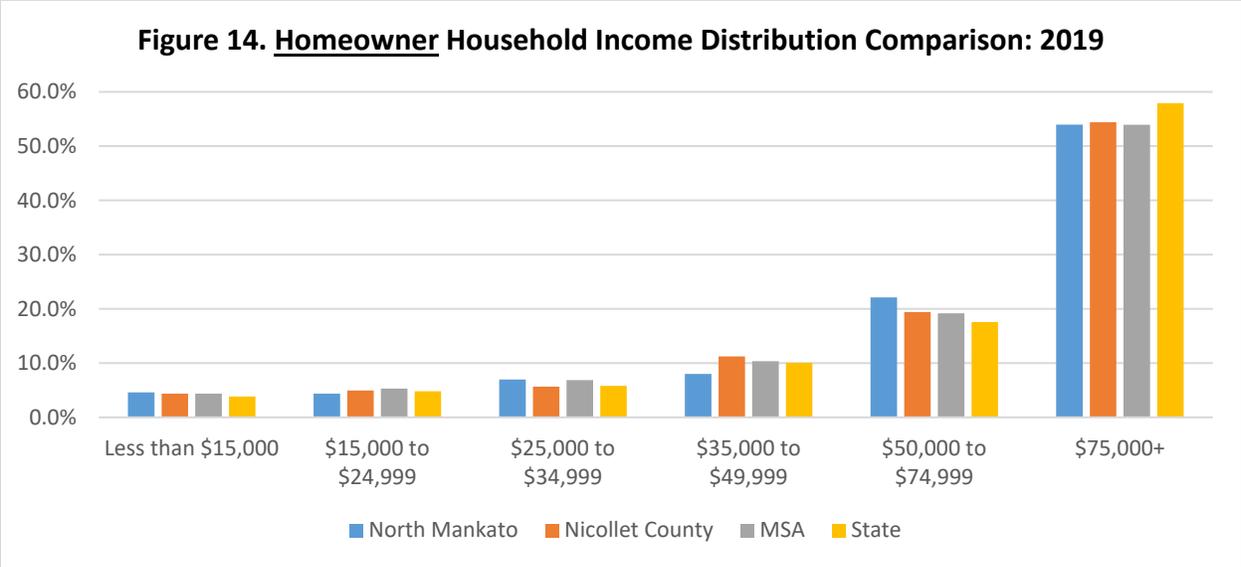
Renter-Household Income

From a renter household perspective, the ACS indicates the 2019 median income level for all renter households in North Mankato was \$36,635. This shows an insignificant increase of roughly \$135 since 2010 where renter median income was estimated to be \$36,500. Other geographies exhibited substantial increases in median renter incomes ranging from roughly \$5,000 to \$10,000 (see **Table 25a & 25b**).

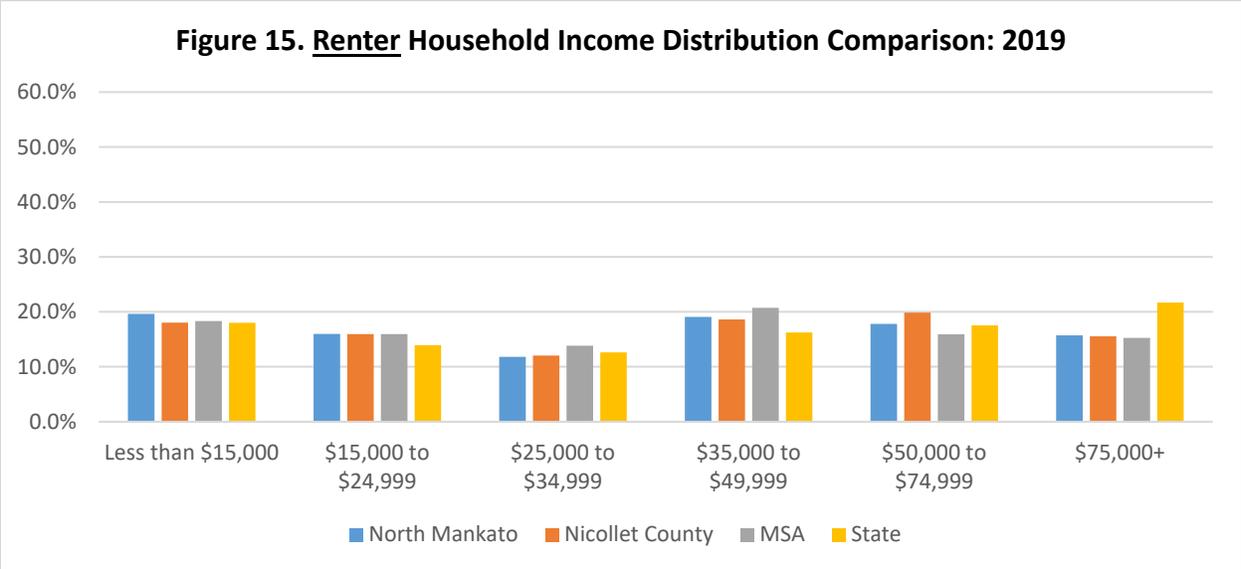
The ACS also shows that 66.5% of North Mankato renter households are considered lower-income households with annual incomes of \$50,000 or less. In fact, 47.4% of renter households had annual incomes below \$35,000 compared to 15.9% of homeowner households, which may make them eligible for income-restricted housing, including moderate rent programs such as low-income housing tax credit

Table 26. Income by Housing Tenure - Owners & Renters																
	North Mankato				Nicollet County				MSA				State of Minnesota			
	Homeowners		Renters		Homeowners		Renters		Homeowners		Renters		Homeowners		Renters	
Household Income	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%
\$0-9,999	70	1.7%	44	2.7%	207	2.2%	183	5.4%	560	2.2%	1238	9.3%	33,003	2.1%	59,220	9.5%
\$10,000-\$14,999	123	2.9%	277	16.9%	208	2.2%	424	12.6%	565	2.2%	1,195	9.0%	27,326	1.7%	52,504	8.5%
\$15,000-\$19,999	72	1.7%	150	9.2%	234	2.5%	309	9.2%	576	2.2%	1,140	8.6%	34,233	2.2%	43,151	7.0%
\$20,000-\$24,999	111	2.6%	111	6.8%	238	2.5%	228	6.8%	791	3.1%	979	7.4%	41,107	2.6%	43,296	7.0%
\$25,000-\$34,999	292	7.0%	193	11.8%	538	5.7%	405	12.0%	1,763	6.9%	1,836	13.8%	90,709	5.8%	78,240	12.6%
\$35,000-\$49,999	336	8.0%	312	19.1%	1,069	11.2%	626	18.6%	2,660	10.4%	2,751	20.7%	157,344	10.1%	100,861	16.2%
\$50,000-\$74,999	927	22.1%	291	17.8%	1,847	19.4%	668	19.8%	4,926	19.2%	2,114	15.9%	274,831	17.6%	108,809	17.5%
\$75,000-\$99,999	727	17.3%	95	5.8%	1,795	18.9%	234	7.0%	4,830	18.8%	1048	7.9%	247,902	15.8%	62,855	10.1%
\$100,000-\$149,999	926	22.1%	102	6.2%	2,088	21.9%	209	6.2%	5,703	22.2%	678	5.1%	340,953	21.8%	47,946	7.7%
\$150,000 or more	608	14.5%	60	3.7%	1,295	13.6%	80	2.4%	3,324	12.9%	299	2.3%	317,462	20.3%	23,851	3.8%
Total	4,192	100.0%	1,635	100.0%	9,519	100%	3,366	100%	25,698	100%	13,278	100%	1,564,870	100%	620,733	100%

Source: ACS 2019: 5-Year Estimates



Source: ACS 2019: 5-Year Estimates



Source: ACS 2019: 5-Year Estimates

units. The county and the MSA exhibited similar lower-income households as the city, however, the state had a lower percentage at 60.8%.

For rental households in the middle-income class, North Mankato is similar to the MSA at 29.8% and 28.9% respectively. The county and the state were higher at 33% and 35.4% respectively.

Nearly 53% of renters in North Mankato had an annual income of \$35,000 or more in 2019. At the lower end of this range, approximately \$875.00 monthly could be applied to housing costs, based on a standard of using 30% of income for housing. Most households in this income range could afford the monthly rents typically associated with the market rental housing in North Mankato. Nearly 16% of all renter households in North Mankato had an annual income of \$75,000 or more. This group could afford \$1,875 or more for monthly housing costs.

<i>Key Takeaway</i>	
Change in Homeowner & Renter Income +12.2% vs. 0.4%	The ACS indicates Homeowners in North Mankato have seen increased median income by a margin of nearly \$9,000. This 12.2% increase in income may indicate that homeowners in the community can absorb increased housing costs simultaneously. Renter households have not seen increases in median income exhibiting \$36,500 in 2010 up to \$36,635 in 2019. This lack of increase in income makes it less likely that renters can accommodate increasing housing costs. 47.4% of renter households had annual incomes below \$35,000 compared to only 15.9% of homeowner households in North Mankato. This justifies the need for more affordable housing options in the city.

Homeownership Housing Cost Burden

The ACS provides housing cost and income data for homeowners. The household income and tenure information in the ACS can be analyzed to determine the number of lower-income households that experience a housing cost burden. The goal of most housing assistance programs is to keep housing costs at 30% or less of household income. When 30% or more of income is required, it is generally defined as a housing cost burden. Households applying more than 35% of income for housing are thought to have a severe housing cost burden.

Tables 27 & 28 examine cost data based on income for homeowners in North Mankato and the percent of that income that is spent on housing.

Household Income	29% or less of Income		30% or more of Income	
	#	%	#	%
\$0-19,999	14	0.4%	227	35.6%
\$20,000-34,999	210	5.9%	193	30.3%
\$35,000-\$49,999	222	6.3%	114	17.9%
\$50,000-\$74,999	852	24.1%	75	11.8%
\$75,000+	2,233	63.2%	28	4.4%
Total	3,531	100.0%	637	100.0%

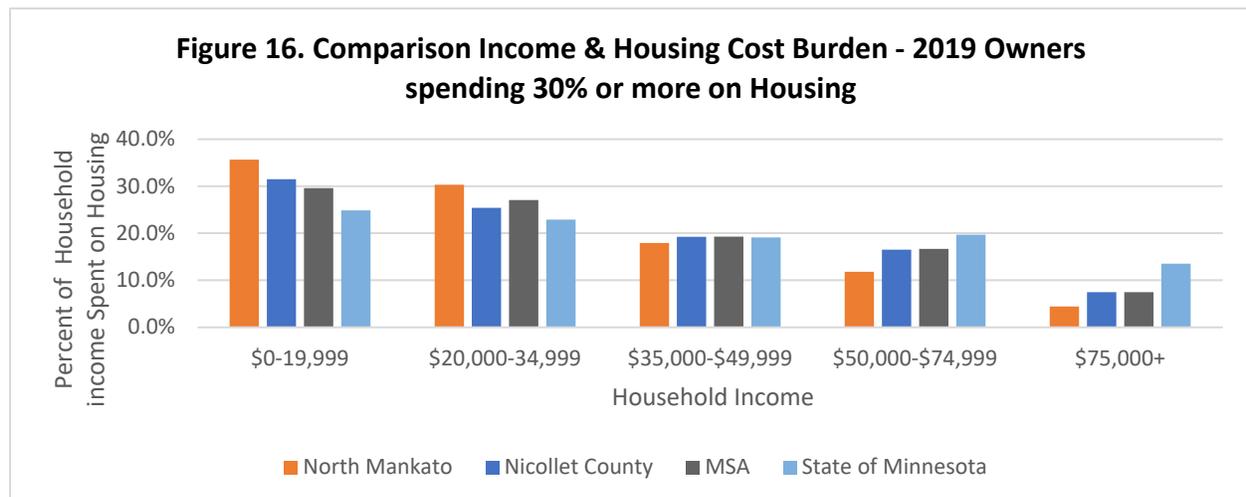
Source: ACS 2019: 5-Year Estimates

As mentioned, homeowners generally have higher household income levels than do renters. This significantly increases the amount of monthly income that can be applied to housing costs and lowers the percentage of homeowners with a cost burden. Lending practices also limit the amount of monthly income that can be used for mortgage repayment.

In 2019, 24% of the homeowners in North Mankato had an annual income below \$50,000. These lower-income households have the greatest frequency for a housing cost burden. North Mankato is consistent with the state reporting 24.5% of owner-occupied households with annual incomes less than \$50,000. However, Nicollet County and the MSA have higher percentages in that income range with 26.2% and 26.9% respectively.

Household Income	Nicollet County				MSA				State of Minnesota			
	29% or less of Income		30% or more of Income		29% or less of Income		30% or more of Income		29% or less of Income		30% or more of Income	
	#	%	#	%	#	%	#	%	#	%	#	%
\$0-19,999	113	1.4%	470	31.5%	250	1.2%	1,320	29.6%	16,634	1.3%	70,892	24.8%
\$20,000-34,999	397	5.0%	379	25.4%	1,347	6.4%	1,207	27.0%	66,525	5.2%	65,291	22.9%
\$35,000-\$49,999	782	9.8%	287	19.2%	1,801	8.5%	859	19.2%	102,820	8.1%	54,524	19.1%
\$50,000-\$74,999	1,601	20.1%	246	16.5%	4,182	19.8%	744	16.7%	218,644	17.2%	56,187	19.7%
\$75,000+	5,067	63.7%	111	7.4%	13,524	64.1%	333	7.5%	867,703	68.2%	38,614	13.5%
Total	7,960	100.0%	1,493	100.0%	21,104	100.0%	4,463	100.0%	1,272,326	100.0%	285,508	100.0%

Source: ACS 2019: 5-Year Estimates



Source: ACS 2019: 5-Year Estimates

Approximately 15.3% of the homeowners in North Mankato reported applying 30% or more of income to housing costs. This compares to 15.8% in Nicollet County, 17.5% in the MSA, and 18.3% in the state.

Approximately 84% of all North Mankato homeowners with a cost burden had an annual income below \$50,000 and were applying 30% or more of their income for housing. This is higher than the County, MSA, and State reporting 76.1%, 75.9%, and 66.8% respectively, demonstrating that North Mankato's lower-income residents are more likely to dedicate a higher percentage of their income to housing costs.

Key Takeaway	
Homeowner Housing Cost Burden 15% spend more than 30% on housing	Approximately 85% of the homeowners in North Mankato reported applying 30% or less of income to housing costs. Of the 15% reporting 30% or more income to housing costs, most of these households had an annual income below \$50,000. This indicates North Mankato's moderate to low-income residents are more likely to dedicate a higher percentage of their income on housing costs compared to other geographies.

Rental Housing Cost Burden

The following tables examine cost data based on income for North Mankato renters compared to other geographies and the percent of that income that is spent on housing.

Household Income	29% or less of Income		30% or more of Income	
	#	%	#	%
\$0-19,999	17	1.9%	454	63.1%
\$20,000-34,999	71	8.0%	228	31.7%
\$35,000-\$49,999	287	32.4%	25	3.5%
\$50,000-\$74,999	283	32.0%	0	0.0%
\$75,000+	227	25.6%	13	1.8%
Total	885	100.0%	720	100.0%

Source: ACS 2019: 5-Year Estimates

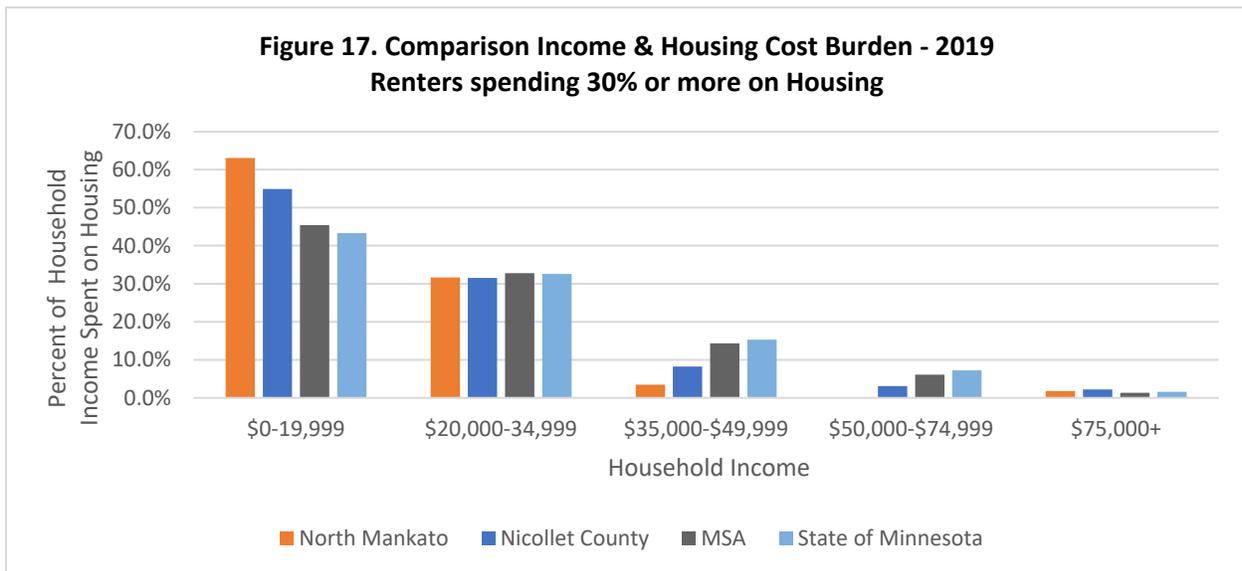
Household Income	Nicollet County				MSA				State of Minnesota			
	29% or less of Income		30% or more of Income		29% or less of Income		30% or more of Income		29% or less of Income		30% or more of Income	
	#	%	#	%	#	%	#	%	#	%	#	%
\$0-19,999	163	8.4%	726	54.9%	433	6.7%	2,794	45.4%	24,105	7.6%	116,412	43.3%
\$20,000-34,999	194	10.0%	417	31.5%	695	10.8%	2,016	32.8%	28,978	9.1%	87,568	32.6%
\$35,000-\$49,999	507	26.2%	109	8.2%	1,823	28.2%	882	14.3%	55,760	17.5%	41,119	15.3%
\$50,000-\$74,999	609	31.5%	41	3.1%	1,669	25.8%	375	6.1%	84,896	26.6%	19,408	7.2%
\$75,000+	461	23.8%	29	2.2%	1,843	28.5%	83	1.3%	125,460	39.3%	4,257	1.6%
Total	1,934	100.0%	1,322	100.0%	6,463	100.0%	6,150	100.0%	319,199	100.0%	268,764	100.0%

Source: ACS 2019: 5-Year Estimates

These tables only provide information for households paying cash rent and excludes those households where a percentage of income could not be computed. There were approximately 720 North Mankato renter households that had a housing cost burden in 2019, with 30% or more of their income required for gross rent representing more than 44.9% of all reporting renter households.

For most of these households, a severe cost burden existed, with 35% or more of income applied to housing. As would be expected, nearly all (95%) of the renter households with a housing cost burden had an annual income below \$35,000.

Among comparison geographies, Nicollet County had 1,322 renter households with 30% or more of their income required for gross rent which is 39.2% of all reporting renter households in 2019 for the County. The MSA had 6,150 representing 47.3% of all renter households paying over 30% of income for rent. The State had 268,764 paying over 30% of income to rent representing 42.9% of all renter households. This suggests that North Mankato has a lower percentage of those spending more than 30% of income on housing than the MSA by 2.4% of total renters. However, Nicollet County and the state have lower percentages by a margin of 2% to 5.7%.



Source: ACS 2019: 5-Year Estimates

<i>Key Takeaway</i>	
<p>Rental Housing Cost Burden</p> <p style="color: green; font-weight: bold;">45% spend more than 30% on housing</p>	<p>Approximately 55% of renter household reported spending 30% or less on housing. The remaining 45% of renter households in North Mankato had a housing cost burden in 2019, with 30% or more of their income required for rent. Nearly all renter households with a housing cost burden had an annual income below \$35,000 representing a severe cost burden.</p>

HOUSING CONSTRUCTION DATA

North Mankato has exhibited significant housing growth over the past ten years, constructing over 500 residential units. Housing construction trends have been largely single-family over that timeframe but there has been some multi-family units constructed to diversify the housing stock with apartments and assisted living facilities. Annual rates of housing unit construction and population growth have declined since the 2000-2010 period and the city aims to increase production and, in turn, support a desirable increase in population.

As mentioned in *Chapter 1: Demographics* and *Chapter 2: Demographic Projections*, increasing the tax base through new construction and population growth are necessary to achieve several goals of the city. North Mankato analyzed its performance in population growth and new residential development compared to its portion of the population of the market for the 10-year period from 2011 through 2020. The definition of “market” for the purpose of this analysis is any NEW construction activity in the cities of Eagle Lake, North Mankato, and Mankato.

This chapter covers trends in building permit issuance for newly constructed housing units for North Mankato which leads into discussion of North Mankato’s established targets for housing unit construction over the next decade.

Building Permit Trends

Housing Construction Activity

North Mankato annual building permit data from 2011 to 2020 was collected and reported in **Table 31** below. The city issued 504 total building permits from 2011 through 2020 constructing over 50 residential units per year.

While new housing unit construction activity has generally improved since reaching a low in 2011, the average annual unit construction has remained lower than in the peak years of the prior decade. From 2000 through 2010, North Mankato was averaging approximately 79 units per year. 2000 to 2007 represents the peak years during that timeframe in which the city built 90 units per year.

Most of the construction activity in North Mankato has continued to occur in lower-density unit types, in structures with four or fewer units. Even in the multi-family rental projects designed for renter-occupancy, a high percentage of the structures are lower-density housing, including fourplexes and town house rental units. According to the city staff, the Land Use Plan is oriented toward lower-density development projects. However, the city is actively looking for opportunities to add higher-density housing options in growth and redevelopment areas, specifically in locations such as the Northwest Growth area of the city and near Webster Avenue close to Highway 169.

Table 31. North Mankato Housing Construction Activity: 2011 to 2020				
Year	Single-Family Detached	Single-Family Attached	Multi-family Units	Total Units
2011	15	4	10	29
2012	35	4	8	47
2013	31	10	17	58
2014	32	8	16	56
2015	41	19	12	72
2016	21	0	8	29
2017	19	35	32	86
2018	28	6	8	42
2019	24	0	8	32
2020	18	19	16	53
Totals	264	105	135	504

Source: City Records

Data indicate that approximately 55% of the units permitted since 2010 have been identified as single-family detached houses. There have also been a number of attached single-family units, such as town houses, twin homes, and duplexes, and these can represent a mix of both renter and owner-occupancy housing. However, if all single-family detached and attached units are combined, then nearly 75% of the recent construction in North Mankato appears to be in unit styles that could be oriented to owner-occupancy.

Multi-family Rental Housing

There has also been ongoing construction of new housing units intended for renter-occupancy. These units have been created in a variety of housing styles but have often been constructed in smaller phases over time. The following summary identifies the different projects constructed or underway since 2010.

- Arlington Trail – Arlington Trail contains 19 buildings, each with four apartment units available for rent. Since 2011, a local builder has been gradually constructing these units in smaller phases. Overall, 76 units have been constructed. In 2020, there were four more foundations constructed adding 16 units to the subdivision for a total of 92 units constructed. The subdivision has three vacant lots left that each will require a building permit and will provide a total of 12 additional units to the subdivision achieving a total of 104 units overall. These are general occupancy, market rate rental units.
- Birchwood Cottages - In 2017, a permit was issued for phase I of a specialized senior project, known as Birchwood Cottages, offering 24 units of memory care housing and assisted living. Phase I has been completed and is operating at full capacity. Depending on the occupancy patterns, a second phase of a similar size could potentially start construction in the near future.
- Benson Courtyard Townhomes - Building permits were issued in 2017 for 35 town house units in the Benson Courtyard Townhomes project. However, these units were primarily intended for owner-occupancy. Since 2017, permits have been issued for 25 additional townhome units. For

the 2020 rental licensing year, 22 townhome units are for rent between the 2100 block of Rolling Green Lane and the 2200 block of Rolling Green Trail. Most of these are owned by a development company and managed by a property management company, but there are two townhome units in this area which are owned by individuals who maintain the rental license on them.

- River's Edge Townhomes - This project created 19 town house units in 2015, which are being used as luxury rental housing.
- Pleasant View Townhomes - This 10-unit twin home project was constructed in 2013 or 2014, and offers general occupancy, market rate rental housing.
- BBC Apartments - Nine apartment units were created in the downtown area in 2012 or 2013, offering general occupancy, market rate rental housing.
- The Marigold - Four apartment units created in a mixed-use downtown building in 2010, and offering general occupancy, market rate rental housing.

All of these projects combined would equal approximately 208 rental units that have probably been permitted between 2010 and 2020. This would include the specialized senior units, such as memory care housing, that may not truly represent typical rental housing.

Residential Lots

North Mankato has a number of active residential subdivisions, primarily offering lots for the construction of detached single-family houses. In many cases, the current lot inventory exists in the most recent phases of development in larger subdivision areas. Developers have been gradually improving lots in smaller phases to match expected absorption.

The following information summarizes the development areas that had the largest available supply of lots in 2020. Developments are listed in alphabetical order.

- Burnett's Ravine Ridge #5 and #6 - Single-family detached home lots remain in two different phases of the Burnett's Ravine Ridge development area. City records show three vacant lots remain in #5 and eight lots remain in #6. No specific pricing information was obtained but based on city information these appear to be larger lots for moderate to higher priced home construction.
- Charles Klingel Subdivision - City records indicate that four vacant lots are available for detached single-family home construction. No specific pricing information was obtained but based on city information these appear to be larger lots for moderate to higher priced home construction.
- Coventry Heights - City records indicate that six vacant lots are available for detached single-family home construction. No specific pricing information was obtained but based on city information these appear to be larger lots for moderate to higher priced home construction.
- Nature View Subdivision #2 - According to city records, eight are available for detached single-family home construction. No specific pricing information was obtained, but the developer has identified these as sites for "luxury" homes. This will be the final development phase in this subdivision.
- Northgate #3 - City records indicate that 24 vacant lots will become available for detached single-family home construction in 2020. No specific pricing information was obtained but based

on city information these appear to be smaller lots for more moderately-priced home construction. Some of the lots in the previous phase were less than 8,000 sq. ft.

- Parks Edge - City records indicate that this subdivision was built out in 2021. The city anticipates another phase to be platted in the near future. No specific pricing information was obtained.
- The Reserve - City records indicate that 20 vacant lots are available for detached single-family home construction. The final phase was platted as of 2019 for this subdivision. No specific pricing information was obtained but based on city information these are lots for moderate to higher priced home construction.
- Trail's West Estates - City records indicate that 24 vacant lots are available for detached single-family home construction. No specific pricing information was obtained but based on city information these appear to be smaller lots for more moderately priced home construction.
- The Waters North – 47 single-family lots platted in 2020. Ready for development in 2021.
- The Waters North No. 2 – 13 single-family lots platted in 2021. Ready for development in 2022.

<i>Key Takeaway</i>	
<p>New Housing Building Permit Trends</p> <p style="color: green; font-weight: bold;">+144 Single-Family</p> <p style="color: green; font-weight: bold;">+208 Rentals</p>	<p>North Mankato constructed an average of 26 single-family detached homes each year during the period 2011-2020. There are several active residential subdivisions in the community with approximately 144 lots available for single-family construction. The city has also had several multi-family developments constructed in the past decade. Some units are planned for completion in the near term for approximately 208 permitted rental units.</p>

Targeting North Mankato’s Growth

Determining the Market & North Mankato’s Performance

The following market assessment includes building permit data for new construction of single-family detached dwellings, single-family attached dwellings (townhomes, duplexes, twin homes, condos), and multi-family dwellings (units constructed and unit value). It should be noted that commercial/industrial facilities were also analyzed with residential units through the analysis, but those were omitted from the calculations and narrative in this chapter. The data also excludes market activity for permits related to renovations, remodels, fences, etc.

To assess performance of North Mankato in the market, a comparison was made between the value captured by North Mankato in each market segment with the percent of population North Mankato represents in the geography examined for 2020. For example, in 2020 North Mankato’s population was estimated at 14,476 representing 23% of the combined population of all three communities (see Table 28).

For the purposes of the analysis, North Mankato is considered to meet or exceed performance if the market capture in a segment of market development is at or above 23%. This comparison is a rough measure and does not account for other economic, land use policy, land ownership, and regulatory variables that affect a community’s rate of capture for development of different market segments. However, it was chosen because it is a simple method of comparison. The population to new development comparison also assumes the market will grow as a whole and that market growth is evenly distributed in the region as the communities grow. New market development is not always evenly distributed for a variety of factors.

Site	Population	%
Eagle Lake	3,178	5%
Mankato	44,839	72%
North Mankato	14,476	23%
Total Population	62,493.00	100%

Source: Esri 2020 Estimates

As **Table 33** explains, a total of \$530 million was invested in new single-family and multi-family development in the market over the past 10 years. North Mankato captured 19% of total residential development during that period and performed similarly in the last five and three years respectively, reporting market capture between 18-19%. There continues to be segments of housing that can be captured to increase activity by 5.5%.

Twenty-three percent of total residential market investment was \$122 million over the last 10 years, or \$12.2 million annually. This represents the market target for new residential development in North Mankato. As **Table 34** illustrates, the city currently captures \$10 million annually making North Mankato’s annual target for additional market investment \$2.2 million. The following section breaks this additional investment down by market sector and provides context to the targets for annual new construction in North Mankato.

	Single Family Detached				Single Family Attached			
	Permits	# Units	Valuation	% of Market	Permits	# Units	Valuation	% of Market
Total	977	977	\$ 220,361,019	42%	635	708	\$ 120,797,368	23%
10yr Ave	98	98	\$ 22,036,102	42%	64	71	\$ 12,079,737	23%
5yr Ave	85	85	\$ 21,754,972	39%	81	92	\$ 16,563,063	30%
3yr Ave	67	67	\$ 18,720,739	36%	83	90	\$ 17,577,515	34%
	Multi-Family				Market Total - All Sectors			
	Permits	# Units	Valuation	% of Market	Permits	# Units	Valuation	% of Market
Total	112	2201	\$ 187,505,855	35%	1,724	3,886	528,664,242	100%
10yr Ave	11	220	\$ 18,750,586	35%	172	389	52,866,424	100%
5yr Ave	5	173	\$ 17,705,041	32%	171	349	56,023,075	100%
3yr Ave	5	146	\$ 16,087,357	31%	155	303	52,385,610	100%

Source: City Data

	Permits	# Units	Valuation	% of Market
Total	323	504	\$ 100,663,860	19%
10yr Ave	32	50	\$ 10,066,386	19%
5yr Ave	26	48	\$ 9,972,858	18%
3yr Ave	27	42	\$ 9,958,058	19%

Source: City Data

Performance by Market Sector

1. Single-Family Detached

Single-family detached homes are those homes designed for and used for occupancy by one family which are entirely surrounded by open space on the same lot. Single-family detached units make up the bulk of residential units in North Mankato and represent 70% of new units constructed in the last 10 years.

As **Table 35** illustrates, from a market perspective, North Mankato has been successful in capturing 32% of the single-family detached market over the 10-year period, building approximately 26 homes annually. This is 9% above the 23% benchmark established as the overall target. This means that the city could build 17 single-family detached homes annually and still hit the target. Over the last three years, the city captured 39% of the market building 11 units or 16% more homes than needed to hit the target.

	Market			North Mankato			
	Permits	# Units	Valuation	Permits	# Units	Valuation	%
Total	977	977	\$220,361,019	264	264	\$70,725,645	32%
10yr Ave	98	98	\$22,036,102	26	26	\$7,072,565	32%
5yr Ave	85	85	\$21,754,972	22	22	\$6,623,119	30%
3yr Ave	67	67	\$18,720,739	23	23	\$7,331,395	39%

Table 4a. North Mankato Single-Family Detached Market Performance		Benchmark	Difference	Valuation Benchmark	Difference	Per Unit	# of Homes
	Total	23%	9%	\$50,683,034	\$20,042,611	\$225,549	89
	10yr Ave	23%	9%	\$5,068,303	\$2,004,261	\$225,549	9
	5yr Ave	23%	7%	\$5,003,644	\$1,619,475	\$257,151	6
	3yr Ave	23%	16%	\$4,305,770	\$3,025,625	\$280,811	11

On average North Mankato built 9 single-family detached homes per year above its market benchmark.

Source: City Data

2. Single-Family Attached

Single-family attached homes are those homes designed for and used for occupancy by one family that is joined to other dwellings by a party wall or walls, including but not limited to such

common references as townhouse, twin home, and row house. Single-family attached units made up approximately 18% of constructed units within the 10-year period from 2011-2020 in the city of North Mankato.

Table 31 shows North Mankato capturing 15% of the single-family attached market over the past decade, building six homes less than needed to hit the target. Five-year and three-year trends exhibit an even lower market capture at 14% and 10% respectively. To meet the 23% benchmark for single-family attached units, North Mankato would need to build an additional three twin home, duplex, or townhome units annually, taking into account that each structure will have two to three units.

Table 36. Single-Family Attached							
	Market			North Mankato			
	Permits	# Units	Valuation	Permits	# Units	Valuation	%
Total	635	708	\$120,797,368	32	105	\$18,239,310	15%
10yr Ave	64	71	\$12,079,737	3	11	\$1,823,931	15%
5yr Ave	81	92	\$16,563,063	2	12	\$2,072,592	13%
3yr Ave	83	90	\$17,577,515	1	8	\$1,537,663	9%

Table 5a. North Mankato Single-Family Attached Market Performance		Benchmark	Difference	Valuation Benchmark	Difference	Per Unit	# of Homes
	Total	23%	-8%	\$27,783,395	(\$9,544,085)	\$170,618	-56
	10yr Ave	23%	-8%	\$2,778,339	(\$954,408)	\$170,618	-6
	5yr Ave	23%	-10%	\$3,809,504	(\$1,736,912)	\$180,819	-10
	3yr Ave	23%	-14%	\$4,042,828	(\$2,505,165)	\$194,585	-13

North Mankato should build approximately 3 more single-family attached structures annually to meet the market benchmark.

Source: City Data

3. Multi-Family

Multiple-family dwellings are designed for or intended to contain three or more dwelling units, including but not limited to such common references as apartment buildings and condominiums. Due to data constraints, condominiums are included with townhomes as single-family attached housing and not as multi-family. Multi-family made up 12% of housing units constructed between 2011 and 2020 in North Mankato. However, as Table 6 indicates, North Mankato underperformed the market in this sector, capturing only 135 out of 2,201, or 6% of total market for multi-family units constructed over the same timeframe. To meet the target of 23% for multi-family housing, the city would need to increase its production by approximately 37 apartment units per year. Additionally, the city will need to re-evaluate its Future Land Use Map to provide areas to be zoned and developed for multi-family dwellings including apartments.

Recent planning studies identified the need and desire for increased multi-family housing supply in the market. Market analyses prepared for both the Northwest Growth Plan, the Webster Avenue Area Plan, and the recently completed Mankato Housing Study recommend additional multi-family residential units stating the market could support them.

Table 37. Multi-Family							
	Market			North Mankato			
	Permits	# Units	Valuation	Permits	# Units	Valuation	%
Total	112	2201	\$187,505,855	27	135	\$11,698,905	6%
10yr Ave	11	220	\$18,750,586	3	14	\$1,169,891	6%
5yr Ave	5	173	\$17,705,041	3	14	\$1,277,147	7%
3yr Ave	5	146	\$16,087,357	3	11	\$1,089,000	7%

Table 6a. North Mankato Multi-Family Market Performance		Benchmark	Difference	Valuation Benchmark	Difference	Per Unit	# of Units
	Total	23%	-17%	\$43,126,347	(\$31,427,442)	\$85,191	-369
	10yr Ave	23%	-17%	\$4,312,635	(\$3,142,744)	\$85,191	-37
	5yr Ave	23%	-16%	\$4,072,159	(\$2,795,013)	\$102,460	-27
	3yr Ave	23%	-16%	\$3,700,092	(\$2,611,092)	\$109,936	-24

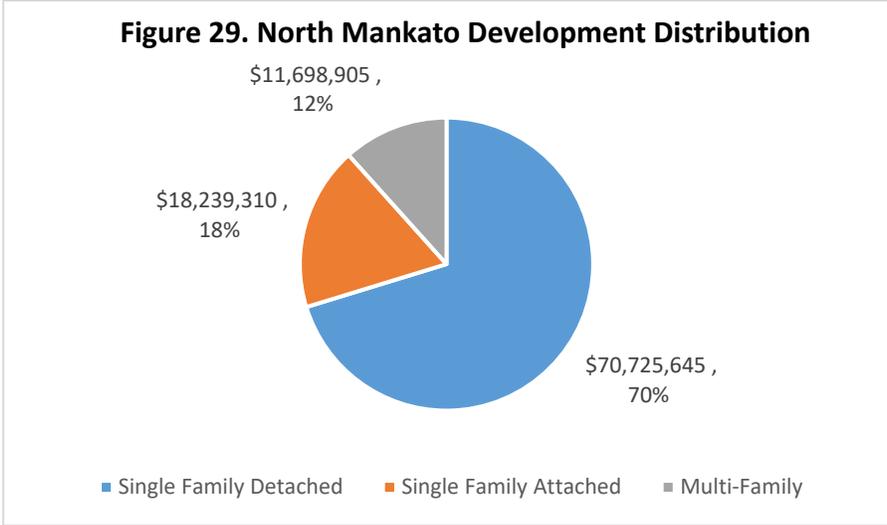
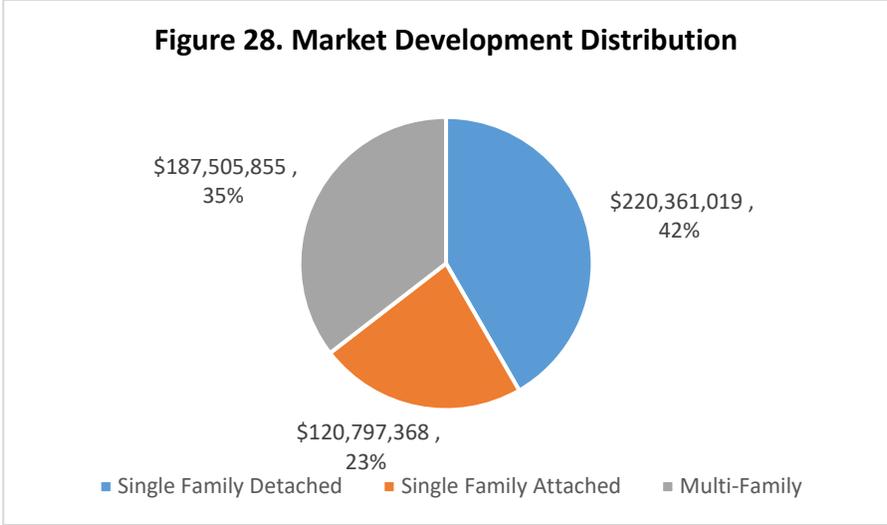
North Mankato should build approximately 37 more multi-family units annually to meet the market benchmark.

Source: City Data

Key Takeaway	
North Mankato's New Building Permit Growth Target +5%	North Mankato currently captures 18-19% of housing unit construction in the base area and aims to capture at least 23% of the new building permits in the base area consistent with its current percentage of population in the base area. North Mankato has captured 32% of the single-family detached base area, well above the 23% benchmark. However, the city has lagged behind on single-family attached and multi-family capturing only 15% and 6% respectively.

Target Market Increase

Figures 18 & 19 illustrate the development distribution by each sector for the whole market and North Mankato respectively. A major difference is the proportion of *single-family detached* homes for each distribution, with North Mankato constructing a higher proportion of single-family homes than the market at 70% to 42% respectively. Both the North Mankato and the market are performing similarly for *single-family attached* homes at 18% and 23% respectively. It should be noted that there is limited availability of single-family attached townhomes available for seniors in North Mankato. The market does offer more *multi-family housing* which made up 35% of residential development versus 12% in North Mankato over the past 10 years.



Staff is able to use the market analyses to identify possible increases in development needed to achieve a defined target for future increased investment. **Table 38** provides North Mankato’s market target for additional investment of \$2.1 million in residential development. This is calculated by first identifying 23% of the entire market and finding the difference between what North Mankato is already capturing and what is needed to hit the target. This provides the basis for **Table 39** which shows one scenario calculating the number of units the city needs to increase production annually and cumulatively over the next 10 years.

Table 38. North Mankato Additional Residential Investment Target	
\$528,664,242	Total Residential Market Valuation
\$121,592,776	23% of Total Residential Market Valuation
\$20,928,916	Total Residential Market Investment (23%) Minus North Mankato Current Market Share; <i>amount North Mankato needs to add over the next 10-Year period.</i>
\$2,092,892	North Mankato Annual Target for Additional Investment

Source: City Data

Table 39. Increased Market Capture Based on 3-Year Averages					
Additional Annual Build. Permit Value Target:					\$ 2,092,892
Type	% of North Mankato Development by Type*	Proportion of Target Value	Average Permit Value by Type	Annual increase in # of Units to Achieve Target	10-Year Target Increase
Single-Family Detached	74%	\$ 1,540,844	\$ 280,811	5	55
Single-Family Attached	15%	\$ 323,172	\$ 194,585	2	17
Multi-Family	11%	\$ 228,876	\$ 109,936	2	21
Totals	100%	\$ 2,092,892	-	9	92

Source: City Data

To achieve city goals, the city of North Mankato should increase its annual residential development production by \$2.1 million annually. While many scenarios could achieve this goal, one viable scenario would be constructing an additional five single-family detached homes, one single-family attached structure (two units), and two multi-family units annually.

Key Takeaway	
Target Market Increase \$2.1M Annual Investment Target	A larger proportion of North Mankato's housing unit construction consisted of more single-family detached homes than the market at 70% to 42% respectively. City staff identified an annual target investment increase up to \$2.1 million to achieve city goals. This equates to an additional five single-family detached homes, one single-family attached structure (two units), and two multi-family units annually.

Ten-year goals

The scenario in **Table 39** provides reasonable ranges for North Mankato to pursue to meet market targets. However, these serve as the minimum number of additional units needed to achieve 23% of the market. To get back to historical averages, the following development goals have been made internally by staff for new development over the next decade:

1. Between 2020 and 2030 North Mankato should plan to construct between 305 and 335 single-family detached dwellings and increase the annual average number of units constructed from 26

to between 31 and 35. This could increase the annual average permits up to 35 per year for single-family attached dwellings compared to a current 10-year average of 26.

2. Between 2020 and 2030 North Mankato should plan to construct between 125 and 140 units of single-family attached units and increase the annual average number of units constructed from 10.5 per year to between 12.5 and 14 per year. This could increase the annual average permits up to 14 units per year (seven structures) compared to a current 10-year average of 10.5 (five to six structures)
3. Between 2020 and 2030 North Mankato should plan to construct 250 units of multi-family housing and increase the annual average number of units constructed from 14 to between 16 and 25 per year. This could increase the annual average permits up to 25 units per year compared to a current 10-year average of 13.5 per year.

Should North Mankato achieve the high end of the 10-year goals identified in the section above, constructing 74 residential units in the community annually, it is estimated the housing stock could support a population of 16,081 by 2030. This is an increase of 1,605 individuals, with an average annual growth rate of 1.1%, which marks some increase from today's 0.8% average annual growth rate. This does not meet the internal goal of reaching between 1.6% and 2.4% but is a significant increase over the past decade and does outperform existing demographic projections. Nonetheless, if North Mankato does wish to increase the community's rate of population growth to historical averages, increases in target market capture for new development will need to increase.

Population growth trends identified earlier in this memo indicate historic levels of annual growth at 1.6% over the period from 1990 to 2000 and 2.4% over the period from 1960 to 1980. The city would like to get back to these levels of growth in the future but would need to ramp up production significantly. The proportions of residential units calculated to achieve the described 1.1% annual growth include 47% single-family detached, 19% single-family attached, and 34% multi-family units. Staff used these proportions as a benchmark for calculating the number of units needed to achieve the higher historic annual growth levels of 1.6% and 2.4%. To increase the annual growth rate to 1.6%, The city would need to build 104 combined single-family and multi-family units annually over the next decade which could support a population of 16,731 by 2030. To achieve a 2.4% annual growth rate, the city would need to construct 157 single-family and multi-family units annually which could support a population of 17,881 by 2030.

Table 40. Population Growth Target Estimates			
	Increased Growth Target	1.6% Growth (1990-2000)	2.4% Growth (1960-1980)
2011-2020 (10-Year) Res. Housing Unit Construction Total:	504	504	504
2011-2020 (10-Year) Average Annual HU Const:	50.4	50.4	50.4
2010-2020 Population Growth:	1,093	1,093	1,093
2011-2020 Average Annual Pop Growth:	109	109	109
Annual Target Housing Unit Construction:	74	104	157
2021-2030 10-Year Total Anticipated:	740	1,040	1,570
2021-2030 Population Growth:	1,605	2,255	3,405
2020 Population:	14,476	14,476	14,476
2030 Population:	16,081	16,731	17,881
10-Year Population Growth Rate:	11.1%	15.6%	23.5%
2021-2030 Annual Average Growth Rate:	1.1%	1.6%	2.4%
Annual Additional Population:	160	226	340
Target Value Increase:	\$2,092,892	\$2,941,361	\$4,440,324

Key Takeaway	
New Housing Building Permit 10-Year Goals +740	North Mankato aims to increase housing unit construction from 50 per year to roughly 74 per year to meet the 1.6% annual average growth rate and target population of 16,731.

9. Land Use, Capital Improvement, and Business Subsidy Policy Impact

Achieving these goals will require a combination of land use, capital investment, and business subsidy action by the governing and advisory bodies of the city. There is currently one parcel of land zoned R-4 in North Mankato which could accommodate up to 100 units of multi-family housing. Also, there are currently 140 available vacant lots in residential subdivisions in the city with potential to accommodate up to 164 housing units or more. Annual production in these developments averages 24 permits per year based on a 3-Year average from 2018 to 2020. At 24 permits per year for new construction, current available lots will be developed within approximately 6 years and increased production will require additional land for developments be added to the community. This requires additional land to be annexed and zoned along with an extension of infrastructure to serve the new development. Staff will begin bringing recommendations forward to the respective governing and advisory group bodies associated with these internal development goals. This will also require work with local developers needed to prepare additional property for development.

SINGLE-FAMILY HOUSING VALUE DATA

Single-family housing values have been rising in North Mankato and the surrounding area over the past decade. Median sales prices for single-family detached homes surpassed \$225,000 in 2019, a substantial increase from \$185,000 in 2015. Single-family attached homes have been increasing since 2016, approaching \$200,000 with a large increase of \$34,000 during the 2018-2019 period.

Since 2015, North Mankato single-family detached home sale prices have consistently fallen in the mid-range when compared to Eagle Lake and Mankato with home sale prices for Eagle Lake, North Mankato, and Mankato at \$246,000, \$226,800, and \$209,000 respectively. Mankato has generally exhibited higher priced single-family attached homes than North Mankato until 2019 when North Mankato prices surpassed those in Mankato with median prices of \$198,000 and \$162,000 respectively. Upper North Mankato tends to have the highest sales prices in North Mankato and the Greater Mankato area in general exhibiting a median single-family detached price of \$285,187 in 2019.

The Multiple Listing Service (MLS) shows both median and average home sales prices have been rising since 2010 with substantial increases in 2016 and 2019. Homes have also been staying on the market for shorter periods when compared to the early part of the last decade. However, volumes of home sales have been decreasing significantly since 2016. This decreasing number of homes listed combined with the increase in the number sold over time is closing the gap between supply and demand.

Home Value Trends

Home value information was reviewed for the city of North Mankato. To analyze recent home sales, records maintained by the Nicollet County Assessor's Office were reviewed. County records primarily look at the sales of existing homes. The information collected by the county is based on the comparison of taxable valuation to actual sales price. Since newly constructed houses would not have a prior value, they are not typically included in the sales ratio sample.

It is important to note that the annual median sale price may not be a completely accurate indicator of overall home values. However, this sample does provide insight into those units that are turning over in the city. The sample only includes sales judged to be "good" sales by the county assessor. This would exclude sales that were for less than fair market value, such as distressed sales, foreclosures, transfers between relatives, and similar transactions.

The adjusted sale price has been used. The county makes adjustments to the sale price based on personal property or financial concessions that were included.

The sales records that were obtained did not differentiate between different styles of houses. It also did not differentiate improved residential sales versus land sales. However, secondary reports were then examined in an attempt to remove sales that did not include a house, and to differentiate detached houses from attached units, such as twin homes, town houses and condominium units. While this information has attempted to accurately reflect home sales activity, the lack of details in the reports obtained from Nicollet County required additional interpretation.

Single-Family Detached Recent Residential Sales

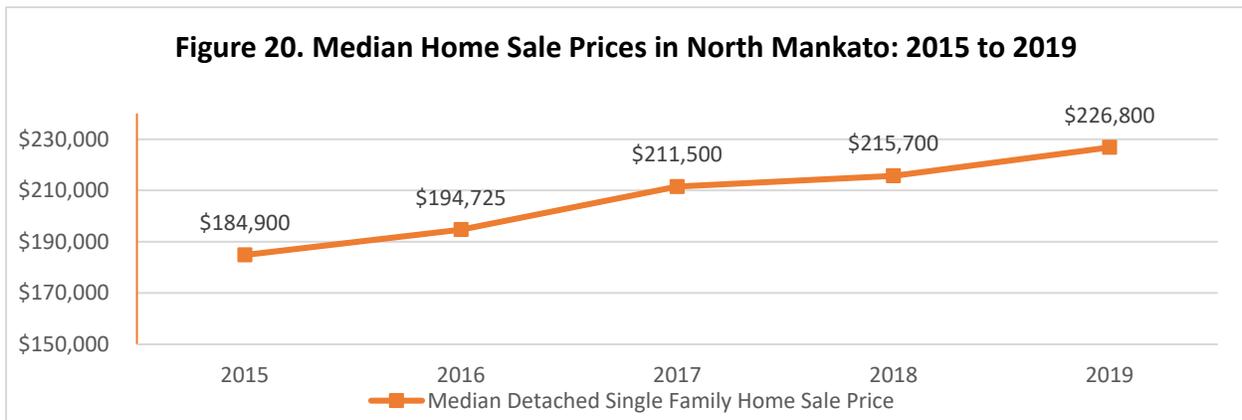
Annual residential sales in North Mankato between 2015 and 2019 were reviewed.

There has been a general trend of an annual increase in the median home sales price in North Mankato. For 2019, the median moved above \$225,000, a significant jump from the 2015 median of \$184,900. The largest increase occurred from 2016 to 2017 where the median increased \$16,775 (**Table 41**).

An alternate home value estimate exists in the 2019 American Community Survey. For owner-occupancy units only, which would include attached housing such as town homes, the median value was \$193,400, below the median detached sale price that year of \$226,800.

Table 41. Detached Single-family Home Sales - North Mankato				
Sales Period	Number of Sales	Median Price	Highest Valued Sale	Lowest Valued Sale
2015	193	\$184,900	\$525,000	\$72,000
2016	216	\$194,725*	\$768,000	\$70,625
2017	199	\$211,500	\$692,500	\$65,000
2018	220	\$215,700*	\$585,000	\$48,000
2019	202	\$226,800*	\$670,000	\$93,353

*Source: Nicollet County Assessor; * Median calculated from 2 closest sales*



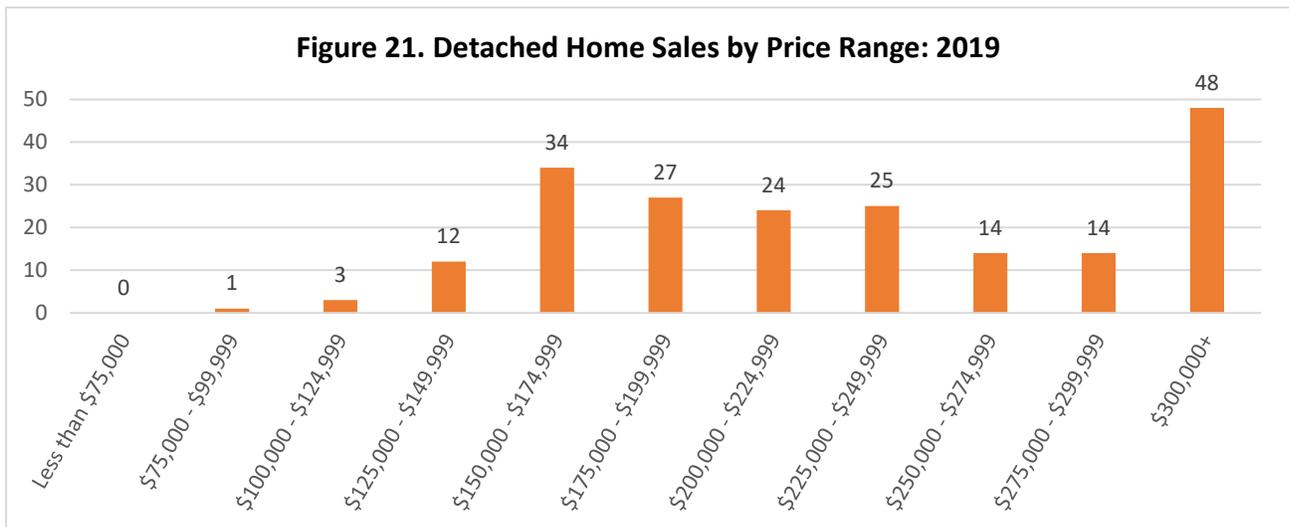
Source: Nicollet County Assessor

Single-family home sales for 2019 can also be examined by more defined price ranges.

Sale Price	Number	Percent
Less than \$75,000	0	0%
\$75,000 - \$99,999	1	0%
\$100,000 - \$124,999	3	1%
\$125,000 - \$149,999	12	6%
\$150,000 - \$174,999	34	17%
\$175,000 - \$199,999	27	13%
\$200,000 - \$224,999	24	12%
\$225,000 - \$249,999	25	12%
\$250,000 - \$274,999	14	7%
\$275,000 - \$299,999	14	7%
\$300,000+	48	24%
Total	202	100%

Source: Nicollet County Assessor; Community Partners Research

Although recent sales of detached houses in North Mankato have been occurring in a wide range of prices, only four good sales were recorded in 2019 for less than \$125,000, only one for less than \$100,000, and only 7% of homes sold for less than \$150,000. While a fairly large number of transactions occurred in the price range between \$150,000 and \$174,999, a majority of the houses that sold last year were for \$200,000 or more (Table 42 & Figure 21).



Key Takeaway	
Single-Family Detached Recent Residential Sales \$226,800, +\$41,900	Median home sales prices for single-family detached homes in North Mankato have been increasing each year from 2015, surpassing \$225,000 in 2019. Only 7% of homes sold for less than \$150,000 and the majority sold for \$200,000 or more.

Single-Family Attached Values from Recent Sales

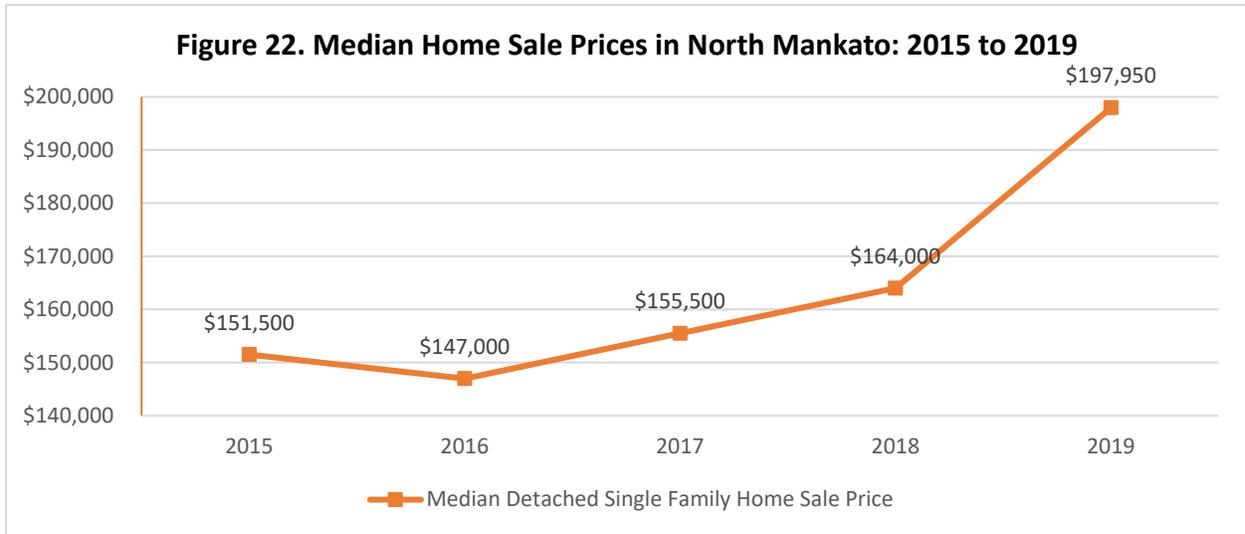
The county Assessor's website allows a sales search by type of structure, including town houses and twin homes (Table 43 & Figure 22). The following table displays information for attached units that have recently been sold. Most of these sales reflect traditional town house or twin home units. A few condominium sales have been recorded in recent years but have not been included in the following analysis.

Sales Period	Number of Sales	Median Price	Highest Valued Sale	Lowest Valued Sale
2015	36	\$151,500	\$730,000	\$107,735
2016	25	\$147,000	\$272,000	\$112,000
2017	10	\$155,500*	\$300,000	\$110,000
2018	9	\$164,000	\$268,000	\$130,000
2019	18	\$197,950*	\$278,000	\$165,000

*Source: Nicollet County Assessor; * Median calculated from 2 closest sales*

Attached single-family homes represent a lower volume of sales than detached single-family units. The sale of single-family attached units declined from 2015 to 2018 from 36 to nine homes sold. There was an increase from 9 homes sold in 2018 to 2019 where there were 18 good sales of single-family attached units that had been recorded by the county. As with detached home sales, the 2019 median was up from the prior year to \$197,950. For the years from 2015 through 2019, the annual median price had remained below \$165,000. However, the median sale price for single-family attached units has continued to increase since 2016 after a small decrease from 2015 to 2016.

Most single-family attached units in North Mankato are selling in a more moderate price range, although at least some sales have been recorded for more than \$300,000 in recent years.



Source: Nicollet County Assessor

Key Takeaway	
Single-Family Attached Recent Residential Sales \$197,950, +\$46,450	Median home sales prices for single-family attached homes in North Mankato have been increasing since 2016 after a small drop from 2015 to 2016. Annual price increases from 2016 to 2018 were \$8-\$9,000 until a significant increase of \$34,000 during 2018-2019.

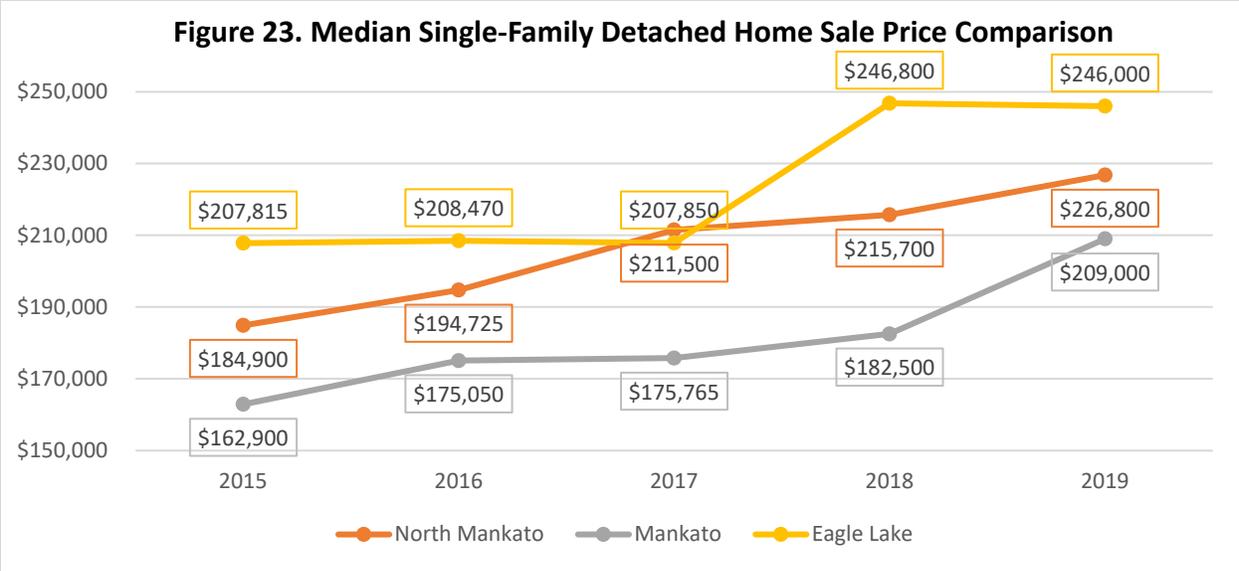
Mankato Area Sales Price Comparison

The annual median sale prices in North Mankato can be compared with similar information for the Cities of Mankato and Eagle Lake. **Table 44** examines traditional detached single-family houses.

The information obtained from Blue Earth County provided the actual sale price, not an adjusted sale price reflecting adjustments for personal property or seller concessions. As a result, the medians presented for North Mankato may differ slightly from those provided earlier, where an adjusted price had been used.

Table 44. Single-Family Detached Home Sales Comparison			
Sales Period	North Mankato	Mankato	Eagle Lake
2015	\$184,900	\$162,900	\$207,815
2016	\$194,725	\$175,050	\$208,470
2017	\$211,500	\$175,765	\$207,850
2018	\$215,700	\$182,500	\$246,800
2019	\$226,800	\$209,000	\$246,000

Source: Blue Earth County Assessor



When the median prices are examined, there are some differences between the three primary cities in the area. Over the five-year time period reviewed, the lowest annual median price has generally been for houses in Mankato. The annual median price in North Mankato has often been in the middle of the range, but in 2017, the median sale price in North Mankato was the highest of the three cities. The median in Eagle Lake was stable at around \$208,000 from 2015 through 2017 but saw a marked increase in 2018 to \$246,800 which carried into 2019. The median in North Mankato has risen more steadily from 2015 to 2019 from \$184,900 to \$226,800 rather than exhibiting major jumps as seen in Eagle Lake from 2017 to 2018. Mankato home sale prices have consistently risen over the five-year period with the largest increase occurring from 2018 to 2019.

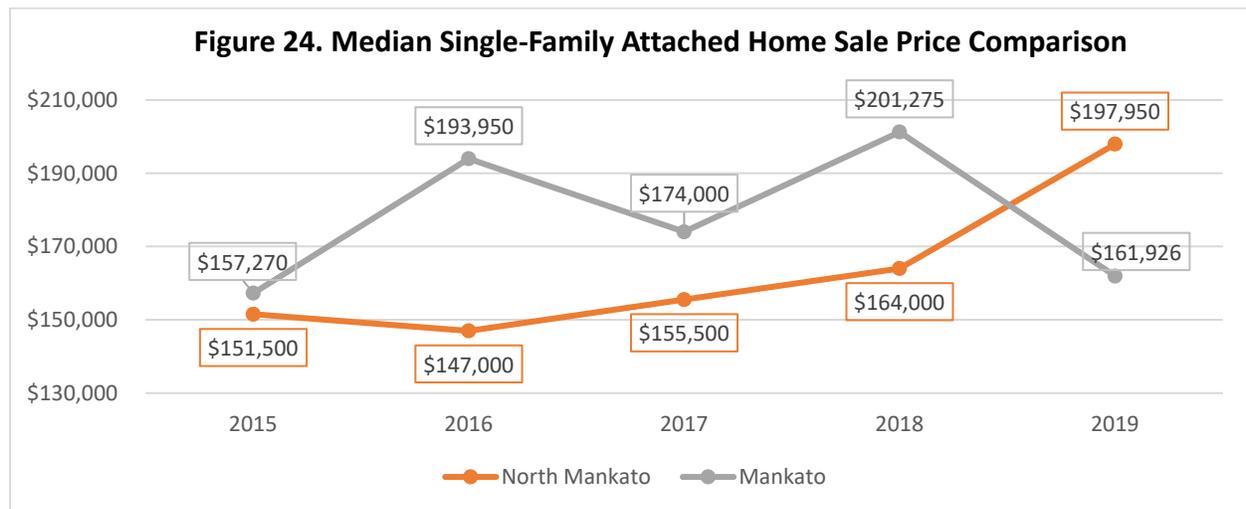
Key Takeaway	
<p>Mankato Area Single-Family Detached Sales Price Comparison</p> <p>North Mankato: Mid-range sale prices with consistent annual increases</p>	<p>Eagle Lake tends to have the highest home sale prices among Greater Mankato cities exhibiting a significant jump in 2018 after remaining steady in prior years. North Mankato has seen more consistent median sale prices increases annually and tends to have mid-range sale prices. Mankato has also exhibited significant home sale price increases since 2015, however median sales in the city are consistently the lowest in Greater Mankato.</p>

Single-Family Attached Comparison: North Mankato & Mankato

The median prices for attached single-family units can also be compared. However, few of these types of units sell each year in Eagle Lake, so only North Mankato and Mankato have been examined in (Table 45 & Figure 24).

Sales Period	North Mankato	Mankato
2015	\$151,500	\$157,270
2016	\$147,000	\$193,950
2017	\$155,500	\$174,000
2018	\$164,000	\$201,275
2019	\$197,950	\$161,926

Source: Blue Earth County Assessor



Median single-family attached home sale prices have varied in Mankato annually with no consistent trend since 2015 but have remained mostly higher than those in North Mankato until 2019 when North Mankato sales were higher. After dropping slightly from 2015 to 2016, North Mankato sale prices have continued to increase with a significant jump from \$164,000 in 2018 to \$194,000 in 2019.

Key Takeaway	
<p>Mankato Area Single-Family Attached Sales Price Comparison</p> <p>North Mankato: Sale prices increasing; surpassing Mankato</p>	<p>Mankato median single-family attached home sale prices have been sporadic over the last five years but have generally been higher than North Mankato. North Mankato saw a slight drop in sales prices in 2016 but has continued to climb since, surpassing Mankato in 2019.</p>

Multiple Listing Service Data for Mankato/North Mankato

The Realtors Association of Southern Minnesota (RASM) produces annual reports of sales activity from the Multiple Listing Service (MLS). The reports are based on zip codes and cover 56001 and 56003. For both of these zip codes, the geography extends beyond the city limits of Mankato and North Mankato but does represent the immediate area.

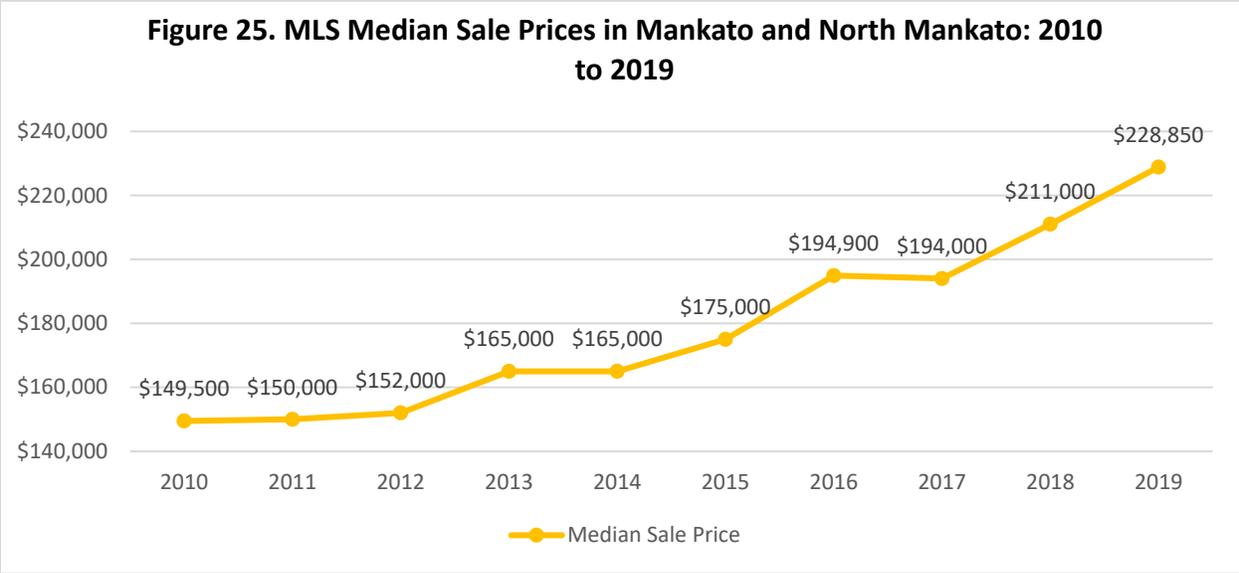
Annual sales reports back to the year 2010 were reviewed. Single-family detached houses were not separated from other types of units such as town houses or condominiums. However, the large majority of sold and listed units are in the form of detached houses.

Table 46. MLS Home Sales Information for Mankato/North Mankato			
Year	Number of Sales	Average Sale Price	Median Sale Price
2010	531	\$163,628	\$149,500
2011	557	\$163,766	\$150,000
2012	637	\$166,697	\$152,000
2013	765	\$177,013	\$165,000
2014	724	\$183,843	\$165,000
2015	821	\$192,606	\$175,000
2016	854	\$215,199	\$194,900
2017	819	\$217,836	\$194,000
2018	796	\$230,762	\$211,000
2019	776	\$247,835	\$228,850

Source: RASM

According to the MLS, the median and average sale prices have been rising in recent years, exhibiting substantial increases from 2015 to 2016 and 2017 through 2019. Median prices rose nearly \$54,000 over the five-year period. The median price in 2019, at \$228,850, was an increase from the median of \$211,00 in 2018. The average sale price increased more than the median, with an increase of more than \$55,000 between 2015 and 2019.

After dropping slightly in 2014, the annual volume of home sales was trending upward until 2016 where they began to drop again (Table 46 & Figure 25).



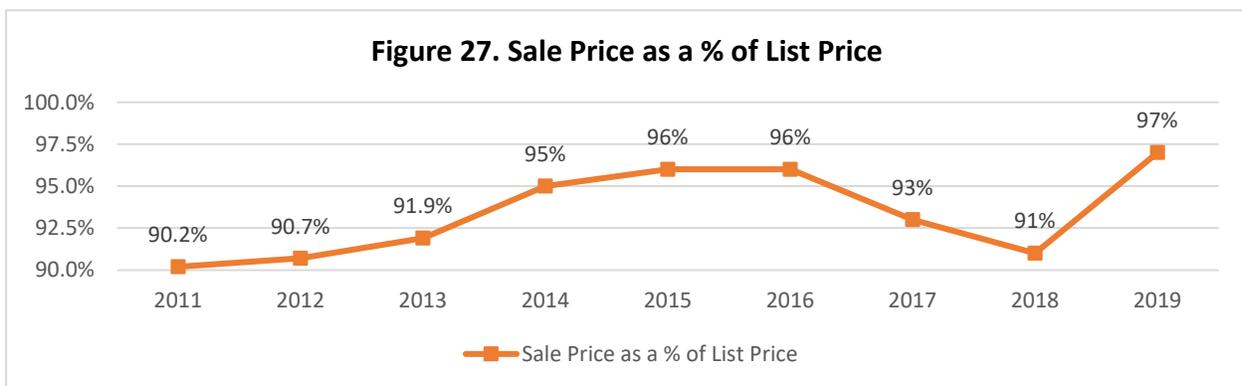
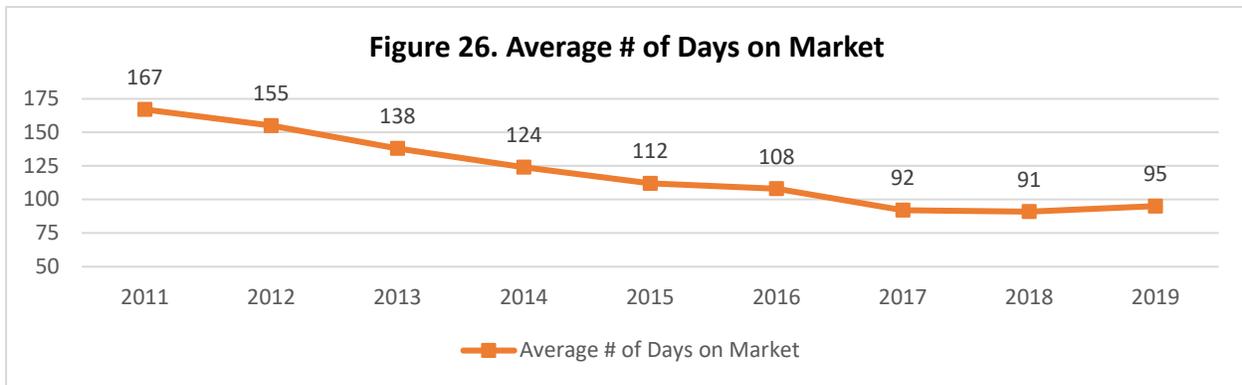
It is important to note that the MLS data, and the county sales information presented previously, look at somewhat different sales records. The MLS data includes all unit types, as well as sales outside of the Cities of Mankato and North Mankato. The MLS data may also include newly constructed homes, if they were listed with a real estate agent. Newly constructed homes would generally be excluded from the county's sales ratio analysis.

<i>Key Takeaway</i>	
Number of Sales in North Mankato/Mankato 776	There were 776 total sales for attached and detached dwellings in 2019 with an average price of \$250,000 for single-family attached and detached dwellings, this compares with 531 sales in 2010 with an average price of \$163,628.

Average Number of Days on the Market

The MLS reports also provide some additional insights into the home buyer market in Mankato and North Mankato. The average number of days that a house was listed for sale in 2019 was 95 days (**Figure 26**). The average listing time has been decreasing steadily over most of the time period reviewed, as home ownership market conditions have continued to improve. This trend began to shift in 2019 where days on the market began to increase.

A comparison of the average sale price to the original listing price is also available (**Figure 27**). This showed that sellers in 2019 received 97% of their listing price. This percentage has fluctuated over the past three years, increasing significantly after dropping from 96% in 2016 to 91% in 2018. However, this is higher than earlier in the decade, once again indicating improving buyer demand for houses in Mankato/North Mankato.

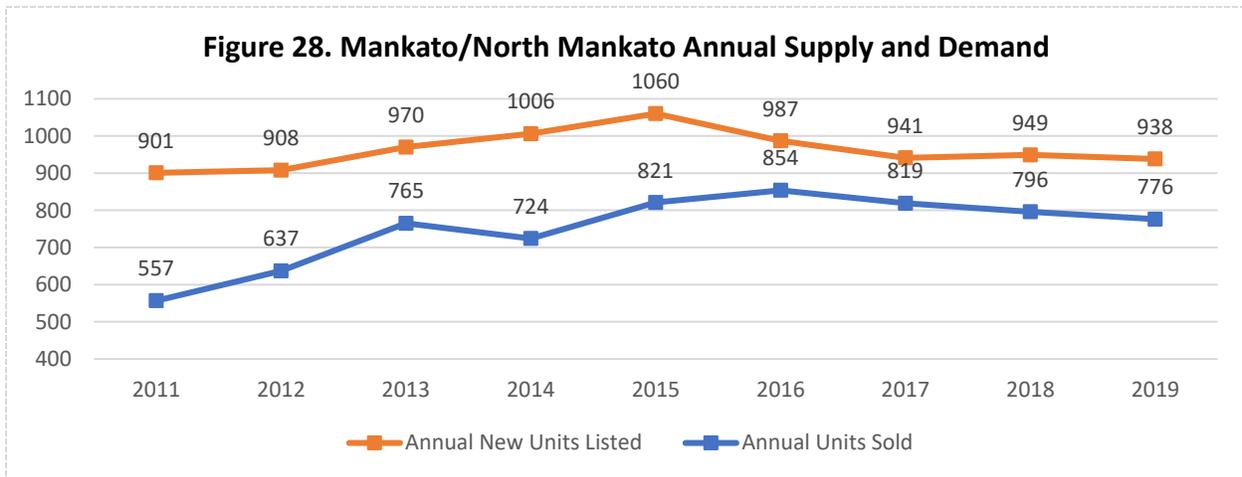


MLS Housing Annual Supply

One additional piece of information that is available from the annual reports from the Realtors Association of Southern Minnesota provides the number of houses that are listed each year on the Multiple Listing Service. When compared to the number of units actually sold each year, it also provides some perspective on the balance between supply and demand (**Figure 28**).

Data presented in **Figure 28** provides evidence of a slight decrease in the number of homes that were listed for sale in the past few years. After reaching a recent peak of 1,060 listings in 2015, there has been a general decline, with 938 new listings on the MLS in 2019.

From 2011 through 2015, there was a greater difference between the number of listings and annual sales. Since 2016, this gap has grown smaller between supply and demand.



Key Takeaway	
Average Days on the Market	The average number of days a home was listed on the market for sale in 2019 was 95, a decrease from 167 in 2011. A decreasing number of homes listed and an increase on the number sold over time is closing the gap between supply and demand.
95	

North Mankato MLS Market Information

On the previous pages, MLS annual reports were provided for the Mankato/North Mankato area, including zip codes 56001 and 56003. The RASM reports also include information for just the city of North Mankato, including a split of Lower North Mankato and Upper North Mankato. However, these more detailed reports only were obtained for 2018 and 2019 (**Tables 47 & 48**).

Year	Average Price 2018	Average Price 2019	% Change
Upper North Mankato	\$261,660	\$285,187	9.0%
Lower North Mankato	\$160,043	\$169,758	6.1%

Source: RASM

Based on the sales reporting in North Mankato, prices in the Upper portion of the city were substantially higher than in the Lower portion. When compared to the average for the entire Mankato/North Mankato area of \$247,835 in 2019, the average price in Upper North Mankato was substantially higher. Information also exists for the average number of days those houses were on the market before selling.

Year	Average # Days 2018	Average # Days 2019	% Change
Upper North Mankato	91	101	11.0%
Lower North Mankato	66	65	-1.5%

Source: RASM

Consistent with the larger area, the average listing times have been increasing in North Mankato. For 2019, the average listing time for the entire Mankato/North Mankato area was 95. Upper North homes spent 101 days on the market, more than the Mankato/North Mankato area and Lower North Mankato had a much shorter average listing time than the larger areas with 65 days on the market.

Some of the other available statistics for North Mankato are generally similar to the Mankato/North Mankato area. 2018-2019 sales have generally been within a range of 96% to 97% of listing price, compared to 97% for the region. The supply of new listings in both Upper and Lower North Mankato also increased between 2018 and 2019, which is inconsistent with regional patterns.

<i>Key Takeaway</i>	
Upper & Lower North Mankato MLS Market Information Sales at 96% of listing price	Sales prices reported in Upper North Mankato were higher than those in Lower North Mankato and the Mankato/North Mankato area at \$285,187 vs. \$169,758 and \$247,835 respectively. The average listing time for the entire Mankato/North Mankato area was 95 vs. 101 in Upper North and 65 in Lower North. Sales in North Mankato have been 96% of listing price, similar to the region.

ACS RENTAL HOUSING DATA

According to the ACS, there are 1,635 rental units in the city of North Mankato consisting primarily of 1-, 2-, and 3-bedroom units. Two-bedroom units represent the largest proportion of rental units in the city at 50% of all units. The average rent for a 2-bedroom unit was \$832 per month.

When comparing the number of available units with renter households falling within certain income brackets, the ACS identifies a need for affordable rental options for low-income households. The ACS shows there are seven times as many households needing rental units under \$500 per month than there are units available. This creates a cost burden on households forced to pay rents over \$500 per month which would be over 30% of their income. On the other end of the spectrum, roughly 34% of renter households in 2019 had an annual income of \$50,000 or more but fewer than 12% of rental units were priced at \$1,250 or more for gross rent. This shows that many with incomes over \$50,000 per year are choosing more affordable rental options but could afford a higher rent if needed. Most of the units in North Mankato are priced within the \$650-\$899 range in which exceeded the number of renter households with annual incomes between \$25,000 and \$34,999. Likely, these units would be occupied by lower-income households forced into more expensive units and/or more moderate-income households choosing to live in lower cost housing.

North Mankato had the largest percentage of affordable and moderately priced rental housing in 2019 among comparison geographies of Nicollet Count, the MSA, and the state. It also had the lowest median gross rent overall among geographies. Among geographies, the city had second highest median gross rent as percentage of income but still required less than 30% of income to afford the median rental unit meaning a typical renter could secure housing they could afford.

In terms of age of rental housing stock, North Mankato and the MSA both had the oldest median year of construction of 1979. However, median years will undoubtedly be impacted by planned and recently constructed multi-family housing in the region since 2019 ACS estimates were generated.

According to the ACS, there are 1,635 rental units in the city of North Mankato consisting primarily of 1-, 2-, and 3-bedroom units. Two-bedroom units represent the largest proportion of rental units in the city at 50% of all units. The average rent for a 2-bedroom unit was \$832 per month.

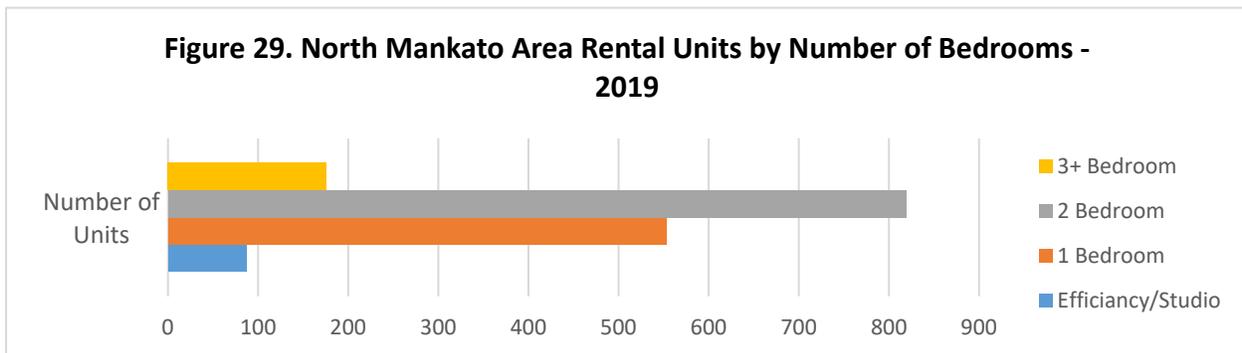
ACS Survey Rental Inventory Data

The 2019 American Community Survey (ACS) provides information on rental units that exist in the city of North Mankato.

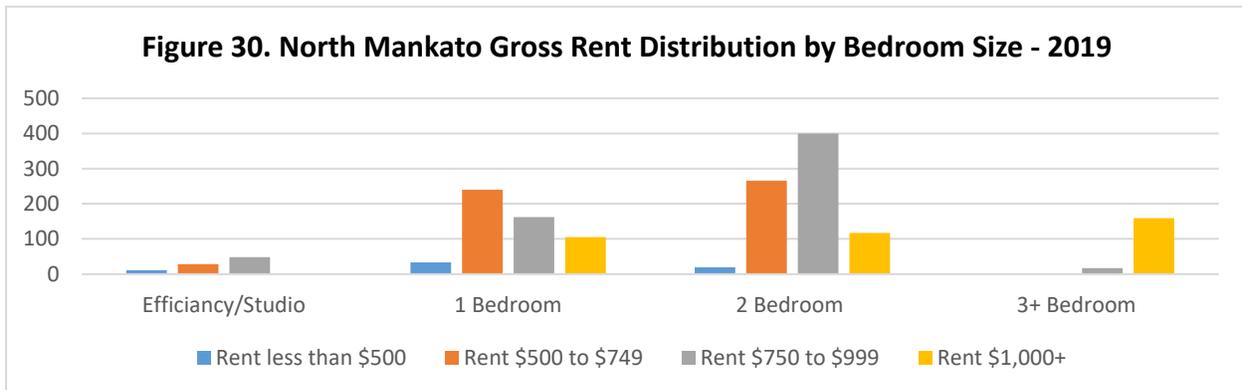
According to Community Partners Research, the ACS has probably underestimated the total number of occupied rental units in the city, although this undercount is small. When all types of rental housing are aggregated, including specialized care senior units, there were probably more than 1,800 total rental units in North Mankato in 2019, compared to approximately 1,635 estimated by the ACS. Despite the conservative data, it is assumed that the percentage distributions would be relatively accurate, even if the actual numbers are somewhat low.

Unit Size	Rent less than \$500	Rent \$500 to \$749	Rent \$750 to \$999	Rent \$1,000+	No Cash Rent	Total Units
Efficiency/Studio	11	28	48	0	0	87
1 Bedroom	33	240	162	105	13	553
2 Bedroom	19	266	400	117	17	819
3+ Bedroom	0	0	17	159	0	176
Total	63	534	627	381	30	1,635

Source: ACS 2019 Estimates



Source: ACS 2019 Estimates



Source: ACS 2019 Estimates

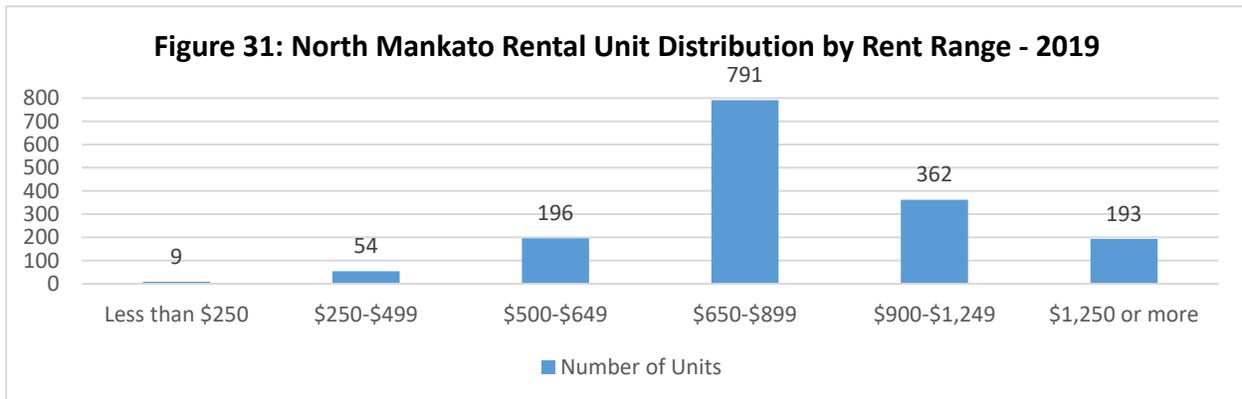
According to the 2019 ACS, two-bedroom units was the largest rental class, representing 50% of all rental options in the city. One-bedroom units accounted for more than 34% of the total rental inventory.

In addition to the rent distributions, the ACS also includes an estimated median rent by bedroom size:

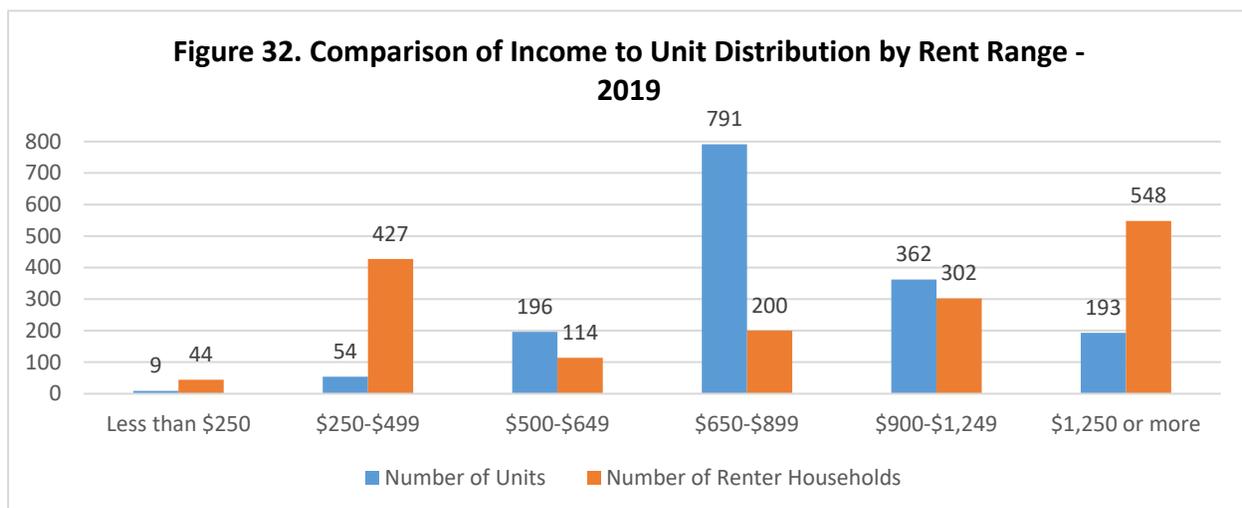
- For 0-bedroom units, the median gross rent was \$809 per month.
- For 1-bedroom units, the median gross rent was \$748 per month.
- For 2-bedroom units, the median gross rent was \$832 per month.
- For 3-bedroom units, the median gross rent was \$1,242 per month.
- For 4-bedroom units, the median gross rent was \$1,427 per month.

The information on gross monthly rent by the number of bedrooms used fairly broad ranges for reporting rents. The ACS also presents information on gross rents within more defined ranges, but this information is not distributed by bedroom mix.

The rent distribution tables from the 2019 ACS also do not differentiate between different segments of the market. Since all types of renter households should be surveyed, the rent distribution should include subsidized units, tax credit units, and probably some specialized senior housing, including units that include special services such as meals. However, the vast majority of units in North Mankato area would represent conventional, market-rate housing.



Source: ACS 2019 Estimates



Source: ACS 2019 Estimates

Using the overall distribution of gross monthly rents and renter households by income, presented earlier in this Study, it is possible to compare rents and income (**Figure 32**). The following chart displays the overall rent distribution within defined price ranges as estimated for all rental units in North Mankato. This is then compared to the number of renter households that could afford a unit within this same basic price range, using a standard that 30% of income can be applied to housing costs.

Some patterns are evident when comparing supply and demand based on the price needed versus unit distribution. First, there were well over seven times as many households with an annual income below \$20,000 as there were units that had a gross rent that was less than \$500 per month (*which represents 30% of income used for rent for those making under \$20,000*).

The mismatch between very affordable units and renter households with an income below \$20,000 would be helped somewhat by rent assistance vouchers or other public assistance programs. However, even with some assistance available, there were many lower-income households with a housing cost burden, as detailed earlier in this section. This is a group that generally cannot be served by the conventional rental market, where very few units exist in an affordable price range.

It is also important to recognize that some of the lower-income households could represent student renters living in North Mankato, although most students tend to be in Mankato. Students may often be willing to spend more for housing if it is convenient to the campus or better meets their lifestyle needs. However, as documented previously, many lower-income households with a rental cost burden would be older than the age range typically associated with traditional student households.

The unit supply in the price range between \$500 and \$649 was higher than the demand from households with incomes between \$20,000 and \$24,999 expected to rent units in this category. Presumably, lower-income households that could not find a unit that was more affordable instead moved into a unit in this basic price range, even though it may have constituted a cost burden.

The supply of units in the \$650 to \$899 price range was the largest in North Mankato, and once again exceeded the number of renter households with an annual income between \$25,000 and \$34,999. The supply of units in the \$900 to \$1,249 range also exceeded the number of renter households in the \$35,000 to \$49,999 income bracket. Most of the older conventional rental units in North Mankato would have had a monthly gross rent of \$900 or less in 2019 and would have been considered affordable for more moderate-income renters. Lower-income households that were forced to rent a more expensive unit, as well as higher income households that elected to rent a less expensive unit would potentially have occupied a unit in this more moderate range.

In the higher rent ranges of \$1,250 or more, the overall supply of units was smaller than the number of renter households with higher incomes. Overall, the ACS estimates showed that approximately 34% of all renter households in North Mankato in 2019 had an annual income of \$50,000 or more, but fewer than 12% of all rental units were priced at \$1,250 or more for gross rent.

It is important to recognize a couple factors that impact the estimated supply of higher-priced rental units. First, some of the higher-priced units potentially reflect specialized senior housing options, including independent living units that include meals and/or services. These units are generally priced at \$1,250 or more and would tend to inflate the unit count within the higher price ranges.

Second, within the higher-priced rent range is the presence of larger rental units that could appeal to students. Some of the newest rental construction in North Mankato has three or four bedrooms and is well-suited to student occupancy. These units can be shared by multiple roommates and charge a higher rent.

With the limited detail available within the ACS, it is difficult to adjust the data to reflect the impact of these factors on the rent distribution. Typically, North Mankato has less student-oriented housing, but some students do live in the community, and some of the most recent town house-style rental construction may be oriented to younger renters, living with roommates.

Key Takeaway	
ACS Survey Rental Inventory Data 1,635 Units	The ACS estimates there were 1,635 occupied rental units in North Mankato in 2019. Two-bedroom units were the most common among these representing 50% of all rental options. <u>Most units are conventional, market-rate housing.</u> When comparing number of available units with renter households, the ACS identifies a need for affordable rental options for low-income households showing there were well over seven times as many households with incomes below \$20,000 as there were units available. This forces some households to reside in higher priced units that may create a cost burden. The supply of units within the \$650-\$899 rent range was the highest in the city overall. Approximately 34% of all renter households in 2019 had an annual income of \$50,000 or more but fewer than 12% of all rental units were priced at \$1,250 or more for gross rent.

Comparative Data

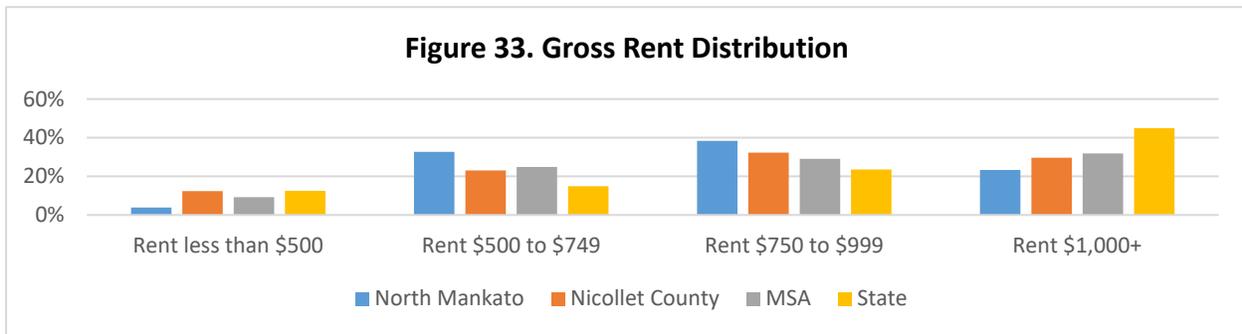
The following compares rental data for North Mankato, Nicollet County, the MSA, and the state.

Relative Rental Distribution

Table 50 & Figure 33 provide gross rent distributions for all rental options in 2019 among comparison geographies:

Unit Size	Rent less than \$500	Rent \$500 to \$749	Rent \$750 to \$999	Rent \$1,000+	No Cash Rent	Total Units
North Mankato	4%	33%	38%	23%	2%	1,635
Nicollet County	12%	23%	32%	30%	3%	3,366
MSA	9%	25%	29%	32%	5%	13,007
State	13%	15%	24%	45%	4%	626,513

Source: ACS 2019 Estimates



Source: ACS 2019 Estimates

According to the ACS, North Mankato offered the largest percentage of affordable rental housing in 2019 among comparison geographies, based on units with a gross rent below \$750 per month. More than 37% of all rental units in the city had a rent below \$750, compared to more than 35% in Nicollet County, 34% in the MSA, and 27% in the state.

A relatively large share of North Mankato's rental stock had a gross rent between \$750 and \$999, with more than 38% of all rental units in this more moderate range. This was substantially higher than other geographies by a margin of 6% to 14% with the state exhibiting the lowest percentage.

In 2019, almost one quarter of North Mankato's rental units had a gross rent of \$1,000 or more. However, this was lower than other geographies by a 7% to 22% margin where Nicollet County, the MSA, and the state exhibited 30%, 32%, and 45% respectively.

Key Takeaway	
Relative Rental Distribution 75% rented at less than \$1,000	The ACS shows that North Mankato offered the highest percentage of affordable housing and moderately priced housing among comparison geographies with 75% of rental units rented at less than \$1,000. While rentals priced \$1000+ made up 23% of North Mankato's housing stock, the percentage of these units were less than the makeup of other comparison geographies.

Median Gross Rent

For all types of rental housing, the ACS produces a median gross rent estimate.

Table 51. Median Gross Rent - 2019				
	<i>North Mankato</i>	Nicollet County	MSA	State
Median Gross Rent	\$818	\$837	\$843	\$969

Source: ACS 2019 Estimates

According to the ACS, the median gross rent for all rental housing in North Mankato was \$818 which was lower than the county, MSA, and the state exhibiting median gross rents of \$837, \$843, and \$969 respectively.

Key Takeaway	
Median Gross Rent \$818	North Mankato median gross rent was more affordable than comparison geographies.

Median Gross Rent by Bedrooms

For the comparative information provided previously, the rent information has been presented for all units, but median estimates also exist based on the number of bedrooms.

	North Mankato	Nicollet County	MSA	State
1-Bedroom	\$748	\$695	\$677	\$902
2-Bedroom	\$832	\$845	\$890	\$1,082
3-Bedroom	\$1,242	\$1,035	\$951	\$1,249

Source: ACS 2019 Estimates

Due to the small number of units in some bedroom sizes, only units with one to three bedrooms have been compared. While overall median gross rents in North Mankato were lower than Nicollet County and the MSA, the city had higher median rents among 1-bedroom and 3-bedroom units than did the county and MSA by significant margins. Two-bedroom apartments in the city were only slightly lower priced than the county and MSA.

The state median gross rents for 1-bedroom and 2-bedroom were significantly higher than the city while 3-bedroom units were only slightly higher.

Units with four or more bedrooms are not displayed in the table above, since the ACS provides no estimate on quantity suggesting there are very few in the city. However, the ACS does provide median gross rent for these units in the city which is substantially higher than other units presented.

Key Takeaway	
Median Rent by Bedrooms 1 - \$748 2 - \$832 3 - \$1,242	North Mankato had substantially higher median gross rents than Nicollet County and the MSA for 1- & 3-bedroom rentals but slightly lower 2-bedroom rents. The state had significantly higher rents than other geographies. Two-bedroom units make up a majority of rental units in North Mankato and this is why North Mankato’s median rent is less than comparison geographies, but has higher rents for 1 and 3 bedroom units.

Percentage of Income for Rent

The ACS also provides an estimate that compares rent to income and examines the percentage of household income needed to pay the median gross rent.

Table 53. Median Gross Rent as a Percentage of Income - 2019				
	North Mankato	Nicollet County	MSA	State
Median Percentage of Income for Rent	28.1%	26.1%	29.1%	28.4%

Source: ACS 2019 Estimates

The highest percentage of income needed for monthly rent was the MSA, where 29.1% of income was required for a unit. This was followed by the state, then the city, and finally the county exhibiting 28.4%, 28.1%, and 26.1% respectively.

In North Mankato, less than 28.1% of income was needed to afford the median rental unit. Since affordable housing is generally defined as less than 30% of income, the typical renter in North Mankato was able to secure housing they could afford.

Key Takeaway	
Percentage of Income for Rent 28.1%	North Mankato had the second highest median gross rent as percentage of income among comparison geographies but still required less than 30% of income to afford the median rental unit meaning a typical renter could secure housing they could afford.

Age of Rental Housing

The ACS also collects information on the age of housing units, and issues estimates on the median year of construction.

Table 54. Median Year of Construction for Rental Housing - 2019				
	North Mankato	Nicollet County	MSA	State
Median Year of Construction - Rental	1979	1982	1979	1976

Source: ACS 2019 Estimates

The median year of rental housing construction in North Mankato and MSA was 1979 which was lower than the county and the state in 1982 and 1976 respectively. The MSA may be impacted by cities such as Mankato that are constructing substantial multi-family developments with plans to construct more in the future. North Mankato is also considering key locations in the community to target for additional multi-family complexes.

Key Takeaway	
Age of Rental Housing 42 Years	North Mankato and the MSA exhibit the oldest median housing construction among geographies. Planned multi-family for Mankato and North Mankato will undoubtedly impact median years.

RENTAL HOUSING INVENTORY DATA

This Chapter references information from the Mankato Area Housing Study Update – 2020 completed by Community Partners Research. Information has been modified or updated to better reflect North Mankato’s rental housing inventory.

North Mankato Rental Unit Estimate – 2020

The 2010 Census recorded 1,759 total rental housing units in North Mankato. According to Community Partners Research, adding newly constructed units since the 2010 Census would yield a potential rental inventory with nearly 1,975 rental units in 2020.

A look at North Mankato’s rental housing registration program indicates there were 1,690 registered rental units as of October 2021. City records also show an additional 256 senior housing units that, if combined, would yield 1,946 rental units.

The rental unit inventory estimate is greater than the rental registration total due in part to the absence of the mentioned senior units that are not required to register with the city and possibly some tenure conversion or unit losses that are difficult to track.

A broader look at rental licensing/registration information for Greater Mankato (i.e. Mankato, North Mankato and Eagle Lake) shows the estimated size of the rental housing inventory in June 2020 contained approximately 11,750 to 11,850 total units available for occupancy. North Mankato rental units made up roughly 16.5% of the Greater Mankato inventory.

Rental Housing Survey

Community Partners Research performed a telephone survey to solicit info on multi-family rental projects in North Mankato. The following subsets of the multi-family rental market were contacted between January and June of 2020:

- Conventional market rate rental housing
- Moderate rent income-restricted housing, including low-income housing tax credit projects
- Federally subsidized housing

Overall, information was collected from more than 6,000 total rental units in Mankato, North Mankato and Eagle Lake, or more than 50% of the estimated rental housing stock within the Greater Mankato aggregation. North Mankato city staff also reached out to rental units to update information and solicit input on units not captured through Community Partners Research efforts.

A total of 828 multi-family rental units were contacted in North Mankato through the survey completed by Community Partners Research. The survey included larger, multifamily rental projects with eight or more units. The city estimates there are at least 1099 units in the community that fit within this description. The following is a breakdown of surveyed rental units by type:

Table 55. North Mankato Rental Inventory: # of Rentals Contacted by Type				
Type	Total Units in North Mankato		Total Units Surveyed	
	#	%	#	%*
Market Rate Multifamily Units	841	77%	570	52%
Tax Credit Units	185	17%	185	17%
Subsidized Units	73	7%	73	7%
Totals	1,099	100%	828	75%

Source: City Data, Community Partners Research

**Represents Percentage of Total Units in North Mankato; Not Percent Surveyed*

Detailed findings from the survey for market rate, tax credit and subsidized rental are provided in the sections that follow.

Key Takeaway	
Rental Housing Survey	<p>According to Community Partners Research and city data, the North Mankato Rental market had:</p> <ul style="list-style-type: none"> • 841 total market rate multi-family units • 185 tax credit units • 73 subsidized units

Market Rate Summary

Usable occupancy information was obtained from 570 market rate rental units in multifamily buildings in North Mankato. This total includes the market rate portion in some projects that are designed for mixed incomes, with a blend of both income-based and market rate housing.

As mentioned, nearly all of the units reported in the analysis that follows were in larger, multifamily rental projects with eight or more units. Many are also professionally managed by one of the rental property management companies operating in the area. For the purpose of analyzing future demand for rental housing development, the larger, professionally managed properties are viewed by the analysts as offering the most comparable forms of housing.

1. Unit Mix

Community Partners Research note that not all of the properties were able to specifically identify the bedroom mix that exists. In some of the mixed-income properties the market rate units and the income-based units may change, depending on tenants in occupancy. As a result, in the unit mix totals below, there are fewer units represented.

Type	# Total Units Contacted	% of Total Units Contacted
Efficiency/Studio Units	0	0%
One-Bedroom	104	18%
Two-Bedroom	408	72%
Three-Bedroom	34	6%
Four-Bedroom	24	4%
Total	570	100%

Source: City Data, Community Partners Research

2. Occupancy / Vacancy

According to Community Partners Research data, occupancy information was obtained on 566 of the 570 market rate units surveyed. There were only six vacancies listed among them for an estimated vacancy rate of 1.1%. All six vacancies were two-bedroom rentals which represent more than 72% of all surveyed units and are the primary types of units offered in the larger multifamily complexes. The estimated vacancy rate in two-bedroom rentals was approximately 1.5%, based on the reported information.

3. Rental Rates

According to Community Partners Research, rental rates in the market rate segment in the Mankato area can vary widely, as a broad range of rental housing opportunities exists within the conventional market. Nearly all newer rental projects in the area are catering to a higher-priced segment of the rental market, by offering units that have features of single-family living such as town home rentals, or in luxury apartment buildings with high-end amenities. However, much of the area's multifamily apartment stock is more than 20 years old, and projects constructed prior to the year 2000 generally offer a more modest rental opportunity. This is true for North Mankato as well.

Most of the units in the North Mankato survey require the tenant to pay major utilities in addition to rent. However, the amount paid for utilities was not included in the survey, only base rent. Table 50 defines the lowest and highest gross rents found by the rental survey along with the vacancy rate identified for each rental category.

Units Type	Identified Range	Vacancy Rate
Efficiency /Studio	No Data	No Data
1 Bedroom	\$550 - \$930	0.0%
2 Bedroom	\$675 - \$1,110	1.5%
3 Bedroom	\$1,065 - \$1,950	0.0%
4 Bedroom	\$1,475 - \$1,950	0.0%

There were no efficiency/studio type apartments recorded in the rental survey.

<i>Key Takeaway</i>	
Market Rate Summary	Two-bedroom units totaled 408 units representing more than 72% of market rate rental units in North Mankato. One-bedroom units represented nearly 18% of units and three-bedroom were nearly 6% of all market rate units. Larger rentals with three to four bedrooms are becoming more common.

Moderate Rent Tax Credit Summary

1. Overview

Since the mid-1980s, the primary federal incentive for affordable housing has been the low-income housing tax credit program (also known as Section 42). In most cases, tax credits are used in one of three primary ways:

- New construction projects that add to the supply of housing
- Preservation/renovation of existing housing which maintains the supply
- Preservation/renovation/construction of federally subsidized housing

When tax credits have been used for new or existing federally subsidized housing, there are additional forms of assistance such as project-based subsidies, and this type of housing has been analyzed later in this section along with other subsidized projects.

When tax credits have been used for new construction or preservation/ renovation of existing projects, the resulting units are income-restricted, and rents are maintained at a moderate level. These projects have been further analyzed below.

2. New Construction Inventory

Projects that utilized tax credits for new housing construction, along with the approximate year the project was placed in service are as follows:

- Hoover Estates - North Mankato (1990)
- Riverway Townhomes (Northway) - North Mankato (1996)
- Colony Apartments - North Mankato (2000)

3. Preservation/ Renovation Inventory

Of the active tax credit projects, Colony Apartments involved older rental properties that used the tax credit financing for preservation/renovations.

In Colony Apartments, 107 out of 120 units are subject to the tax credit regulations.

4. Unit Mix

Combined, the three active projects listed above have approximately 185 income-restricted rental units operating under the tax credit program. In certain projects, the actual number of units may exceed the requirement, as some provide mixed-income housing (Colony Apartments), including a percentage of market rate units.

In most of the mixed-income projects, the specific units used as tax credit or market rate housing can vary depending on the income levels of tenants. As a result, the following distribution by bedroom size reflects an estimate, based on the relative distribution of units in the mixed-income projects.

Table 58. North Mankato Rental Inventory: Tax Credit Unit Mix		
Type	# Total Units Contacted	% of Total Units Contacted
Efficiency/Studio Units	0	0%
One-Bedroom	24	13%
Two-Bedroom	140	76%
Three-Bedroom	21	11%
Four-Bedroom	0	0%
Total	185	100%

Source: City Data, Community Partners Research

The State has generally promoted the construction of work force housing for families. As a result, more than 83% of all tax credit units do have two or more bedrooms. But increasingly some one-bedrooms are also being included.

5. Occupancy/Vacancy

The telephone survey of tax credit projects was largely completed in January and February, before the impact of the global pandemic was evident in the Mankato area. Current occupancy patterns may differ.

At the time of the rental survey, there was only one vacant unit available in the North Mankato tax credit inventory. The estimated vacancy rate was 0.7%. The one vacancy was at Hoover Estates which was a two-bedroom unit. Two-bedrooms represent more than 76% of the tax credit inventory for North Mankato. There were no vacancies reported in units with one bedroom or units with three or more bedrooms.

Some of the tax credit projects maintain a waiting list for occupancy. However, other properties reported that waiting lists are often not useful, as many moderate-income families need to secure housing immediately and are not prepared to wait for an extended time for a unit to become available. As a result, a waiting list may be maintained but open units may also be filled through advertising.

6. Rental Rates

The federal tax credit program places maximum rent limitations on assisted units. All of the tax credit projects in North Mankato have estimated rents that are below the maximum limit. The maximum rent limits listed are for Nicollet County, for projects placed in service prior to 2008.

Table 59. Maximum Rent Limits – Nicollet County			
Unit Type	Identified Range	Limit 50% AMI	Limit 60% AMI
1-Bedroom	\$550 - \$705	\$808	\$970
2-Bedroom	\$675 - \$830	\$970	\$1,164
3-Bedroom	\$895 - \$1,025	\$1,120	\$1,344

Source: Minnesota Housing Finance Agency⁴

According to Community Partners Research, rental rates for tax credit housing in the Mankato area have been increasing. At the time of the study they completed in 2016, all of the tax credit units had gross rents that were \$100 or more below the limits set for households at 60% of the median income level. This has changed and in 2020 some units were at the maximum rent caps established for the program.

Although some rents are also close to the maximum limits, the majority of the tax credit units would not approach the 60% limits, and most would have gross rents below the limits set at 55% of median income.

It should also be noted that some of the tax credit projects reported that a large percentage of tenants have Voucher rent assistance, allowing them to pay rent based on 30% of household income.

7. Potential Unit Losses/Extended Compliance

Tax credit projects funded after 1989 have an initial 15-year compliance period for income limits and rent restrictions. After the 15-year term is completed, an extended use period applies for an additional 15 years, or more. During extended compliance, new tenants must still meet the income tests, and rent restrictions must also be followed, but annual re-certification requirements for existing tenants are eased.

All of North Mankato’s tax credit projects were in their extended compliance phase in 2020:

- Hoover Estates - entered extended compliance in 2006
- Riverway Townhomes - 2011
- Colony Apartments - 2015

Assuming that each of these had at least a 15-year extended compliance requirement, the only project that may end its affordable housing requirements in the next few years would be Hoover Estates, which may be eligible to convert to market rate housing in 2021. Riverway Townhomes may complete contractual requirements in 2026.

⁴ Minnesota Housing Finance Agency, *Multifamily Rent and Income Limits: Multifamily Tax Subsidy Projects (MTSP); Table A – For projects placed in service on or before 12.31.2008*, <https://www.mnhousing.gov/sites/multifamily/limits> (Accessed October 2021)

<i>Key Takeaway</i>	
Moderate Rent Tax Credit Summary	There are approximately 185 units subject to tax credit regulations in North Mankato among 3 properties. North Mankato projects that utilized tax credits for new housing construction and are income-restricted were Hoover Estates (1990) and Riverway Townhomes (1996). Colony Apartments (2000) in North Mankato used tax credits for preservation and/or renovation. Given the state’s preference for workforce housing construction, more than 83% of tax credit units have two or more bedrooms to accommodate families. Tax credit projects in North Mankato have estimated gross rents that are well below the maximum limits for respective counties.

Subsidized Summary

The only subsidized apartment complex in North Mankato is Koppen Gardens offering 73 total units.

1. Occupancy Designation

Koppen Garden Apartments, were originally constructed for senior/disabled occupancy, but a HUD rule change affecting Public Housing projects opened this building to occupancy for non-disabled people of younger ages. Koppen Garden Apartments still offers an occupancy preference for tenants that are seniors or disabled but may also have tenants in occupancy that do not meet the preferences. Nearly all of the units are one-bedroom apartments with the exception of one two-bedroom unit.

2. Unit Mix

The Koppen Garden bedroom mix breakdown is as follows.

Table 60. North Mankato Rental Inventory: Subsidized Unit Mix		
Type	# Total Units Contacted	% of Total Units Contacted
Efficiency/Studio Units	0	0%
One-Bedroom	72	99%
Two-Bedroom	1	1%
Three-Bedroom	0	0%
Four-Bedroom	0	0%
Total	73	100%

Source: City Data, Community Partners Research

3. Occupancy / Vacancy

The telephone survey of subsidized projects was largely completed in January, before the impact of the global pandemic was evident in the Mankato area. Current occupancy patterns may differ.

The 2020 rental survey found two vacant units in Koppen Garden. Some vacancies can occur in subsidized units when a turnover occurs, as the paperwork requirements associated with income verifications and other processing requirements can result in vacant months. Previous

vacancies identified in the Mankato area have been attributed to processing requirements, as waiting lists have generally existed for any form of very affordable housing.

Two vacancies at Koppen Garden bring a total subsidized unit vacancy rate of 2.7%. There was still a waiting list. The high occupancy rate and evidence of unmet demand for subsidized housing are consistent with previous surveys completed by Community Partners Research in the Mankato area, which have also found low vacancy rates in subsidized housing.

4. Rental Rates

Nearly all of the subsidized options in the Mankato area can charge rent based on 30% of the tenant household's income. In some cases a minimum rent applies, at either \$25 or \$50 per month, that could potentially exceed 30% of income for a very low income household.

5. Possible Unit Losses/Gains

In February 2020, Koppen Garden was not listed on the opt-out log maintained by MHFA.

<i>Key Takeaway</i>	
Subsidized Summary	Most subsidized projects in North Mankato are available as general occupancy housing. Koppen Garden Apartments are the only in North Mankato and have shifted from primarily senior/disabled to allowing younger, non-disabled people. The total number of subsidized rentals available in North Mankato is 73, among which one-bedroom units make up 99%. Vacancy in Koppen Garden is very low and there is a waiting list.

A full inventory of Greater Mankato Multi-Family Rental Housing completed by Community Partners Research can be seen in the Mankato Housing Study Update – 2020 at the following link:
<https://www.mankatomn.gov/home/showpublisheddocument/5095/637568635910030000>

SENIOR HOUSING WITH SERVICES DATA

This Chapter is referenced and modified slightly from the Mankato Area Housing Study Update – 2020 completed by Community Partners Research. North Mankato city staff also performed outreach to update information and add facilities not captured through the Community Partners Research inventory.

Overview

North Mankato has a few projects that provide housing with supportive services for an elderly population. In some cases, these housing options target one specific segment of the market, and are "stand alone" facilities. In other cases, "continua of care" systems have been built that allow seniors to age-in-place with a single housing provider, by starting out in a light service project, then eventually moving into more service-intensive housing as they age.

To analyze the supply of units in and around Mankato, Community Partners Research examined licensing records maintained by the Minnesota Department of Health. Projects that were identified as licensed for "housing with services" in Nicollet County were identified and an attempt was made to contact these facilities for more detailed information.

Information was also collected on skilled nursing homes, although a long-standing moratorium has been in place that limits any expansion within this specialized housing segment. Also, there are no skilled nursing homes in North Mankato. While some industry definitions exist that identify the different types of specialized senior housing, there can also be variation in how these definitions are used. Truly independent senior housing projects, where no services are available, have not been included in this section of the Study.

For the analysis that follows, the State-licensed housing with services providers have been grouped into three separate categories:

- Senior housing with light services
- Assisted living
- Memory care

Although we have attempted to clearly define each housing project by these categories, there can be some overlap. For example, some projects can offer a light service or assisted living in the same apartment. A tenant can initially move in purchasing only a minimal service package, but gradually add more intensive services as needed. These types of projects offer a great deal of flexibility for the resident, without requiring the resident to physically relocate to a different building or a different part of the facility as their care needs change.

In the summary that follows, Community Partners Research has often referred to these as "flexible" units but have categorized them based on a best information on their current usage, according to the responses obtained from the telephone survey.

It is important to note that the following information was generally provided directly by the staff or the ownership of the facility. The analysts have accepted this information as accurate, including occupancy

rates, rental histories and similar self-reported data. Community Partners Research, does not have the ability to independently verify all of the information reported to the survey questions.

Pandemic Impact

During the research process, the global pandemic occurred. While impacting all forms of housing, in Minnesota this event had the largest effect on senior housing providing services for frail residents. A number of different housing providers in the Mankato area were listed on the Minnesota Department of Health website identifying senior facilities with confirmed COVID tests.

In response to the situation, the data collection process in senior housing was delayed by more than two months. Even when contact was made with many of the facilities in late June and early July of 2020, the impact of pandemic was still evident. In some cases, tenant movement had been suppressed, and many seniors were attempting to delay any move, if that was a possible option.

As a result, the telephone survey asked questions both about current occupancy patterns and about pre-pandemic patterns. However, in some cases no direct contact could be made. Although more than one attempt was made to contact each facility, the analysts were mindful of the situation and if the messages requesting direct information were not returned, only secondary data sources were used.

Senior Housing Inventory

Senior Housing with Light Services

1. Overview

As described above, projects that have been identified as providing light services may use different descriptions. Most of the facilities in the Mankato area that provide only light services described their housing as independent living, or congregate senior housing. Community Partners Research has instead classified these units as housing with light services.

As used in this Study, senior housing with light services defines a housing project where the basic monthly rent amount is inclusive of certain mandatory offerings, such as a daily meal and access to an emergency call system. Other light services may also be provided, such as weekly laundry service or assistance with housekeeping. Unless these additional services can be decoupled from the basic unit rent, Community Partners Research would not define this type of housing as independent rental.

All of the housing projects listed in this section are classified as "Housing with Services" by the MN Department of Health.

2. Unit Inventory

The research for this Study identified two separate housing projects in North Mankato that offer senior housing with light services. North Mankato projects include:

- Oak Terrace West - approximately 44 light services units
- Vista Prairie at Monarch Meadows - approximately 24 light services units

These projects have approximately 68 units that are currently offering a light services package. Since many of these projects offer "flexible" housing which may be occupied by tenants needing light services or assisted living, the actual size of the identified inventory can change from month to month.

3. MSA Inventory

Community Partners Research estimated the entire MSA, which includes all of Blue Earth and Nicollet Counties, would have approximately 350 units available for seniors looking for more independent housing that offers only a light services package in 2021.

4. Occupancy/Vacancy

The telephone survey within this market segment was completed between March and July 2020. The surveys completed in March were less impacted by COVID, while the later contacts had greater potential for reflecting the pandemic. As a result, some generalizations are made.

There was some unused capacity within the lighter services housing segment. Unoccupied units were reported in multiple providers, both in Mankato/North Mankato, and in the remainder of the MSA.

There were conflicting reports on the impact of the pandemic. Some projects reported more vacancies than at the start of the year while others reported fewer. There was a general consensus that seniors were more reluctant to move. While this negatively impacted potential move-ins, it also resulted in fewer move-outs and unit turnover.

It is important to note that more independent seniors will generally have options regarding timing of a move while seniors needing higher levels of care may not be able to delay a move to housing with services.

5. Rental Rates

Rental rates for light services projects can vary widely, depending on what is actually included in the monthly rent. For example, some may include one daily meal in the rent, while others may include two meals. Oak Terrace West has a rent range of \$2,250-\$2,450 while Vista Prairie does not have a specific rent.

6. Projections

For housing with light services, Community Partners Research made a comparison of the current distribution of available units to all older senior households. This requires some adjusting for senior households that already reside in more service-intensive forms of housing, such as assisted living. Approximately 2,500 older senior households would have been present in Greater Mankato in 2019 that were not already living in an assisted living unit. Specific numbers for North Mankato were unavailable.

It is important to note that the actual inventory of lighter services housing units can fluctuate, as flexible use housing may be occupied by more independent tenants or by seniors needing assisted living. Using an estimate that approximately 225 light services units are present in

Mankato and North Mankato, an approximate capture rate of 9% of the primary target market would be needed to achieve full occupancy.

However, 56 additional units will enter this market segment in early 2021. A capture rate of more than 11% would be needed, based on 2019 demographic data for older senior households.

Based on the projections to the year 2024, the required capture rate would drop to approximately 9.2% of older senior households, if there are no changes to the unit inventory.

By 2024, there should also be solid growth in the number of younger senior households, age 65 to 74. Growth within a younger senior age group should also result in some increased demand for more independent senior housing.

As stated previously, the supply of light services units in the future will also be based in part on the use of flexible senior housing, that can serve more independent seniors or people needing assisted living. If more of these units are occupied by seniors needing a higher level of care, the supply available for more independent households will decrease.

As with the other specialized senior segments, there is unused capacity in Mankato and North Mankato in 2020. While vacancies may be greater than typical due to the pandemic, there were also unoccupied units pre-pandemic. The required capture rate of 9% was not being achieved.

<i>Key Takeaway</i>	
Senior Housing with Light Services Summary	According to Community Partners Research and city data, there are 68 units in North Mankato offering light services. Estimates show the MSA (including Blue Earth and Nicollet Counties) has approximately 350 units available for seniors looking for light services packages. In mid-2020, there was unused capacity presumably due to COVID-19 and seniors' reluctance to move into facilities. Rents for housing with light services varied widely based on what services are being offered. Using an estimate that approximately 68 light services units are present in Mankato and North Mankato, an approximate capture rate of 9% of the primary target market would be needed to achieve full occupancy. Growth in younger senior groups (65 to 74) should also result in increased demand for independent senior housing.

Assisted Living

Assisted living providers are able to offer a higher level of care and services for their senior residents. Assisted living will have 24-hour on-site staffing, and the availability of nursing staff. Some facilities offer bundled service packages while others may offer the services 'a la carte'. All meals are provided, as well as the ability to assist with medications.

1. Unit Inventory

The research for this Study identified two projects in North Mankato that provide assisted living for seniors.

- Oak Terrace Assisted Living - 53 assisted living services units
- Vista Prairie at Monarch Meadows - approximately 74 assisted living units

Projects include 127 units/beds available offering assisted living services.

2. MSA Total Inventory

Making some assumptions, it is probable that the entire MSA has approximately 620 to 625 total assisted living units available. This number could increase if more of the flexible units are filled by residents with higher service needs.

3. Occupancy/Vacancy

The telephone survey within this market segment was completed between March and July 2020. The surveys completed in March were less impacted by COVID, while the later contacts had greater potential for reflecting the pandemic. As a result, some generalizations are made.

There was unused capacity within the assisted living housing segment. Unoccupied units were reported in both providers in North Mankato, and in the remainder of the MSA.

There were conflicting reports on the impact of the pandemic. Some projects reported more vacancies than at the start of the year, while others reported fewer. There was a general consensus that seniors were more reluctant to move. While this negatively impacted potential move-ins, it also resulted in fewer move-outs and unit turnover.

It is important to note that seniors needing assisted living may not have the ability to delay the timing of a move. But there was a general belief that people were opting to stay in their current residence until the effects of the pandemic had stabilized.

4. Rental Rates

Rental rates for assisted living can vary widely depending on the actual level of services provided in the basic room and care package. In most projects, the monthly fee also includes an array of mandatory services, typically all meals and utilities, an emergency call system, 24-hour staffing, access to nursing staff, and weekly laundry and housekeeping. Additional services can then be purchased as needed, either through bundled packages or on an 'a la carte' basis.

A direct comparison of rates between providers is not practical, given the broad variations in unit sizes and types, and the types of features and services that are included versus purchased separately.

5. County Assistance Programs

Many of the assisted living facilities will accept residents that are receiving County assistance, typically through the Elderly Waiver Program. However, most assisted living providers view the reimbursement rates as low, and the acceptance of Elderly Waiver is often restricted if there is adequate demand from private-pay residents.

Facilities that will accept recipients of County assistance programs often use it only for the lowest-priced units, such as studio apartments or small one- bedrooms, due to the limited reimbursement received. In other cases, only seniors with high service needs will be admitted with Elderly Waiver, as higher levels of care yield a greater amount of reimbursement.

Many facilities will allow existing residents who have depleted their assets to continuing living in the project while using County assistance, even if the project is largely private-pay.

6. Pending Projects

There were no pending or proposed assisted living projects identified in North Mankato that would serve the assisted living market.

7. Projections

When examining market potential for assisted living, calculations have been based on older senior households, age 75 and above. While a percentage of assisted living residents will be under the age of 75, the use of this type of housing increases substantially as people move through the aging cycle.

Existing residents of nursing homes and other institutional facilities would not be counted as households in demographic estimates or projections.

According to Esri, there were approximately 2,850 older senior households living in Greater Mankato in 2019. The supply of assisted living is estimated at 430 units in Mankato and North Mankato. Information specific to North Mankato was not provided in Community Partners Research work.

The current inventory would require a capture rate of approximately 15% of older senior households to achieve full occupancy. If no unit expansion occurs, a capture rate of approximately 12.7% of all older senior households would be needed by the year 2024, based on Esri's projected growth for the Greater Mankato area.

It is important to note that unused capacity is present in the assisted living sector in 2020. While some of this may be due to the impact of the pandemic, there were also unoccupied units present in January and February of 2020. The required capture rate of 15% was not being achieved.

<i>Key Takeaway</i>	
Assisted Living	There are 127 units available offering assisted living services in North Mankato. The MSA is estimated to have 620-625 total assisted living units. In mid-2020, there was unused capacity similar to light services offerings. The Elderly Waiver Program provides assistance through the County to seniors; however, this can be restricted by the assisted living facilities given demand from private-pay residents. According to Esri, the current inventory requires a capture rate of 15% of senior households to achieve full occupancy and this will be 12.7% by the year 2024 if no unit expansion occurs. In early 2020, the required capture rate was not being achieved.

Memory Care Housing

Memory care housing represents a very specialized segment of the senior market. People with health issues due to dementia, Alzheimer's Disease, or other causes may often be housed in assisted living centers, nursing homes, or less service-intensive forms of senior housing in the earlier phases of memory loss. However, as the problems progress, it is often necessary to provide housing in facilities that provide a secure environment and specialized care targeted to residents with memory loss.

1. Unit Inventory

The research for this Study identified two facilities in North Mankato that provide specialized memory care housing, including:

- Oak Terrace - 37 resident capacity
- Birchwood Cottages – 24 resident capacity

There are a total of 61 units providing specialized memory care housing in North Mankato. Since the 2016 Study was completed, there have been 24 new beds created through new construction in Birchwood Cottages, opened in 2017 in North Mankato.

2. MSA Memory Care Inventory

When combined with the inventory in Mankato and North Mankato, the MSA has capacity for approximately 280 people that may need access to specialized memory care housing. This is higher than the estimated capacity of 250 to 255 people at the time of the 2016 Study. However, it should be noted that some providers may house people without memory loss issues, so the actual capacity in use for this specialized care can change.

3. Occupancy/Vacancy

Occupancy information could not be obtained from a number of memory care providers, but there was unused capacity present in those facilities that were contacted in Mankato and North Mankato. Open rooms/beds were also reported in the remainder of the MSA.

In some cases, the unoccupied beds were attributed to the impact of the pandemic, but some providers also indicated that there were openings prior to the outbreak.

4. Rental Rates

Due to the specialized needs of residents in memory care units, this type of housing is at the higher end of the range for housing with services. No specific rate information was collected due to the differences in care and services that may be needed by any resident.

5. Projections

When examining market potential for memory care units, the capture calculations have been based on the population of older seniors, similar to skilled nursing beds. In Greater Mankato there were an estimated 3,900 older senior citizens, age 75 and above, not living in nursing homes in 2019.

Based on the estimated supply of approximately 213 memory care beds in Greater Mankato, the available inventory would require a capture rate of approximately 5.5% of the target population of older senior citizens to achieve full occupancy. Based on the projected growth through the year 2024, this required percentage would drop to approximately 4.6% of the older senior population, if no additional memory care beds are added over the five-year period.

The memory care units in Mankato/North Mankato have some unused capacity in 2020, although this may be due in part to the impact of the COVID pandemic. However, some unoccupied rooms/beds also were present before the pandemic. The required capture rate of 5.5% was not being achieved.

<i>Key Takeaway</i>	
Memory Care	There are 61 units to accommodate seniors in need of memory care facilities in North Mankato. The MSA has capacity for 280 people which is higher than the estimated capacity of 250 to 255 at the time of the 2016 study. Analysts suggest, based on projected growth through 2024, the supply of memory care beds in Greater Mankato will drop below the required 5.5% to sustain the inventory.

Skilled Nursing Homes

While no skilled nursing homes exist in North Mankato, they have historically represented the most service-intensive form of senior housing. This segment of the market has been in transition in recent decades, as other forms of housing, such as assisted living, have grown in availability and become the preferred option for many seniors.

Telephone interviews with administrators of nursing homes have generally highlighted that nursing home residents often stay for shorter periods of time than in the past. Many nursing homes have changed their focus over time by designating a larger share of their beds for short-term/rehabilitation stays.

However, during the pandemic in 2020, the demand for transitional care stays has often been reduced, as elective surgeries have been postponed.

1. Mankato/North Mankato Unit Inventory

There are four State-licensed skilled nursing homes in Mankato:

- Ecumen Pathstone Living Center is licensed for 69 beds
- Hillcrest Rehabilitation Center is licensed for 85 beds
- Laurels Peak Rehabilitation Center is licensed for 65 beds
- Oaklawn Rehabilitation Center is licensed for 70 beds

Combined, the four centers have capacity for 289 residents. This licensed capacity is down by seven beds from 2016 as Oaklawn Rehabilitation Center placed seven beds on lay-away in 2018.

Community Partners Research would estimate that approximately 175 to 180 nursing home beds in Mankato are available for long-term residency. This represents approximately 61% to 62% of the total capacity. The remaining beds are typically used for shorter-term stays. This is down only slightly from 2016, due in part to the seven-bed reduction in the total inventory.

2. MSA Inventory

In 2020, the entire MSA has 428 nursing home beds available, up from 416 beds at the time of the 2016 Study. Approximately 285 to 290 of these beds are used for longer-term occupancy, with the remaining beds typically used for short-term/rehab stays.

3. Occupancy/Vacancy

Although we did not complete a formal "snapshot" occupancy survey of skilled nursing homes, some occupancy information was obtained. There were unused beds typically available, although some of this was directly linked to the pandemic. For many months, elective surgeries had been postponed, resulting in fewer admissions to the transitional care beds. Some level of suppressed movement by seniors was also reported.

4. Rates

No information was collected on daily rates. Rates are generally impacted by State policy of reimbursement.

5. Pending Projects

No pending changes to the existing nursing home inventory were identified, although some near-term shift of beds away from rehab/recovery use is possible due to decreased demand. Future de-licensing is also possible, based on history.

6. Projections

Since the 2016 Housing Study was completed, there has been a slight decrease in the number of skilled nursing home beds in Greater Mankato, but a slight increase for the entire MSA. Overall, we would estimate that there are 289 skilled nursing home beds in Greater Mankato, with approximately 180 of these oriented to long-term care.

If an average occupancy rate of 92% can be maintained, this would serve approximately 3.9% of the estimated population of older seniors in Greater Mankato in 2019. Based on the projected growth in the older senior population, the supply of long-term beds would serve 3.3% of the population age 75 and older in 2024, if the same 92% occupancy rate is used. A higher annual occupancy rate would increase this percentage.

In the recent past, an increasing number of nursing home beds had been allocated to shorter-term rehabilitation/recovery stays. These beds are offered to people that need a place to recover, such as following surgery. But the pandemic in 2020 had greatly decreased the demand for transitional care stays. If demand for longer-term care increases in the future, it is possible that some of the transitional care beds will be shifted back to long-term residents.

Calculations have been presented on the future market share for nursing homes despite the fact that a long-standing moratorium exists on adding beds. Any new nursing home facilities are typically limited to replacing existing beds, rather than adding to the total inventory. As a result, the percentage of older seniors living in this type of housing will probably continue to decrease over the next five years as the population grows but the supply remains relatively fixed.

<i>Key Takeaway</i>	
Skilled Nursing Homes	There are no skilled nursing homes in North Mankato. However, There are four in Mankato providing capacity for 289 residents which is down slightly from 2016. 175 to 180 are available for long-term stays. The MSA has 428 nursing home beds available which is up from 416 in 2016. Up to 290 of these are for loner-term occupancy. There is a long-term moratorium on adding Skilled Nursing Home beds which limits new nursing home facilities to replacing beds rather than adding inventory which will cause the percentage of older seniors residing in these facilities to decrease as population grows and supply remains fixed.

Market Share for Existing Housing with Services Projects

Housing with services projects can serve seniors of any age, but typically have the greatest utilization by older seniors. To analyze the market share for the various forms of housing in the MSA area, Community Partners Research has primarily focused on demographic data for older seniors, age 75 and above.

1. Senior Demographics Greater Mankato

According to the 2019 estimates from Esri, there were more than 4,200 older seniors, age 75 and above living in the Greater Mankato area. This total was up by more than 600 people since 2010.

For older senior households, Esri showed approximately 2,850 households age 75 and older in 2019, an increase of approximately 390 households in the Greater Mankato area between 2010 and 2019.

2. Senior Demographics MSA

The larger Metropolitan Statistical Area (MSA) designation includes all of Blue Earth and Nicollet Counties. In 2019, Esri estimated that there were 6,695 people age 75 or older living in the MSA, up by 840 people, or 14.4% from 2010. Esri estimated that there were 4,490 households age 75 and older, up from 3,999 in 2010.

3. Projected Growth Greater Mankato

By the year 2024, Esri projects that there will be 5,000 older seniors in Greater Mankato, with 3,380 older senior households. When compared to 2019, this would be an increase of approximately 780 people and 525 households age 75 and older.

In percentage terms, Esri is projecting the number of older senior residents and older senior households to increase by nearly 18.5% between 2019 and 2024.

Growth of approximately 15% is also being projected in the younger senior range between 65 and 74 years old, pointing to sustained demand for senior- oriented housing options in the Greater Mankato area.

4. Projected Growth MSA

For the entire MSA, Esri is projecting a substantial increase in the older senior population by 2024, with percentage growth as great as 20%. This would imply a substantial increase in people age 75 and older living in the remainder of the MSA, outside of the jurisdictions that form Greater Mankato.

Although the entire MSA should experience some increase of older senior residents, it is the opinion of the Community Partners Research analysts that Esri has overestimated the changes outside of the immediate Mankato area over the past decade, and that Esri's projections to 2024 continue this pattern. It is doubtful that the remainder of the MSA, will add older seniors at the rate projected outside of Greater Mankato.

Instead, a more reasonable projection for 2024 would expect approximately 7,900 older senior citizens, and approximately 5,300 households with a head- of-household age 75 or older.

5. Specialized Senior Housing Capture Rates

The housing unit supply within the specialized senior segments can be compared to the demographic estimates and projections to see the share of the primary target market that can be served. Adjustments to the senior population and the number of senior-headed households will be made for each of the different housing types reviewed.

<i>Key Takeaway</i>	
Housing with Services	Esri estimates there were more than 4,200 seniors, age 75 and above in Greater Mankato in 2019 which was up by 600 since 2010. 2,850 households containing seniors were estimated in 2019 also, up by 390 since 2010. In the MSA, Esri estimated 6,695 seniors over 75 were living among 4,490 households: up by 840 (14.4%) and 491 (12.3%) from 2010 respectively. By 2024, Esri projects there will be 5,000 seniors in Greater Mankato living among 3,380 senior households showing increases of 780 people and 525 households. Esri is projecting similar increases for the MSA.

A full inventory of Senior Housing With Services Facilities completed by Community Partners Research can be seen in the Mankato Housing Study Update – 2020 at the following link:
<https://www.mankatomn.gov/home/showpublisheddocument/5095/637568635910030000>