

City of Duluth 2010 Housing Indicator Report

Released: April 15, 2011



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I. DEMOGRAPHICS

Household Trends

According to the 2010 U.S. Census, the population count in the City of Duluth was stable for the past decade. The 2000 population was at 86,319 and the 2010 population was at 86,265. Although this was a slight decrease (54 people or 0.06%), this amount was not as significant as previous population changes. From 1980 to 1990 there was an 8% decrease and from 1990 to 2000 there was a population increase of 10%.



During this time, the number of housing units increased from 36,994 to 38,208. This increase in the number of housing units is attributed to smaller household sizes. The average household size in 2000 was 2.26, and the Minnesota State Demographer estimates the 2010 household size in the City of Duluth to be 2.16.

Table 1. Historical Population and Number of Households

	1950	1960	1970	1980	1990	2000	2010
Population	104,511	106,884	100,578	92,811	85,493	86,319	86,265
Households	30,873	34,491	33,384	35,363	34,646	35,500	NA

Source: U.S. Census

The 2000 Census showed the population in Duluth to be at 86,918, which erroneously included the Federal Prison in Hermantown, the actual population number was 86,319. When the 86,918 number is used as comparison, the population slightly dropped in 2010 to 86,265.

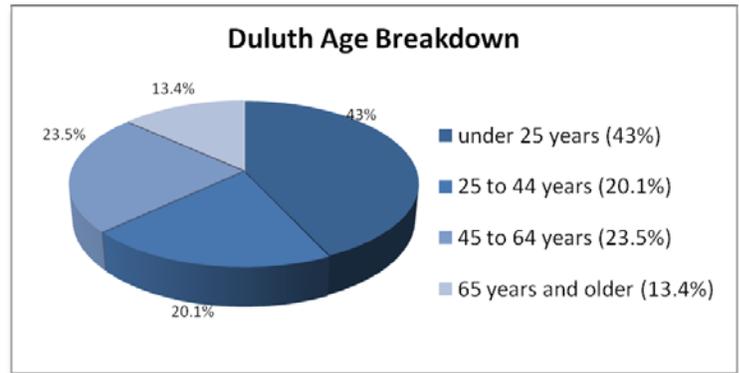
As of March 2011, the U.S. Census has released only limited information. To assist in comparing growth trends, information from the American Community Survey is also shown for comparison.

Table 2. Demographic Shifts in the City of Duluth

	1980	1990	2000	2009 Estimation	2010 (Census)
Population	92,811	85,493	86,918 (inc. prison) 86,319 (corrected)	85,530	86,265
Person > 65	14,367 (15.4%)	18,504 (21.9%)	13,147 (13.6%)	11,344 (13.4%)	NA
Number of Households	35,363	34,646	35,500	35,856	NA
Average Household Size	2.51	2.36	2.26	2.16	NA
Number of Housing Units	37,090	36,022	36,994	38,288	38,208
Owner Occupied Units	22,816	22,275	22,773	21,468	NA
Renter Occupied Units	12,547	12,288	12,727	14,388	NA
Vacant Units	1,701	1,459	1,494	2,432	2,503
Occupied Housing Units	35,363	34,563	35,500	35,856	35,705

Source: U.S. Census, 2005-2009 American Community Survey

According to the U.S. Census Bureau, American Communities Survey Demographic and Housing Estimates: 2009, Duluth is estimated to have more than 20,000 “baby boomers,” approximately 23% of the population. The baby boomer generation is identified by the U.S. Census Bureau as those persons born after World War II, from 1946 to 1964, although some break it down into varying degrees of this generation, i.e. early and late baby boomers. According to the MetLife Mature Market Institute 2009, 55+ Housing: Builders, Buyers, and Beyond report, nationally approximately two-thirds of baby boomers own their own homes.



Source: 2009 American Community Survey

The median age of Duluth is 32.2 years, according to the American Community Survey. The median age of Minnesota is 37.0 years; therefore, a higher portion of Duluth’s population is younger than the state average.

Poverty

The level of poverty in Duluth is at 20.1% according to the 2005-2009 American Community Survey, which is higher than the nation’s rate of 14.3% and the state’s rate of 10.9%. The level in poverty in other Minnesota cities is 21.5% in Minneapolis, 27.5% in Mankato, 21.4% in St. Cloud, and 9% in Rochester.

Table 3. Duluth Poverty

Duluth Poverty Numbers	1980	1990	2000	2009 Estimate
Total Number of Person Living Below Poverty Level	10,767	13,578	12,627	15,835
Percentage of Population Living Below Poverty Level	11.6%	15.9%	15.5%	20.1%

Source: U.S. Census, 2005-2009 American Community Survey

In addition, the U.S. Census states that 25.6% of the population in Duluth is at 125% of poverty level. The poverty level is a threshold that varies by family size and composition is defined by the U.S. Census Bureau. Community Action of Duluth, in the 2007 *Duluth’s Blueprint to End Poverty Report*, indicates that nearly one in three people (31%) residing in Duluth struggle to get by on a daily basis. The report notes that “12,600 people meet the federal definition of poverty, which is defined as earning annually less than \$20,650 for a family of four” and “another 14,500 are eligible for government assistance such as free or reduced lunch, energy assistance and more.”

The higher poverty level disproportionately affects children and minorities. As indicated in the 2007 *Community Impact Report* completed by the United Way of Greater Duluth, the poverty rate in Duluth for American Indians is 49%, African Americans 19.5%, and for children under the age of five 20.9%. The report indicated that 38% of Duluth school children are eligible for the Free and Reduced Price Lunch Program, compared to the Minnesota average of 30%.

The FPL (Federal Poverty Level) is a common measure used to define low-income status or the “working poor.” According to the U.S. Department of Health and Human Services (HHS), for 2010, an individual is considered living in poverty if they earn at or below \$10,890 annually. The United Way of Greater Duluth Community Impact Report also reports that the vast majority of people without health insurance in Greater Minnesota are people with jobs and that the cost of living has outpaced wage growth resulting in more employed people living in poverty and unable to make ends meet.

Table 4. 2010 Poverty Income Guidelines

Persons in family	Federal Poverty Guideline
1	\$ 10,890
2	\$ 14,710
3	\$ 18,530
4	\$ 22,350
5	\$ 26,170
6	\$ 29,990
7	\$ 33,810
8	\$ 37,630

Source: U.S. Department of Health and Human Services, 2010

According to the U.S. Census Bureau, 2005-2009 American Community Survey, the latest data available, estimated that 20.1 % of the Duluth population live below the poverty level (the U.S. Census Bureau uses slightly different standards for identifying the poverty level than the HHS). The survey also indicated that while 20.2 % of children (under 18 years old) lived below the poverty level, only 9.6 % of people 65 years and older lived below the poverty level. Although the 2005-2009 survey indicated that 11.2 % of all families lived below the poverty line, the percent of families with a female head of household, and no husband present and living below the poverty line, is at 37.6 %. This percentage increased from the 2007 survey which indicated that 32.3 % of families with a female head of household, no husband present, lived below the poverty line.

Homelessness

A number of factors contribute to homelessness. In a statewide survey of homeless people conducted by the Wilder Research Foundation every three years, and most recently in 2009, people interviewed in Duluth cited various reasons for leaving their permanent housing. The most common reasons for leaving included ‘could not afford the rent’ (39%), ‘lost my job’ (37%), ‘eviction’ (36%) and ‘breakup with spouse or partner’ (27%).

Table 5. Homeless Sheltered in Duluth

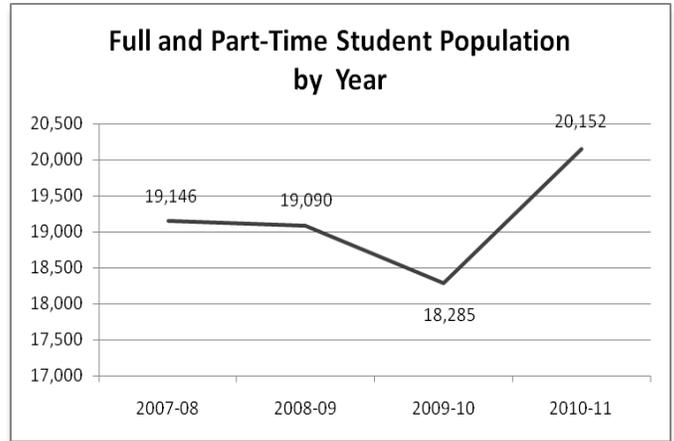
	2005	2006	2007	2008	2009	2010
Emergency Shelters	1,468	1,400	1,818	1,890	1,847	1,835
Transitional Housing	368	351	305	277	349	363

Source: City of Duluth, Community Development Division (Numbers reported represent the majority—but not all—shelter and transitional housing providers).

Each night in Duluth, as many as 300 homeless men, women and children seek refuge in emergency shelters, battered women’s shelters and transitional housing facilities. Others sleep on a friend’s couch, in their car, or outdoors. Currently in Duluth, there are five organizations that provide emergency shelter and services to individual men and women, to battered women and to families with children. Through these organizations, there are 125+ beds available on any given night for the homeless. For homeless people transitioning from emergency shelters or “the streets” to permanent housing, there are seven organizations that provide transitional housing and services, with a total 174 beds available. Agencies that provide housing and supportive services for homeless persons assist more than 1,500 homeless persons each year in Duluth.

Student Housing

Higher education students in Duluth represent a significant portion of the population and play a noteworthy role in the supply and demand of housing in Duluth. Cities with one or more major colleges often have diverse impacts on rental vacancy rates, neighborhood development, and other housing aspects. In the 2010-2011 school year, the three major higher education colleges, College of Saint Scholastica (CSS), Lake Superior College (LSC), and the University of Minnesota Duluth (UMD) reported the following:



Source: LSC, CSS, and UMD

- There were a total of 20,152 students; 16,377 of which were full time and 3,775 were part time.
- 4,230 students lived on campus at UMD or CSS in student apartments and dormitories.

For comparison, in the 2009-2010 school year there were 14,350 full-time students and 3,935 part-time students, for a total count of 18,285. The student population has increased by 1,867 students since the 2009-2010 school year.

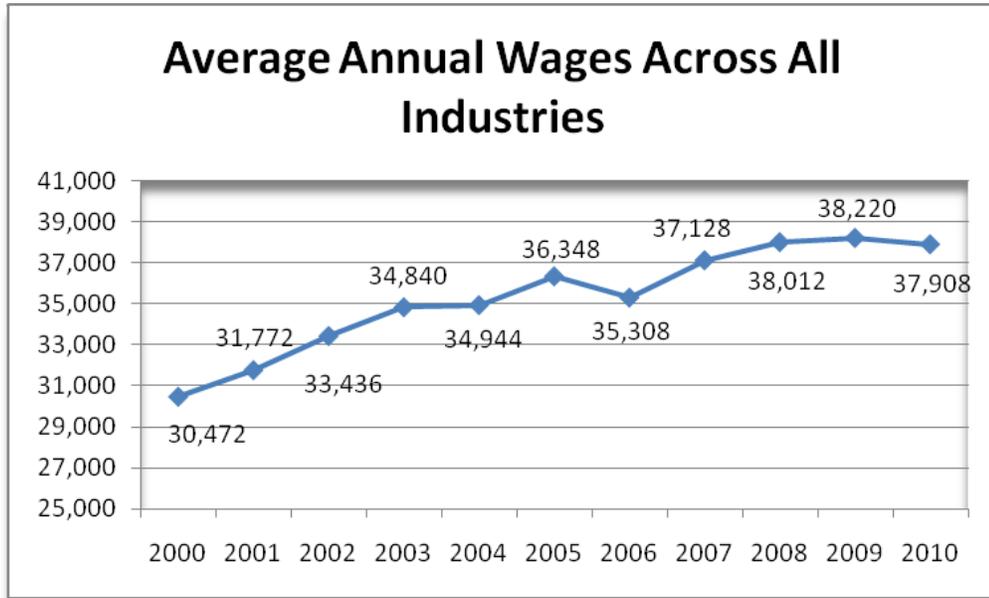
Demographic Summary

- The city's population from 2000 to 2010 was stable, according to the U.S. Census. There was only a slight decrease of 54 people or 0.06%. The 2010 population count was 86,265 people.
- According to the Minnesota State Demographer's Office, the estimated number of households increased from 35,601 in 2001 to 36,624 households in 2009.
- In the 2007 *Duluth's Blueprint to End Poverty Report*, it was indicated that nearly one in three people (31%) who reside in Duluth struggle to get by on a daily basis. The report notes that 12,600 people meet the federal definition of poverty, which is defined as earning less than \$20,650 annually for a family of four and another 14,500 are eligible for government assistance such as free or reduced lunch, energy assistance and more.
- The 2007 *Community Impact Report* indicated that 38% of Duluth school children are eligible for the free and reduced lunch program, higher than the Minnesota average of 30%.
- Higher education students in Duluth represent a significant portion of the population and play a noteworthy role in the supply and demand of housing in Duluth. Over 20,000 full- and part-time students are enrolled at higher education institutions in Duluth.
- According to the 2009 American Communities Survey by the U.S. Census Bureau, Duluth is estimated to have more than 22,000 "baby boomers," approximately 23% of the population. As they age and retire, many baby boomers will be looking to downsize their housing, relocate to warmer climates, and/or move to nursing or assisted living homes. This may have an impact on the housing market and the demand for additional medical services in Duluth.

II. EMPLOYMENT TRENDS

Wages

Workers in the City of Duluth have had an increase in wages over the years. Between 2000 and 2010, the average annual wage increased by 24.4% percent, from \$30,212 (2000) to \$37,908 (2010).



Source: Minnesota Department of Employment and Economic Development (DEED), Quarterly Census of Employment and Wages, 3rd Quarter Wages

Table 7. Average Wage for Other Locations

Annual Average Wage	2000	2010	Change 2000-2010
City of Duluth	\$30,212	\$37,908	24.40%
St. Louis County	\$28,902	\$37,232	28.80%
City of Minneapolis	\$41,734	\$57,044	36.70%
City of St. Paul	\$45,411	\$48,932	7.80%
City of St. Cloud	\$28,496	\$40,976	44%
City of Mankato	\$26,364	\$33,852	28%
State of Minnesota	\$35,416	\$45,448	28.30%
United States	\$34,268	\$46,228	35%

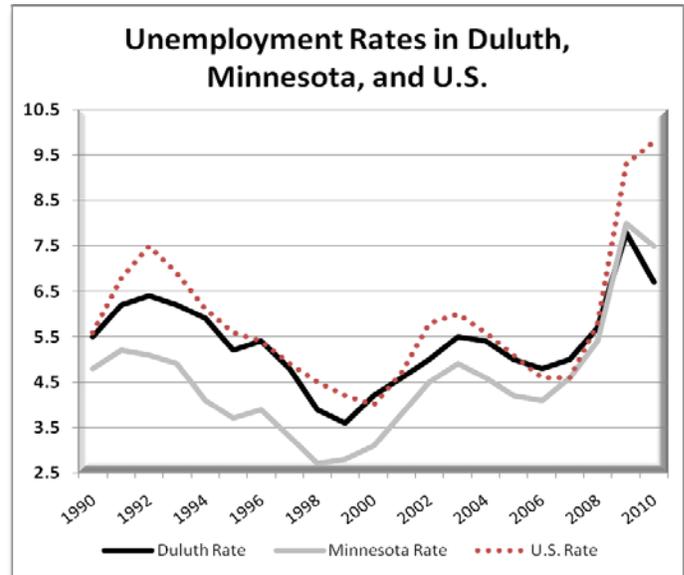
As stated earlier, these communities had a decrease in average wage amount from 2008 to 2009. From 2009 to 2010, the average wage in Duluth increased by 2.4%.

According to *InflationData.com*, the rate of inflation between 2000 and 2010 was 25.7%. The average wage for the City of Duluth was less than the inflation rate in the past decade.

Source: MN Department of Employment and Economic Development

Labor Force and Unemployment

The following table shows Duluth unemployment and labor force data from 1990 through 2010. Duluth's labor force expanded from 1990 to 2010, for a net gain of 4,779 or 11.6%. The unemployment rate for Duluth was at its highest in 2009 (7.8%) and at its lowest in 1999 (3.2%). The unemployment rate for Duluth was 6.7% in 2010. The 2010 unemployment rate in Duluth was close to the unemployment rate for the Twin Cities Metro Area (6.5%) and was less than the rate in the Duluth-Superior Metro Area (7.4%), Minnesota (7.5%), and the United States (9.8%).



Source: Minnesota Department Employment and Economic Development

Table 7. Duluth Labor Force and Unemployment 1990-2010 Comparisons (Averages)

Year	Duluth Labor Force	Duluth Unemployment	Duluth Unemployment Rate	Duluth Superior MSA Rate	Twin Cities Metro Rate	Minnesota Unemployment Rate	U.S. Rate
1990	41,183	2,267	5.5%	6.4%	4.1%	4.8%	5.6%
1991	42,445	2,614	6.2%	7.2%	4.6%	5.2%	6.8%
1992	43,196	2,780	6.4%	7.8%	4.5%	5.1%	7.5%
1993	42,847	2,647	6.2%	7.5%	4.2%	4.9%	6.9%
1994	43,620	2,583	5.9%	6.7%	3.3%	4.1%	6.1%
1995	44,731	2,347	5.2%	5.8%	2.9%	3.7%	5.6%
1996	45,010	2,416	5.4%	5.7%	3%	3.9%	5.4%
1997	44,970	2,138	4.8%	5.1%	2.5%	3.3%	4.9%
1998	45,141	1,745	3.9%	4.3%	2.1%	2.7%	4.5%
1999	44,945	1,607	3.6%	4.1%	2.2%	2.8%	4.2%
2000	45,505	1,899	4.2%	4.4%	2.7%	3.1%	4%
2001	45,660	2,101	4.6%	5.7%	3.5%	3.8%	4.7%
2002	45,792	2,298	5%	5.8%	4.4%	4.5%	5.8%
2003	45,698	2,493	5.5%	6.2%	4.7%	4.9%	6%
2004	45,186	2,458	5.4%	5.8%	4.4%	4.6%	5.6%
2005	44,702	2,239	5%	5.3%	3.9%	4.2%	5.1%
2006	44,782	2,143	4.8%	5.1%	3.8%	4.1%	4.6%
2007	45,250	2,259	5%	5.5%	4.3%	4.6%	4.6%
2008	45,865	2,633	5.7%	6.2%	5.2%	5.4%	5.8%
2009	46,050	3,597	7.8%	9.1%	7.8%	8%	9.3%
2010	45,962	3,094	6.7%	7.4%	6.5%	7.5%	9.8%

Source: Minnesota Department Employment and Economic Development, Local Area Unemployment Statistics

The level of wages in Duluth is crucial for maintaining a healthy economy. Wages serve as a critical component to help define affordable housing opportunities for Duluth's working residents. According to HUD, the reasonable amount one can afford to pay for living accommodations should not exceed 30% of a household's gross income. The following tables summarize Duluth's current wage levels by all sectors occupation classification from the 3rd quarter of 2001, 2009, and 2010.

Table 8. Private Sector Employment and Wages

Industry	3 rd Quarter 2000 Employees	3 rd Quarter 2009 Employees	3 rd Quarter 2010 Employees	Change 2001 to 2010	3rd Quarter Wages 2000	3rd Quarter Wages 2009	3rd Quarter Wages 2010	Change 2001 to 2010
Construction (23)	2,641	2,288	2,064	-27.96%	\$769	\$1,108	\$989	28.61%
Manufacturing (31)	3,461	2,888	2,740	-26.31%	\$701	\$886	\$913	30.24%
Utilities (22)	788	686	695	-13.38%	\$1,186	\$1,395	\$1,361	14.76%
Wholesale Trade (42)	1,712	1,144	1,157	-47.97%	\$686	\$876	\$882	28.57%
Retail Trade (44)	7,209	6,254	6,287	-14.67%	\$347	\$403	\$410	18.16%
Transportation and Warehousing (48)	2,755	1,264	1,249	-	\$688	\$954	\$1,054	53.20%
Finance and Insurance (52)	2,069	2,236	2,151	3.81%	\$971	\$1,256	\$1,227	26.36%
Real Estate and Rental and Leasing (53)	697	678	704	0.99%	\$340	\$444	\$481	41.47%
Professional and Technical Services (54)	1,840	2,079	2,000	8.00%	\$729	\$980	\$1,029	41.15%
Management of Companies and Enterprises (55)	846	677	717	-17.99%	\$798	\$1,150	\$1,310	64.16%
Administrative and Waste Services (56)	1,987	2,154	2,105	5.61%	\$361	\$491	\$438	21.33%
Educational Services (61)	4,443	4,575	4,663	4.72%	\$644	\$885	\$888	37.89%
Health Care and Social Assistance (62)	12,670	17,395	17,353	26.99%	\$651	\$773	\$766	17.67%
Arts, Entertainment, and Recreation (71)	1,431	1,205	1,239	-15.50%	\$272	\$310	\$305	12.13%
Accommodation and Food Services (72)	5,570	5,991	5,946	6.32%	\$218	\$258	\$262	20.18%
Other Services, Excl. Public Admin (81)	2,013	1,855	1,871	-7.59%	\$333	\$401	\$411	23.42%
Public Administration (92)	4,176	3,650	3,783	-10.39%	\$825	\$1,043	\$1,004	21.70%
Total Employment/ Average Wages	58,218	58,413	57,806	-0.71%	586	735	729	24.40%

Source: Minnesota Department Employment and Economic Development, QCEW

Employment Trends Summary

- The 2010 labor force reported in Duluth was 45,962, a slight decrease from 2009.
- The annual average unemployment rate reported in Duluth during 2010 was 6.7, an improvement from 2009.
- Between 2000 and 2010, the average wages increased 24.40%, from \$30,472 (2000) to \$37,908 (2010).
- Between 2000 and 2010, the rate of inflation was 25.7%.
- Health Care and Social Assistance employs the highest number of workers (17,353) followed by Retail Trade (6,287), Accommodation and Food Services (5,946), and Education (4,663).

III. HOMEOWNERSHIP TRENDS

Homestead and Non-Homestead Units

According to the City Assessor’s Department as of December 31, 2010, there are a total of 22,788 (60%) homesteaded and 15,073 (40%) non-homestead units in Duluth. It should be noted that the status of housing units can be continually in flux, and can change from year to year. For example, single family units may have been homesteaded units in one year and a rental unit the next year or vice versa, but the data gives a good snapshot of what is happening with housing and homeownership within Duluth.

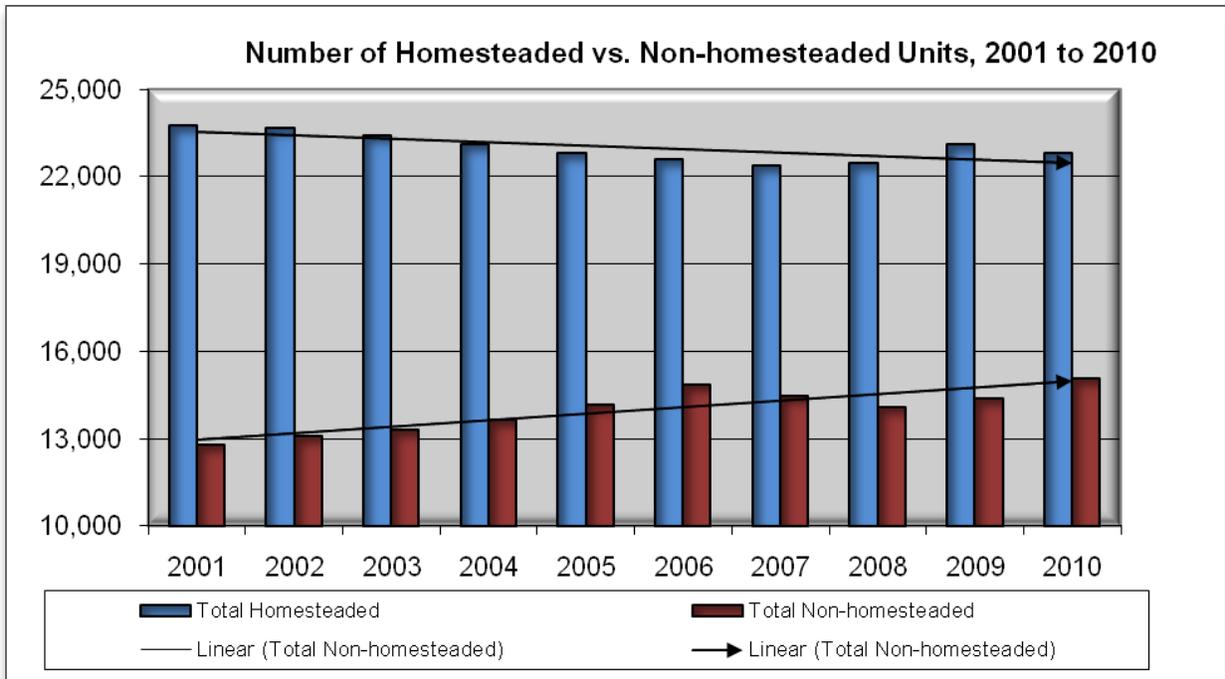
Table 9. Number of Homesteaded Units vs. Non-Homesteaded Units

	2001	2005	2009	2010
Total Homesteaded	23,754	22,812	23,116	22,788
1 unit	21,289	20,688	21,157	20,988
2 unit	1,790	1,628	1,544	1,448
3 unit	309	249	222	195
4 or more units	366	247	193	157
Homestead %	65%	62%	62%	60%
Total Non-homesteaded	12,791	14,133	14,360	15,073
1 unit	1,893	2,804	3,887	4,280
2 unit	1,652	1,914	2,232	2,222
3 unit	606	672	645	645
4 or more units	8,640	8,743	7,596	7,926
Non-homesteaded %	35%	38%	38%	40%
Total Homesteaded & Non-homesteaded units	36,545	36,945	37,476	37,861

Source: Duluth City Assessor Data, December 31, 2010

NOTE: Tax Exempt housing properties such as public housing units, State of Minnesota units, and units classified as “Seasonal, Recreational” or “Low Income Rental” housing properties are not included in these numbers. Due to the ongoing data clean-up and change in computer software in the Assessor’s office, total accuracy cannot be guaranteed, but each year under the new system and as other city databases get tied together accuracy is being improved.

The percentage of homesteaded units in Duluth is currently at 60%. This is a decrease from 2009 levels (62%), and part of a gradual decrease from the 2001 level of 65%. The 2007-2009 American Community Survey, produced by the U.S. Census Bureau, estimates that the overall homeownership rate was higher in the United States (66.4%) and significantly higher in the State of Minnesota (74.2%). According to the U.S. Census, homeownership in Minnesota was 74.6% in 2000, showing that over the past decade, the homeownership rate in Minnesota has remained stable, while Duluth’s homeownership rate has decreased by 5% over a similar timeframe. Recent studies prompted by the recession and troubled housing market argue that communities with lower homeownership rates and quality rental housing are more prosperous than those with high homeownership. In these scenarios, renters have more flexibility in relocating to areas with employment opportunities, which can increase the population base of a community. A neighborhood with a healthy balance of homeownership and rental property is the most advantageous scenario for a community. The long term trend over the last nine years is a slow decrease in the number of homestead units with a subsequent slow increase in the number of non-homestead units.

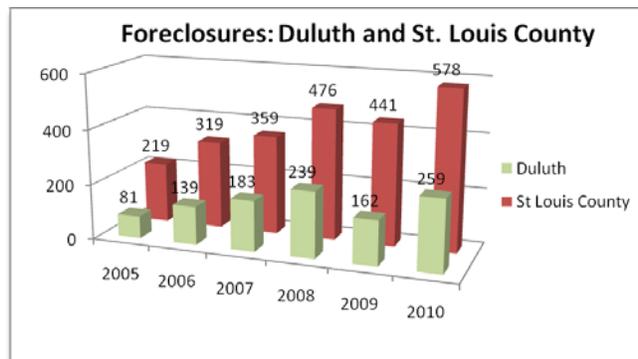


Source: City of Duluth Assessor’s Office

Home Foreclosure in Duluth

Another indicator of the housing market that has come to the forefront recently is home mortgage foreclosures. Since 2005, home mortgage foreclosures have skyrocketed statewide, from 6,466 in 2005 to 25,673 in 2010 in Minnesota. The graph below shows that the 578 homes went into foreclosure in St. Louis County and 259 in Duluth during 2010.

While the number of mortgage foreclosures in Duluth and Northern Minnesota appears significant, the overall levels are relatively small compared to other parts of the country. Still, this is an area of concern as some of the homes in foreclosure are being abandoned and/or are left vacant. According to the report “Foreclosures in Minnesota” prepared by Housing Link, the 25,673 foreclosures in 2010 approached the 2008 high of 26,251. In 2010, 1.42% of all residential parcels in Minnesota experienced a foreclosure.



Source: St. Louis County

The impact of foreclosures in a community can be quite significant. Properties in foreclosure tend to remain vacant for a period of time, and can be vandalized and/or fall into disrepair, creating blight that can affect an entire neighborhood, and then becoming an undesirable place to live. As seen in the neighborhood foreclosure numbers, families living in rental housing are also at risk of losing their housing when the foreclosures hit the multi-family housing stock.

Single Family Home Market Value

Over the past ten years in Duluth, single family home market values have fluctuated greatly given the “housing boom” in the early part of the decade followed by the recession in the late part of the decade. The average market value was \$157,000 in 2005, and jumped up to \$165,900 in 2008 but has since declined. In 2009 the average market value was \$159,000 and in 2010 the average market value slumped to \$154,000.

Single Family Home Sales in Duluth

Data regarding the sale of single family homes in Duluth was collected from two sources, the City Assessor’s Office and the Duluth Area Association of REALTORS (DAAR). The Assessor’s data reflects 2009 valid home sales as recorded in the St. Louis County Recorders Office during the calendar year and does not include reject sales which had extenuating circumstances (e.g. family sales, short sales). Data collected by the DAAR reflects home sales as reported by member Realtors and may not include all sales; this is an important distinction to note, therefore, the number of homes reported as sold in a given year will differ between these two sources.

The following table reflects “valid single family home sales” data reported by the Duluth Assessor’s Office. Sales not considered “valid” include; relative sales, trade or gift sales, bank sales, or forced sales. According to this data, the overall average sales price and the median sales price in Duluth changed very little from the previous year. From 2009 to 2010, the median sales price citywide dropped over \$5,000, from \$143,200 to \$137,850, approximately 4% decrease. The change in the average sales price went from \$174,100 to \$160,863, a decrease of nearly 8%. The total number of valid sales in 2010 decreased, from 692 in 2009 to 642 in 2010 (a change of 7%).

Table 11. Single Family Home Sales

Single Family Home Sales	2001	2005	2009	2010
No. Valid Sales	1,097	1,573	692	642
Average price	\$109,587	\$159,662	\$174,100	\$160,863
Median price	\$92,000	\$140,000	\$143,200	\$137,850
No. of 1 bedroom	130	212	14	16
Average price	\$90,408	\$152,962	\$100,088	\$117,849
No. of 2 bedrooms	320	483	205	169
Average price	\$99,378	\$136,578	\$139,824	\$136,668
No. of 3 bedrooms	490	680	305	299
Average price	\$108,655	\$160,725	\$162,550	\$155,698
No. of 4 bedrooms	115	155	107	92
Average price	\$138,055	\$194,240	\$237,439	\$216,738
No. 5 + bedrooms	42	43	34	23
Average price	\$179,657	\$310,507	\$273,359	\$257,825

Source: Duluth Assessor Data - Data reported is deemed reliable, but complete accuracy cannot be guaranteed.

According to DAAR, in 2010 the Congdon and Hunters Park neighborhoods had the highest priced median residential home sales. The median sales price for homes in the Congdon neighborhood was \$280,000, while the median sales price for homes in the Hunters Park neighborhood was \$171,500. In contrast, the neighborhoods where the homes sold at the lowest prices were Lincoln Park, East End (East Hillside), and Fond du Lac/Gary/New Duluth. The median sales price in all of these neighborhoods was less than \$100,000. Lakeside/Lester Park neighborhood had the most listings sold (116).

Table 12. Sold Market Analysis

DAAR Sold Market Analysis 2010 Residential Property Sales	Number of Listings	Average Sales Price	Median Sales Price	Average Days on Market
Fond du Lac/Gary/New Duluth	31	\$94,998	\$88,000	72
Riverside/ Smithville/ Morgan Park	33	\$89,706	\$90,000	65
Denfeld/ Spirit Valley/ Norton Park	103	\$91,049	\$91,000	70
Piedmont	72	\$181,119	\$150,000	83
Downtown	14	\$224,689	\$154,700	72
Duluth Heights	56	\$168,444	\$166,000	73
East End	43	\$86,690	\$89,900	74
Observation Hill	14	\$112,743	\$94,950	98
Kenwood	56	\$152,136	\$123,550	87
Park Point	4	\$174,725	\$147,000	135
Airpark	1	\$109,500	\$109,500	89
Chester Park	45	\$127,541	\$124,000	64
Congdon	43	\$286,558	\$280,000	90
Hunters Park	42	\$190,674	\$171,500	74
Lakeside/ Lester Park	116	\$164,202	\$145,000	65
Woodland/Pleasantview	55	\$177,482	\$149,900	55
Lincoln Park	47	\$72,094	\$80,000	85
Proc/Midway/Bay	51	\$142,167	\$128,700	71

Source: Based on information from the Duluth Area Association of REALTORS for the time period January 1, 2010 to December 31, 2010. This may not reflect all activity in the market.

Table 13. Change in Median Sale Price by Neighborhood, Residential Properties

Neighborhoods	2009 Median Sales Price	2010 Median Sales Price	Change in Median Sales Price
Fond du Lac/Gary/New Duluth	\$84,250	\$88,000	4.45%
Riverside/ Smithville/ Morgan Park	\$93,000	\$90,000	-3.23%
Denfeld/ Spirit Valley/ Norton Park	\$104,000	\$91,000	-12.50%
Piedmont	\$136,000	\$150,000	10.29%
Downtown	\$103,500	\$154,700	49.47%
Duluth Heights	\$148,500	\$166,000	11.78%
East End	\$80,500	\$89,900	11.68%
Observation Hill	\$114,950	\$94,950	-17.40%
Kenwood	\$145,000	\$123,550	-14.79%
Park Point	\$144,900	\$147,000	1.45%
Airpark	n/a	\$109,500	n/a
Chester Park	\$120,400	\$124,000	2.99%
Congdon	\$241,100	\$280,000	16.13%
Hunters Park	\$180,000	\$171,500	-4.72%
Lakeside/ Lester Park	\$147,000	\$145,000	-1.36%
Woodland/Pleasantview	\$150,500	\$149,900	-0.40%
Lincoln Park	\$72,500	\$80,000	10.34%
Proc/Midway/Bay	\$115,000	\$128,700	11.91%

Source: Based on information from the Duluth Area Association of REALTORS for the time period January 1, 2010 to December 31, 2010. This may not reflect all activity in the market.

Looking at the residential properties sales only, the overall average number of days on the market increased from 2009 to 2010 by 11 days (from 62 to 73). The average days on market varied by neighborhood; from 55 average days in the Woodland/Pleasantview neighborhood, to 135 days in the Park Point neighborhood.

The last few years have seen tremendous changes in the housing market nationwide. Duluth has not been immune to these changes. Previous years have seen decreasing median sales prices, however as Table 14 indicates, from 2009 to 2010 the median sale price increased in ten neighborhoods and decreased in seven neighborhoods.

Residential Income Property Sales

DAAR also tracks sales on residential income (rental) properties. As indicated in the chart below, Lincoln Park and East End (East Hillside) had the largest number of listings, while those properties located in the Piedmont, Kenwood, and Lakeside/Lester neighborhoods had the highest median sales price.

Table 15. Residential Income Properties, Sold in 2010

SALES	Number of Listings	Average Sales Price	Median Sales Price	Average Days on Market
Riverside/ Smithville/ Morgan Park	4	\$75,889	\$68,000	21
Denfeld/ Spirit Valley/ Norton Park	7	\$90,182	\$92,700	88
Piedmont	1	\$273,810	\$273,810	48
Downtown	5	\$188,738	\$97,000	67
East End	12	\$101,915	\$82,450	79
Observation Hill	7	\$110,057	\$120,000	65
Kenwood	2	\$163,000	\$163,000	80
Chester Park	4	\$122,363	\$124,000	57
Lakeside/Lester	1	\$146,000	\$146,000	17
Lincoln Park	14	\$72,762	\$71,500	59
Proc/Midway/Bay	1	\$85,000	\$85,000	212

Source: Based on information from the Duluth Area Association of REALTORS for the time period January 1, 2010 to December 31, 2010. This may not reflect all activity in the market.

Age of Housing Stock

The majority of Duluth's housing stock was built more than 50 years ago. When compared to similar Greater Minnesota Cities, the relative age of the housing stock becomes very apparent. The majority of this housing stock is located in the older, core neighborhoods of Duluth, where there is also a higher percentage of low to moderate income people. The average lifespan of a house, according to the U.S. Department of Housing and Urban Development (HUD) guidelines, is 40-50 years without significant

Table 14. Days on Market

YEAR	Residential Sales Average Days on Market
2005	57
2006	93
2007	56
2008	58
2009	62
2010	73

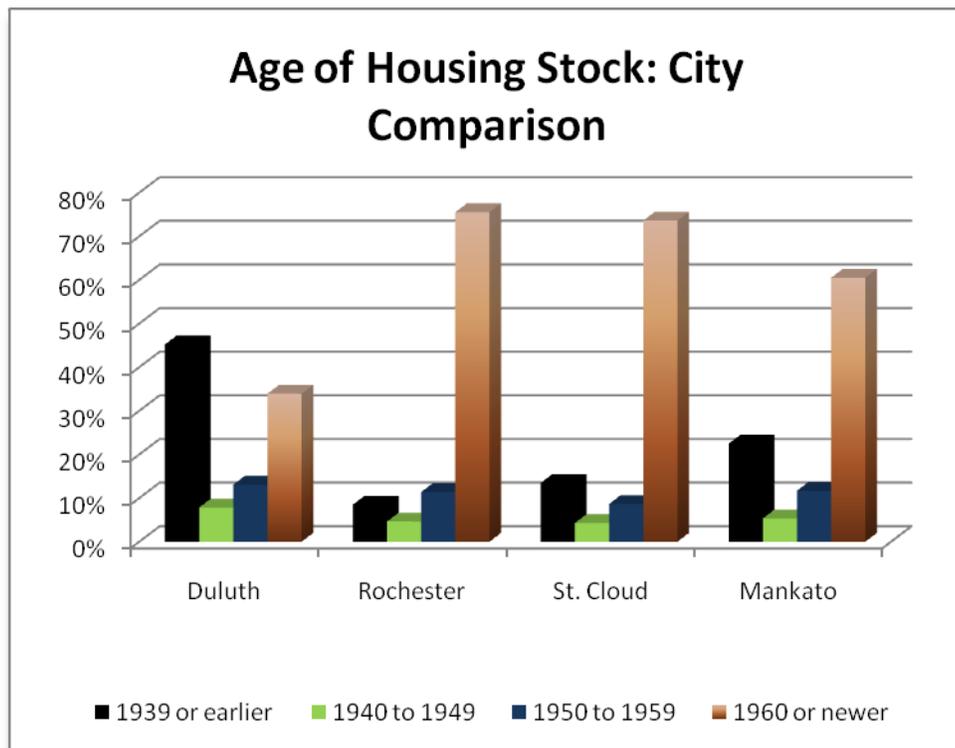
Source: Based on information from the Duluth Area Association of REALTORS for the time period January 1, 2010 to December 31, 2010. This may not reflect all activity in the market.

annual maintenance. When older housing stock lacks routine maintenance, it will become substandard. Census data indicates that the percentage of renters and homeowners experiencing housing problems correlates closely with household income. Housing repair and rehabilitation issues that are not addressed will lead to more condemned housing units that are unsafe for habitation. Given the age of housing stock in Duluth, rehabilitation will continue to be an important effort.

Table 16. Age of Housing Stock, Cities of Duluth, Rochester, St. Cloud, and Mankato

Age of Housing Stock	Duluth		Rochester		St. Cloud		Mankato	
Total Housing Units	38,288		43,488		27,860		15,025	
1960 or newer	12,987	33.9%	32,846	75.5%	20,506	73.6%	9,091	60.5%
1950 to 1959	5,004	13.1%	4,947	11.4%	2,409	8.6%	1,757	11.7%
1940 to 1949	2,994	7.8%	2,007	4.6%	1,191	4.3%	801	5.3%
1939 or earlier	17,303	45.2%	3,688	8.5%	3,754	13.5%	3,376	22.5%

Source: 2005-2009 American Community Survey



Source: 2005-2009 American Community Survey

The graph shows what a tremendous amount of aging homes the Duluth has, as compared to other cities in Minnesota. Duluth has four times the number of homes built prior to 1940 than Rochester and St. Cloud and about twice as many as Mankato. Over 66 percent of Duluth homes are over 50 years old.

Homeownership Trends Summary

- Duluth has a total of 22,788 (60%) homesteaded units and 15,073 (40%) non-homesteaded units.
- From 2009 to 2010, the average estimated market value of a single family housing unit dropped from \$159,000 to \$154,000.
- The median sales price of a single family housing unit decreased about 4% to \$137,850 in 2010 from \$143,200 in 2009.
- The number of valid home sales has dropped, 692 reported in 2009 to 642 in 2010, about a 7% decrease.
- The average number of days a home is on the market has increased, from 62 days in 2009 to 73 in 2010.
- The number of foreclosures has increased from the 2009 levels, from 162 to 259 in 2010, about a 60% increase.
- Over 66 % of homes in Duluth are over 50 years old.

IV. RENTAL HOUSING INDICATORS

2010 Rental and Vacancy Survey

The 2000 Census figures indicate a total of 36,994 housing units in the City, of which 35,500 were occupied, for an overall vacancy rate of 4%, and a rental housing vacancy rate of 3.4%. According to the 2009 American Community Survey estimates, there was a 4.8% vacancy rate in rental units in Duluth, and a 6.4% vacancy rate in all housing units. While the American Community Survey is a good measure of trends year-to-year, there is a sampling error that should be considered.

Table 17. Change from 2000 to 2009

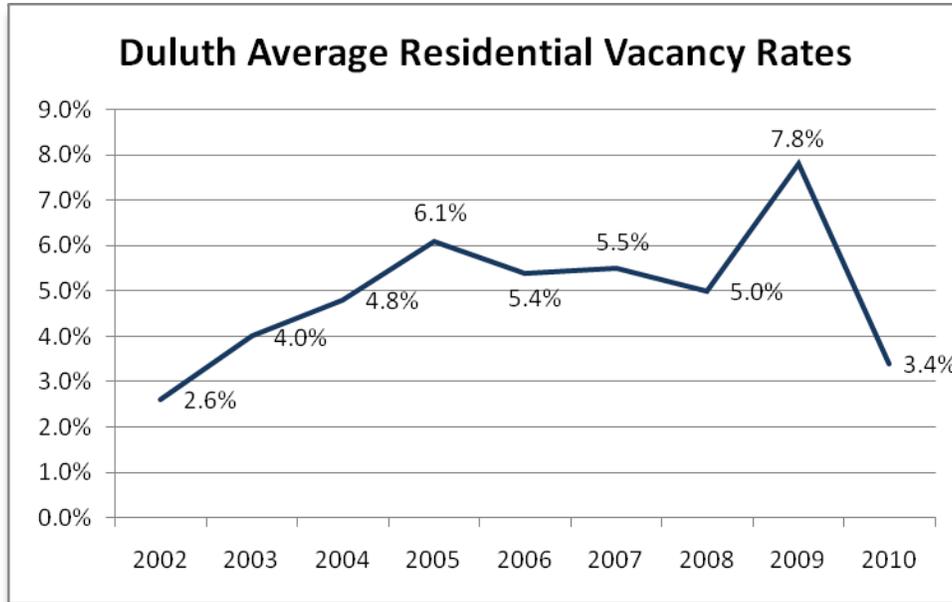
	2000 Census	2009 ACS
Total housing units	36,994	38,288
Occupied housing units	35,500	35,856
Vacant housing units	1,494 (4%)	2,432 (6.4%)
For seasonal, recreational, or occasional use	184	Not reported
Rental vacancy rate (percent)	3.4	4.8
Renter-occupied housing units	12,727	14,388
Total rental housing units	13,181	Not reported
Average household size of renter-occupied units	1.91	1.84

Source: 2000 U.S. Census, 2005-2009 American Community Survey

The City annually conducts a Rental Survey to collect rent rates and vacancy rates. The survey is aggregated and the results are presented in aggregated form by bedroom type, rent range and geographical location. For 2010, survey data was collected on 2,037 units, which is 15% of the total market rate rental market in Duluth (there are 13,301 licensed, private rental units). The response included information on studio apartments (140 units), one-bedroom (923 units), two-bedroom (784 units), three-bedroom (125 units), four-bedroom (44 units), and other unit types (21 units).

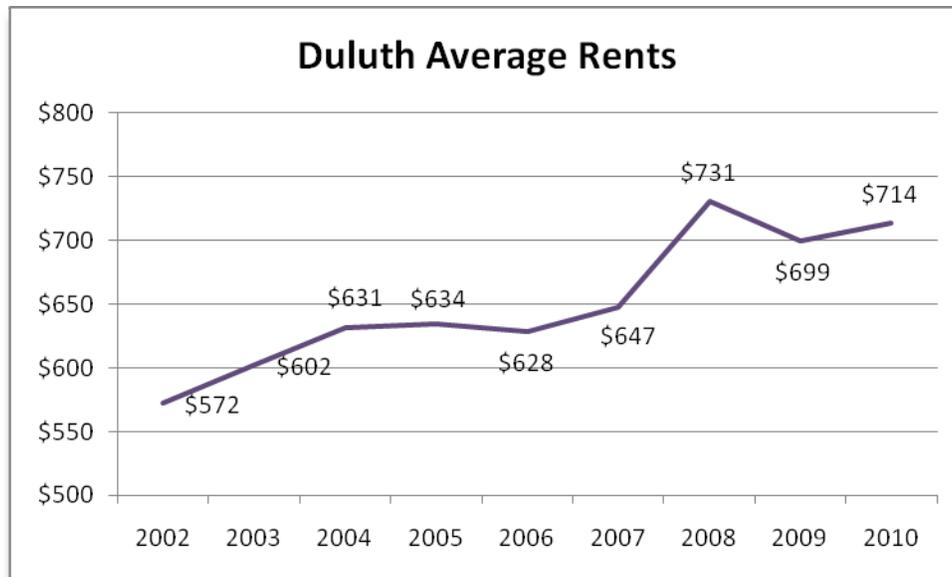
The results of the most recent survey indicate that after steadily increasing from 2002 to 2005 (from 2.6% in 2002 to 6.1% in 2005), Duluth's overall vacancy rate started on a downward trend to a four-year low of 5.0% in 2008 followed by a significant increase again in 2009 to a rate of 7.8%. In 2010 the vacancy rates dropped to 3.4%.





Source: 2010 City of Duluth Rental Survey

Average rent for private residential housing units increased slightly following last year's decrease. In 2007, the average rent in Duluth was the highest it has ever been, at \$731. In 2008, there was a 4% decrease in the average rent to \$699. This year in 2010, the average rent increased up to \$714 per month, which was a 2% increase. This increase is likely due to the low vacancy rate, as rents generally rise when there are less housing units available.



Source: 2010 City of Duluth Rental Survey

Table 18 provides a breakdown of average rents by bedroom size. The survey found that the average rent increased slightly over 2009 levels for most unit types. When broken down by bedroom size the survey shows that the most significant short term rent change was for studio-efficiency units, where the average reported rent increased from \$406 in 2009 to \$477 in 2010 (an increase of 17%). Studio-efficiency units are often occupied with people from low income brackets, which makes this increase more substantial.

For two-bedroom units, the average reported rent declined from \$771 to \$757 (a decrease of about 2%). Overall, from the nine-year period from 2002 through 2010, the average cost of all residential rental units (excluding “other” rental units) increased by 34%.

Table 18. Rent and Number of Bedrooms

Bedroom Size	2002	2005	2009	2010	Change 09 to 10	Change 02 to 10
Efficiency	\$298	\$378	\$406	\$477	17.0%	60.0%
1 Bedroom	\$486	\$557	\$617	\$660	7.0%	36.0%
2 Bedroom	\$676	\$756	\$771	\$757	-1.80%	12.0%
3 Bedroom	\$821	\$885	\$832	\$849	2.00%	3.4%
4 Bedroom	\$704	\$905	\$1,074	\$1,097	2.10%	55.8%
Average (All)	\$555	\$634	\$699	\$714	2.30%	28.8%
Units in Survey	1,416	2,421	2,184	2,037		

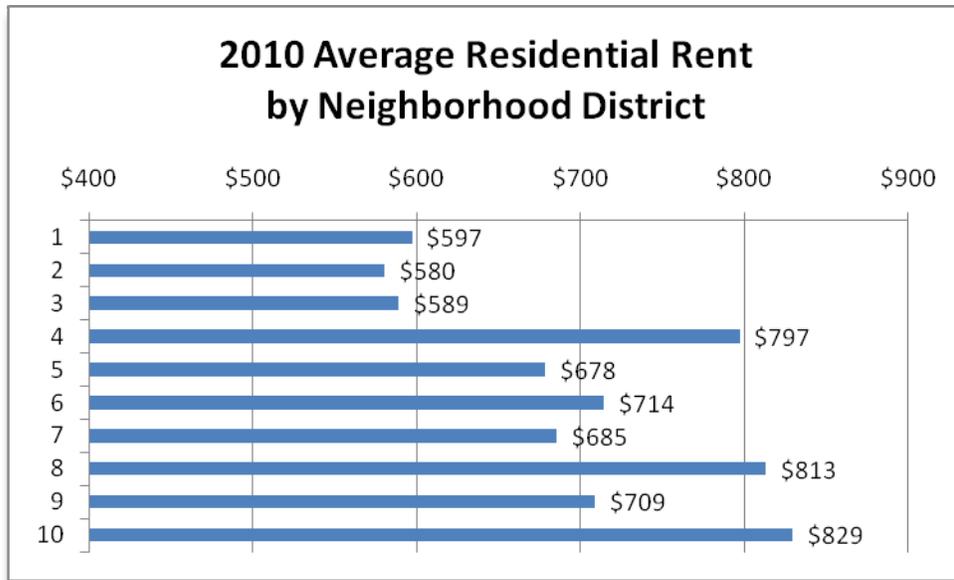
Source: 2010 City of Duluth Rental Survey

The survey found that in 2010, landlords are more likely to pay the utility costs for studio/efficiency, one-bedroom and two-bedroom apartments. The cost difference between the average rental units where the owner pays the utilities and those where the renter pays the utilities are shown on Table 19. As expected, when the owner pays the utilities the rents are higher (except studio/efficiency units), but the percentage varies greatly. The exception for this is with studio/efficiency units, likely due to the small sample size.

Table 19. Rent by Who Pays Utilities

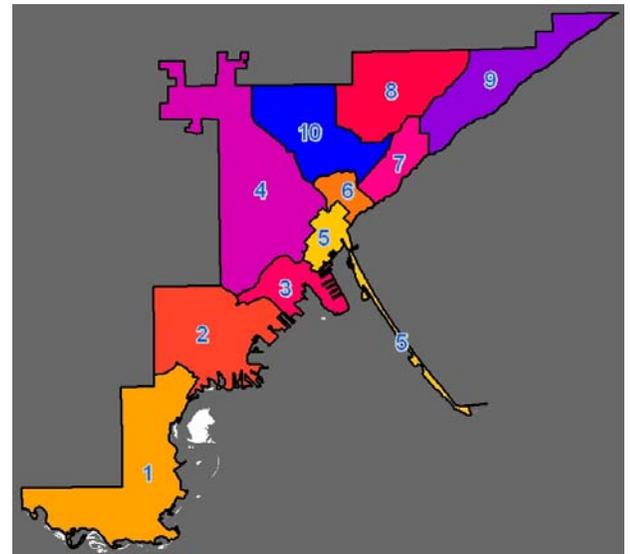
Unit Type	Utilities Paid By	Total Units	Average Rent	Vacancy Rate	Difference in Owner vs. Renter Paid Utilities
Studio/ Efficiency	Owner Paid Utilities	131	\$475	1.5%	-\$40
	Renter Paid Utilities	9	\$515	0.0%	
1 Bedroom	Owner Paid Utilities	707	\$674	2.5%	\$59
	Renter Paid Utilities	216	\$615	0.0%	
2 Bedroom	Owner Paid Utilities	526	\$758	4.6%	\$2
	Renter Paid Utilities	258	\$756	5.4%	
3 Bedroom	Owner Paid Utilities	53	\$896	5.7%	\$81
	Renter Paid Utilities	72	\$815	5.6%	
4 Bedroom	Owner Paid Utilities	7	\$1,121	0.0%	\$28
	Renter Paid Utilities	37	\$1,093	2.7%	

Source: 2010 City of Duluth Rental Survey



Source: 2010 City of Duluth Rental Survey

Duluth Neighborhood Districts



This map indicates the neighborhood district boundaries, a larger one can be viewed in the appendix of this report. While the overall vacancy rate for the city was 3.4%, the vacancy rate varied greatly by neighborhood. According to the 2010 survey, low vacancy rates ranging from 0% to 3% were found in Neighborhood Districts 5 (2.4%), 6 (3.0%), 7 (2.7%), 8 (0%) and 10 (1.7%). The remaining districts had relatively higher vacancy rates: District 1 (6.0%), 2 (7.9%), 3 (7.1%), 4 (4.6%), and 9 (5.7%).

Table 20. Vacancy by Neighborhood District

Neighborhood District	Number of Rental Units Reporting in 2010	Vacancies in 2007	Vacancies in 2008	Vacancies in 2009	Vacancies in 2010
1	83	25.6%	7.7%	16.1%	6.0%
2	76	0.6%	6.7%	3.1%	7.9%
3	99	15.9%	9.5%	9.2%	7.1%
4	388	6.2%	3.5%	6.4%	4.6%
5	291	4.1%	5.7%	9.2%	2.4%
6	395	6.0%	7.8%	7.4%	3.0%
7	332	3.7%	2.7%	7.2%	2.7%
8	6	4.0%	1.7%	-	0.0%
9	39	3.1%	4.0%	11.8%	5.1%
10	119	0.0%	0.0%	0.0%	1.7%

Source: 2010 City of Duluth Rental Survey

Duluth Licensed Rental Properties 2007 – 2010

In 2010, there were a total of 13,301 rental units that were licensed within the City of Duluth. The overall number of licensed rental units increased slightly from 2007 to 2010 (by less than 1%). Also remaining stable is the distribution of units, e.g. the number of single unit rental properties was 2,386 in 2009 and 2,390 in 2010.

Table 21. Licensed Rental Properties, By Year and Unit Size

Units in Structure	2007		2008		2009		2010	
	Total Structures	Total Units						
1-Unit (Single Family)	2,331	2,331	2,341	2,341	2,386	2,386	2,390	2,390
2-Unit (Duplex)	1,621	3,242	1,615	3,230	1,614	3,228	1,579	3,158
3-Unit (Triplex)	296	888	289	867	289	867	283	849
4-Unit (Fourplex)	215	860	214	856	215	860	218	872
5-Units	64	320	62	310	63	315	65	325
6-Units	64	384	64	384	64	384	63	378
7-Units	21	147	22	154	20	140	21	147
8-Units	48	384	48	384	48	384	48	384
9-Units	18	162	18	162	18	162	19	171
10 - 11 Units	18	189	18	189	18	189	19	199
12 - 13 Units	15	184	15	184	16	196	17	209
14 - 15 Units	7	102	7	102	6	87	7	102
16 - 17 Units	6	97	5	80	6	97	6	97
18 - 19 Units	13	236	13	236	13	236	11	200
20 - 29 Units	38	915	38	915	41	982	40	962
30 - 39 Units	15	515	15	515	15	515	15	513
40 - 49 Units	13	574	13	574	12	527	11	484
50 - 74 Units	13	777	13	777	14	846	13	860
75 - 99 Units	3	247	3	247	3	247	3	247
100 - 149 Units	3	317	3	317	3	317	4	441
150 - 199 Units	2	305	2	305	2	305	2	313
TOTALS	4,824	13,176	4,818	13,129	4,866	13,270	4,834	13,301

Source: City of Duluth Building Safety Department, September 2010

Public Housing & Housing Choice Voucher Trends

The Housing and Redevelopment Authority of Duluth (HRA) owns and manages 1,048 units of public housing along with 89 public housing units that are managed by Bowman Properties. The units managed by Bowman Properties are new units developed as part of the HRA HOPE VI project. The Public Housing program was designed to provide decent, affordable housing for low-income families. Participants must meet federal income guidelines and other eligibility criteria. Rent is based on 30% of adjusted gross income. Households on the waiting list for the Public Housing program usually have a shorter waiting period for admission than those on the waiting list for the Housing Choice Voucher (HCV) program.

The Housing Choice Voucher Program (formerly Section 8) is a federal rental assistance program, providing help with rent for families qualifying under very low income guidelines established by the federal government, and certain other criteria. Participants locate housing in the private sector that meets federal housing quality standards (HQS) and rent payment standards established by the HRA. Participants generally pay 30% of their income toward rent, and the balance of the rent is subsidized by the federal government. The HCV program currently has 1,467 housing vouchers available and generally has a higher demand and wait time than the Public Housing program due to the ability to choose the home and neighborhood desired. The overall Public Housing vacancy for 2010 was 1.26%, and the HRA had no unused housing choice vouchers for the year. The amount of time a person can expect to be on the waiting list averages between 18 and 24 months. While this time frame is not uncommon compared to other communities, it places a significant burden on individuals needing immediate housing.

Table 22. Waiting Lists and Vacancy Rates

	2007	2008	2009	2010
Public Housing Vacancy %	3.86%	2.30%	1.30%	1.26%
Public Housing Avg. Waiting List	747	121	121	153
Housing Choice Voucher (unused)	0%	0%	0%	0%
Housing Choice Voucher Avg. Waiting List	1,408	1,617	1,168	1,623

Source: Housing and Redevelopment Authority (HRA)

Table 23. HUD's Housing Choice Voucher Program

By Bedroom Size	2007	2008	2009	2010
0 Bedroom	383	433	433	433
1 Bedroom	498	528	528	528
2 Bedrooms	634	666	666	666
3 Bedrooms	820	836	836	836
4 Bedrooms	965	1,064	1,064	1,064
5 Bedrooms	1,120	1,224	1,224	1,224

Source: Housing and Redevelopment Authority (HRA)

In the Public Housing Program, where a 3.0% housing vacancy rate is considered normal, the 1.26% percent housing vacancy rate is an indication of strong demand. The HRA has indicated that the Public Housing Program is currently full and the program is stable. There were no unused vouchers in 2010, and the program vouchers were fully utilized. Participants are able to find decent housing units and are not turning back vouchers. The Duluth HRA estimates that only about 20% of the participants pay more than 30% of their income for housing and those that pay more than 30% do so for specific reasons.

Rental Housing Indicator Summary

- After a significant increase in the rental vacancy rate in 2009, the rate drastically dropped in 2010 to 3.4%.
- Vacancy rates decreased in every neighborhood except for Districts 2 (Bayview Heights, Cody, Fairmont, Spirit Valley, Irving, Denfeld, and Oneota) and 10 (Kenwood and Chester Park). (District 8 – Woodland/Hunters Park/Morley Heights could not be compared as there are fewer rental units in these neighborhoods; yielding a small number of returned surveys).
- After a decrease in rents in 2009 of over 4%, the average rent in Duluth increased from \$699 to \$714; an increase of 2%.
- Duluth's average rent per square foot has increased slightly, from \$.88 per square foot in 2009 to \$.91 per square foot in 2010.
- In 2010, there were a total of 13,301 licensed non-public rental units, a slight increase from 2009.
- The number of persons on the HRA Housing Choice Voucher List is higher than it has been in the last four years, the public housing vacancy rate is at its lowest level(1.26%) since at least 2002, indicating very high demand for public housing. The amount of time a person can expect to be on the waiting list averages between 18 and 24 months.

V. HOUSING PRODUCTION

Housing Unit Analysis

The average lifespan of a house, according to HUD, is 40 to 50 years, without significant annual maintenance. According to the 2005-2009 American Community Survey, almost half (44.2%) of Duluth's units were built before 1940. This is significantly higher than Minnesota, where the percent of housing units built before 1940 in the state is 18.4%, and 14.1% for the nation.

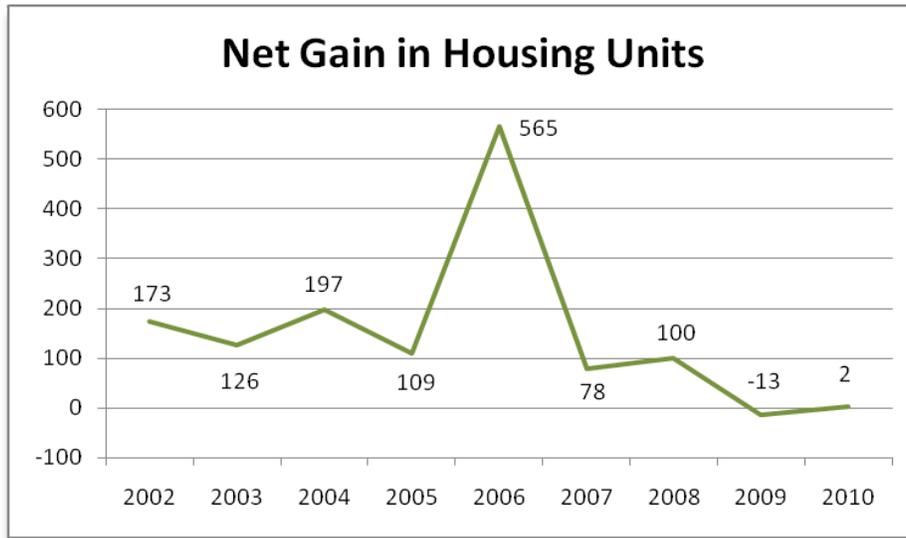
As shown on the following table, there was a significant increase in the number of permits issued in 2006. During this time frame, there were many multi-unit projects being constructed, including student housing and affordable housing developments. The reduced numbers in 2009 and 2010 reflect the national trend of fewer construction projects due to the recession.



Table 24. Permits and Demolitions 2002 – 2010

	2002	2003	2004	2005	2006	2007	2008	2009	2010
New permits (residential)	139	146	151	132	105	87	45	31	55
Units of 1 family dwellings	131	138	121	113	87	70	36	31	36
Units of 2 family dwellings	10	10	30	17	2	26	8	0	17
Units of 3 or 4 family dwellings	4	8	28	16	19	0	0	0	2
Units of 5 or more family dwellings	88	6	206	103	494	18	104	0	0
Number of Units Created	233	162	385	249	602	114	148	31	55
Alteration permits (residential)	1037	883	904	865	810	819	808	821	855
Addition permits (residential)	140	134	120	109	113	89	82	59	65
Single family demolitions	29	20	22	47	19	32	38	44	45
Multi-family units demolished	31	16	166	93	18	4	10	0	8
Number of Units Demolished	60	36	188	140	37	36	48	44	53
Net Gain Single Family	102	118	99	66	68	38	-2	-13	-9
Net Production Multi-family Units	71	8	98	43	497	40	102	0	11
Net Gain Units (Total)	173	126	197	109	565	78	100	-13	2

NOTE: The numbers in the table above are based on the number of permits issued, not on certificates of occupancy. Permits can be issued a year or two before the completion of construction and the issuance of an occupancy certificate. Source: Duluth Building Inspection



Source: Duluth Building Inspection

Condemned Housing

The city building official has the authority to condemn buildings for human habitation or demolition. A structure can be condemned for human habitation for several reasons, including lack of utilities or multiple code violations. Structures can be condemned for demolition if there is significant deterioration or damage that exceeds 60% of the estimated market value of the building, or if the structure is unsafe. The building must be torn down at the owner's expense.

At the end of December 2010, there were 151 properties on the City of Duluth Building Safety condemnation list. Of those, 42 housing units were condemned for demolition while the remaining 109 housing units were condemned for human habitation. As noted in Table 25, the number of single family/condemned for human habitation properties remained steady over the past three years, but there continues to be a large number of multi-family dwelling units in this category. During inspections, if the Building Safety Inspectors find dangerous health and/or safety violations the owner is instructed to correct the violations and the housing unit(s) is put on the condemned for human habitation list. When a property owner corrects the violations, the property is removed from the condemnation list. Therefore, the number of condemnations fluctuates and changes often during the year. Recently there has been a greater concentration by the City and its partners to remove blighted properties; this effort is reflected in the reduced number of condemned properties.

Table 25. Residential Units Condemned, Habitation/Demolition

YEAR	Condemned for Demolition		Condemned for Habitation		Total Units
	Single Family Units	Multi-Family Units	Single Family Units	Multi-Family Units	
2004	9	136	51	154	350
2005	13	2	58	93	166
2006	15	36	82	149	282
2007	8	35	81	185	309
2008	5	11	86	183	285
2009	18	18	80	107	223
2010	34	8	84	25	151

Source: Duluth Building Inspection

Residential Land Development

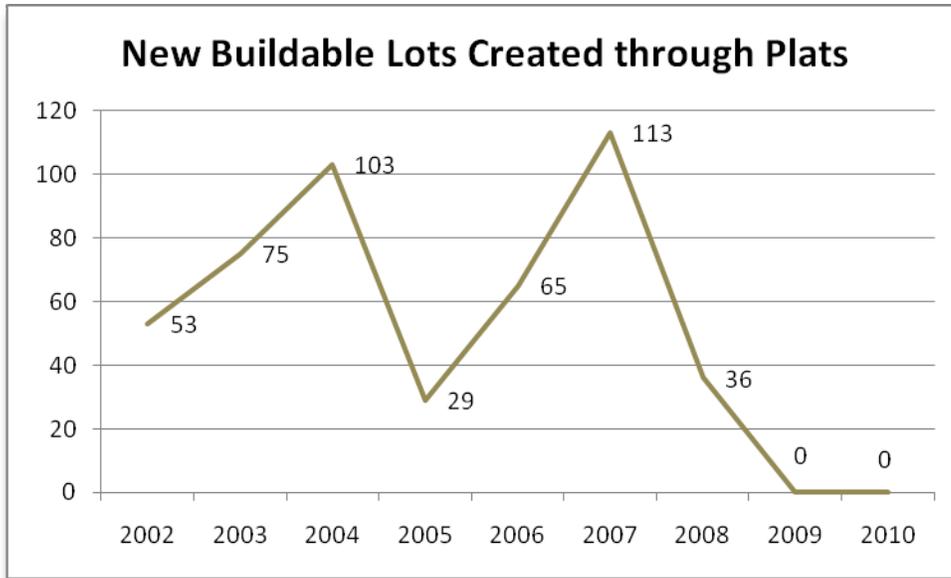
It was noted in the demographic section that the expected retirements of the “baby boomer” generation over the next ten years may well have an effect on the housing needs as well as the economy. It is expected that Duluth will see more job openings per year as the “baby boomer” retirements occur. Persons who will be moving into those jobs and into the community will need housing. Since not all retirees will be leaving Duluth, it can be projected that the demand for housing will increase. The newcomers will be looking for housing and the retirees who want to move to maintenance free housing may well look for one-level or condo type housing. While this conjecture is likely over time, given the current economic conditions, “baby boomers” may stay in their current employment longer than earlier projected.

Since 2002 the City has approved several new plats which have resulted in the creation of 474 new buildable lots. The following two tables show the number of lots added per year and the list of plats by the year approved. With the housing trends indicating a softening market, it is not surprising to see a decline in land development.

Table 26. Residential Plats Approved 2002-2010

Year Approved	Plat Name	Number of Lots
2002	Northridge Estates	39
	The Views At Ridgeview	6
	Walsh Addition	4
	Summit Ridge Division	4
2003	Maple Ridge Arrangement	22
	Crystal Village City of Duluth	29
	Andrews Division Duluth	13
	Andrews Divisions First Addition Duluth	11
2004	Hawk Ridge Estates City of Duluth	61
	Cedar Ridge Estates City of Duluth	24
	Sackette Addition	10
	Bristol Wood First Addition	8
2005	Bluff Ridge	21
	Adamzak Acres City of Duluth	4
	Benson Heights	4
2006	Hawk Ridge Estates First Addition	65
2007	Coffee Creek	113
2008	East Ridge	23
	Hidden Estates	13
2009	No Plats Recorded	0
2010	No Plats Recorded	0

Source: Duluth Planning Division



Source: Duluth Planning Division

Another indication of housing production trends, is reviewing the number of building permits that have been issued. Looking at new single-family dwelling unit permit values, the average value was \$245,252 in Duluth in 2010, a 22 percent increase from the previous year. As noted in the table, the average permit value for single family dwellings increased from \$142,209 in 2002 to the current \$245,252 in 2010.

Table 27. Average Unit Value Per Permit

	2002	2003	2004	2005	2006	2007	2008	2009	2010
New permits (residential)	\$115,522	\$147,523	\$124,682	\$125,464	\$130,036	\$126,597	\$122,039	\$200,394	\$169,536
1 family dwellings	\$142,209	\$160,925	\$165,410	\$154,935	\$156,423	\$168,830	\$234,584	\$200,394	\$245,252
2 family dwellings	\$133,485	\$68,438	\$108,038	\$128,527	\$90,491	\$39,637	\$116,252	\$0	\$142,500
3 or 4 family dwellings	\$100,000	\$95,962	\$73,477	\$181,044	\$130,053	\$0	\$0	\$0	\$120,857
5 or more family dwellings	\$74,458	\$39,833	\$110,144	\$81,310	\$125,548	\$87,967	\$83,526	\$0	0
Residential Alteration permits (average per permit)	\$8,752	\$6,240	\$5,425	\$9,882	\$10,168	\$5,780	\$6,279	\$6,513	\$12,095
Residential Addition permits (average per permit)	\$28,014	\$43,493	\$46,229	\$36,284	\$36,777	\$57,268	\$47,704	\$50,696	\$33,619

Source: Duluth Building Safety Division

Housing Production Summary

- The number of new residential permits increased in 2010(55 units) from 2009 (36 units).
- Given the number of permits issued for new residential units(55 units) and the number of demolitions(53 units), there was a net increase of two units.
- The number of housing units listed as condemned for human habitation and for demolition in 2010 was 151; the past four year average has been 274 dwelling units.
- The number of building permits for alternations has remained fairly level since 2003, but the average value is the highest since 2002 (\$12,095) and nearly double that of 2009 (\$6,513). This shows that people are investing in their current homes.



VI. HOUSING AFFORDABILITY ANALYSIS

Rent and Homeownership Analysis

According to the U.S. Department of Housing and Urban Development (HUD), affordable housing is where no more than 30% of a household's gross income (i.e. before taxes and deductions are removed) is used for housing. A household in Duluth would then need to make approximately \$51,204 annually to afford a \$150,300 home – the 2010 median value of an owner occupied single family home in Duluth. Homeownership is somewhat more affordable than in years past due to the current lower interest rates.



The average selling price for a two-bedroom home in Duluth in 2010 was \$136,668, which equates to an approximate \$1,058 monthly payment. For a three-bedroom home, the average 2010 price was \$155,698, which would have an approximate monthly payment of \$1,190. The mortgage payments in this example assume a 5% down, 6% interest rate, taxes, and estimated insurance.

Given the average overall 2010 rent in Duluth of \$714 per month, the renter would need an annual income of \$28,560 to afford this rent.

Given the average two-bedroom rent for 2010 of \$757, an annual income of \$30,280 would be needed. Likewise, to afford the average 2010 three-bedroom rent of \$849 per month, a renter needs an income of \$33,960 per year.

Another example of housing affordability in Duluth can be based on the area median income that is calculated and updated annually by HUD for the Duluth – Superior metropolitan area. The Duluth area median income for a family of four in 2010 was \$59,900. The median divides the household income distribution into two equal parts: one-half falling below the median household income and one-half being above the median income. According to HUD, an income that is 50 – 80% of the median income is considered a moderate income, an income that is 30 – 50% of the area median income is considered to be a low income, and an income that is 30% or less of the area median income is considered to be extremely low income.



Table 28. Affordability Based On Duluth's 2010 Median Income

HUD Income Definitions	2010 HUD Median Income \$60,000	Maximum Affordable Housing Payment (30% of Income)	Average Rent 2-Bedroom	Payment Average 2-Bedroom House (\$136,668)	Average Rent 3-Bedroom	Payment Average 3-Bedroom House (\$155,698)	Affordability GAP*
Extremely Low Income 30% or less of Median Income	\$0 - \$18,000	\$450	\$757	\$1,058	\$849	\$1,190	\$307 to \$740
Low Income 30% - 50% of Median Income	\$18,000 - \$30,000	\$750	\$757	\$1,058	\$849	\$1,190	\$7 to \$440
Moderate Income 50% - 80% of Median Income	\$30,000 - \$48,000	\$1,200	\$757	\$1,058	\$849	\$1,190	No Gap

*Affordability Gap is measured by taking the highest income level of each category, its equivalent maximum affordable housing payment (30% of income), and then comparing that to the expected housing payment.

In Table 28, the median income for a family of four persons is listed for each income category, from the extremely low-income category to the moderate income category. The affordable housing payment has then been compared to the actual cost a household could expect to pay for average rent for two- and three-bedroom apartments and mortgage payments for two- and three-bedroom homes. The table indicates that households that are moderate income (50% to 80% of the median income) would have no affordability gap when seeking housing, but households with either extremely low income or low income would have a significant affordability gap to overcome.

Housing Affordability Summary

- The average selling price for a two-bedroom home in Duluth in 2010 was \$136,668, which equates to an approximate \$1,058 monthly payment. For a three-bedroom home, based on the average 2010 selling price (\$155,508), the approximate monthly payment would be approximately \$1,190.
- Based on the average overall 2010 rent in Duluth, \$714 per month, the renter would need an annual income of \$28,560 to afford this rent. Given the average two-bedroom rent for 2010 of \$757, an annual income of \$30,280 would be needed. Likewise, to afford the average 2010 three-bedroom rent of \$849 per month, the renter would need an income of \$33,280 per year.
- Households making 50% or less of the area median income (less than approximately \$30,000 per year) continue to struggle with housing costs and must pay more than 30% of their income for housing.

2010 HOUSING INDICATOR REPORT SUMMARY

Demographic Summary

- The city's population from 2000 to 2010 was stable, according to the U.S. Census. There was only a slight decrease of 54 people or 0.06%. The 2010 population count was 86,265 people.
- According to the Minnesota State Demographer's Office, the estimated number of households increased from 35,601 in 2001 to 36,624 households in 2009.
- In the 2007 *Duluth's Blueprint to End Poverty Report*, it was indicated that nearly one in three people (31%) who reside in Duluth struggle to get by on a daily basis. The report notes that 12,600 people meet the federal definition of poverty, which is defined as earning less than \$20,650 annually for a family of four and another 14,500 are eligible for government assistance such as free or reduced lunch, energy assistance and more.
- The 2007 *Community Impact Report* indicated that 38% of Duluth school children are eligible for the free and reduced lunch program, higher than the Minnesota average of 30%.
- Higher education students in Duluth represent a significant portion of the population and play a noteworthy role in the supply and demand of housing in Duluth. Over 20,000 full- and part-time students are enrolled at higher education institutions in Duluth.
- According to the 2009 American Communities Survey by the U.S. Census Bureau, Duluth is estimated to have more than 22,000 "baby boomers," approximately 23% of the population. As they age and retire, many baby boomers will be looking to downsize their housing, relocate to warmer climates, and/or move to nursing or assisted living homes. This may have an impact on the housing market and the demand for additional medical services in Duluth.

Employment Trends Summary

- The 2010 labor force reported in Duluth was 45,962, a slight decrease from 2009.
- The annual average unemployment rate reported in Duluth during 2010 was 6.7, an improvement from 2009.
- Between 2000 and 2010, the average wages increased 24.40%, from \$30,472 (2000) to \$37,908 (2010).
- Between 2000 and 2010, the rate of inflation was 25.7%.
- Health Care and Social Assistance employs the highest number of workers (17,353) followed by Retail Trade (6,287), Accommodation and Food Services (5,946), and Education (4,663).

Homeownership Trends Summary

- Duluth has a total of 22,788 (60%) homesteaded units and 15,073 (40%) non-homesteaded units.
- From 2009 to 2010, the average estimated market value of a single family housing unit dropped from \$159,000 to \$154,000.
- The median sales price of a single family housing unit decreased about 4% to \$137,850 in 2010 from \$143,200 in 2009.
- The number of valid home sales has dropped, 692 reported in 2009 to 642 in 2010, about a 7% decrease.
- The average number of days a home is on the market has increased, from 62 days in 2009 to 73 in 2010.
- The number of foreclosures has increased from the 2009 levels, from 162 to 259 in 2010, about a 60% increase.
- Over 66 % of homes in Duluth are over 50 years old.

Rental Housing Indicator Summary

- After a significant increase in the rental vacancy rate in 2009, the rate drastically dropped in 2010 to 3.4%.
- Vacancy rates decreased in every neighborhood except for Districts 2 (Bayview Heights, Cody, Fairmont, Spirit Valley, Irving, Denfeld, and Oneota) and 10 (Kenwood and Chester Park). (District 8 – Woodland/Hunters Park/Morley Heights could not be compared as there are fewer rental units in these neighborhoods; yielding a small number of returned surveys).
- After a decrease in rents in 2009 of over 4%, the average rent in Duluth increased from \$699 to \$714; an increase of 2%.
- Duluth's average rent per square foot has increased slightly, from \$.88 per square foot in 2009 to \$.91 per square foot in 2010.
- In 2010, there were a total of 13,301 licensed non-public rental units, a slight increase from 2009.
- The number of persons on the HRA Housing Choice Voucher List is higher than it has been in the last four years, the public housing vacancy rate is at its lowest level(1.26%) since at least 2002, indicating very high demand for public housing. The amount of time a person can expect to be on the waiting list averages between 18 and 24 months.

Housing Production Summary

- The number of new residential permits increased in 2010(55 units) from 2009 (36 units).
- Given the number of permits issued for new residential units(55 units) and the number of demolitions(53 units), there was a net increase of two units.
- The number of housing units listed as condemned for human habitation and for demolition in 2010 was 151; the past four year average has been 274 dwelling units.
- The number of building permits for alternations has remained fairly level since 2003, but the average value is the highest since 2002 (\$12,095) and nearly double that of 2009 (\$6,513). This shows that people are investing in their current homes.

Housing Affordability Summary

- The average selling price for a two-bedroom home in Duluth in 2010 was \$136,668, which equates to an approximate \$1,058 monthly payment. For a three-bedroom home, based on the average 2010 selling price (\$155,508), the approximate monthly payment would be approximately \$1,190.
- Based on the average overall 2010 rent in Duluth, \$714 per month, the renter would need an annual income of \$28,560 to afford this rent. Given the average two-bedroom rent for 2010 of \$757, an annual income of \$30,280 would be needed. Likewise, to afford the average 2010 three-bedroom rent of \$849 per month, the renter would need an income of \$33,280 per year.
- Households making 50% or less of the area median income (less than approximately \$30,000 per year) continue to struggle with housing costs and must pay more than 30% of their income for housing.

APPENDIX

Map: Duluth Neighborhood Districts

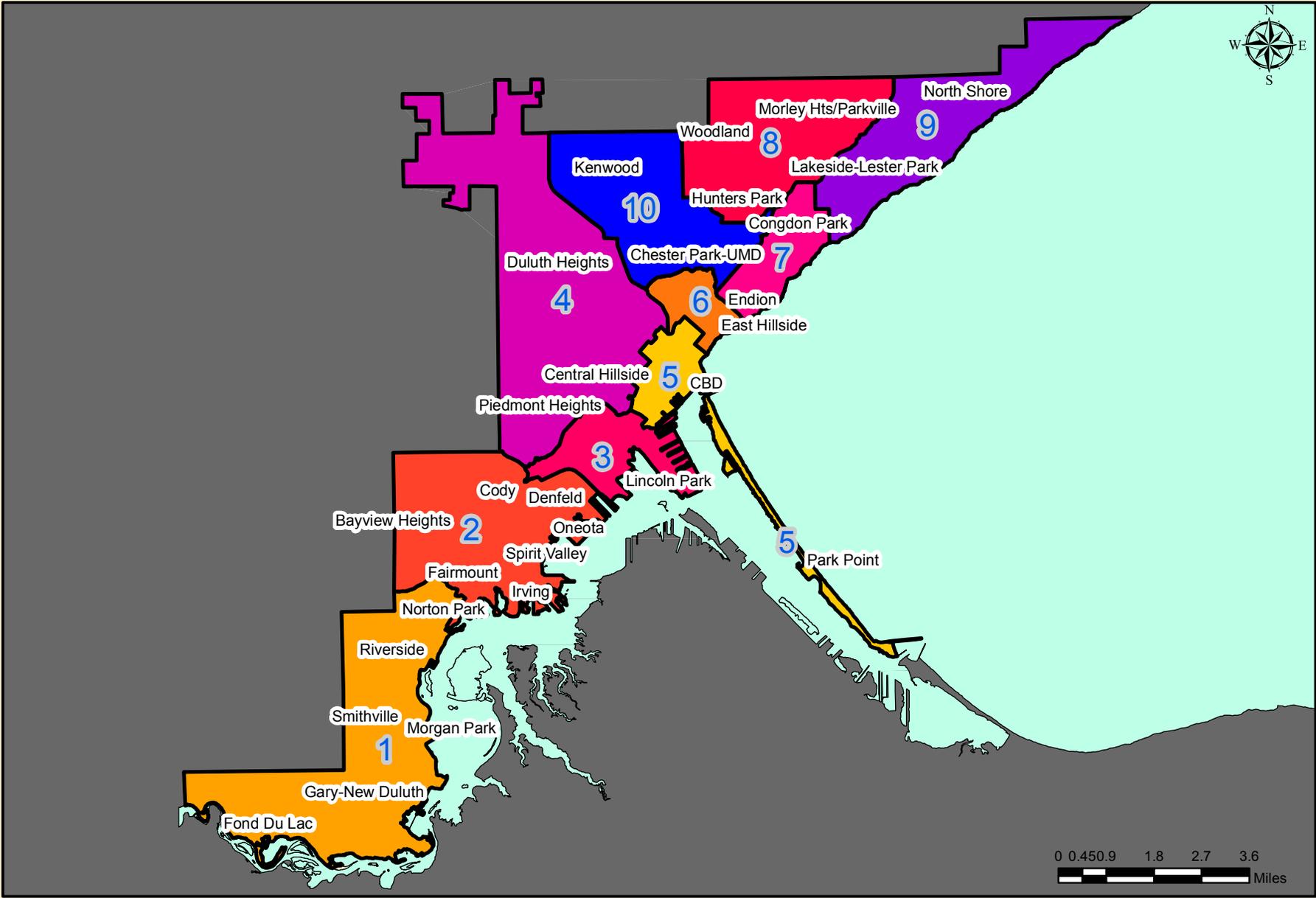
Map: Average Vacancies, By Neighborhood

Map: Average Rental Rates, By Neighborhood

Map: 2010 Permits: Alterations, Additions, and New Structures

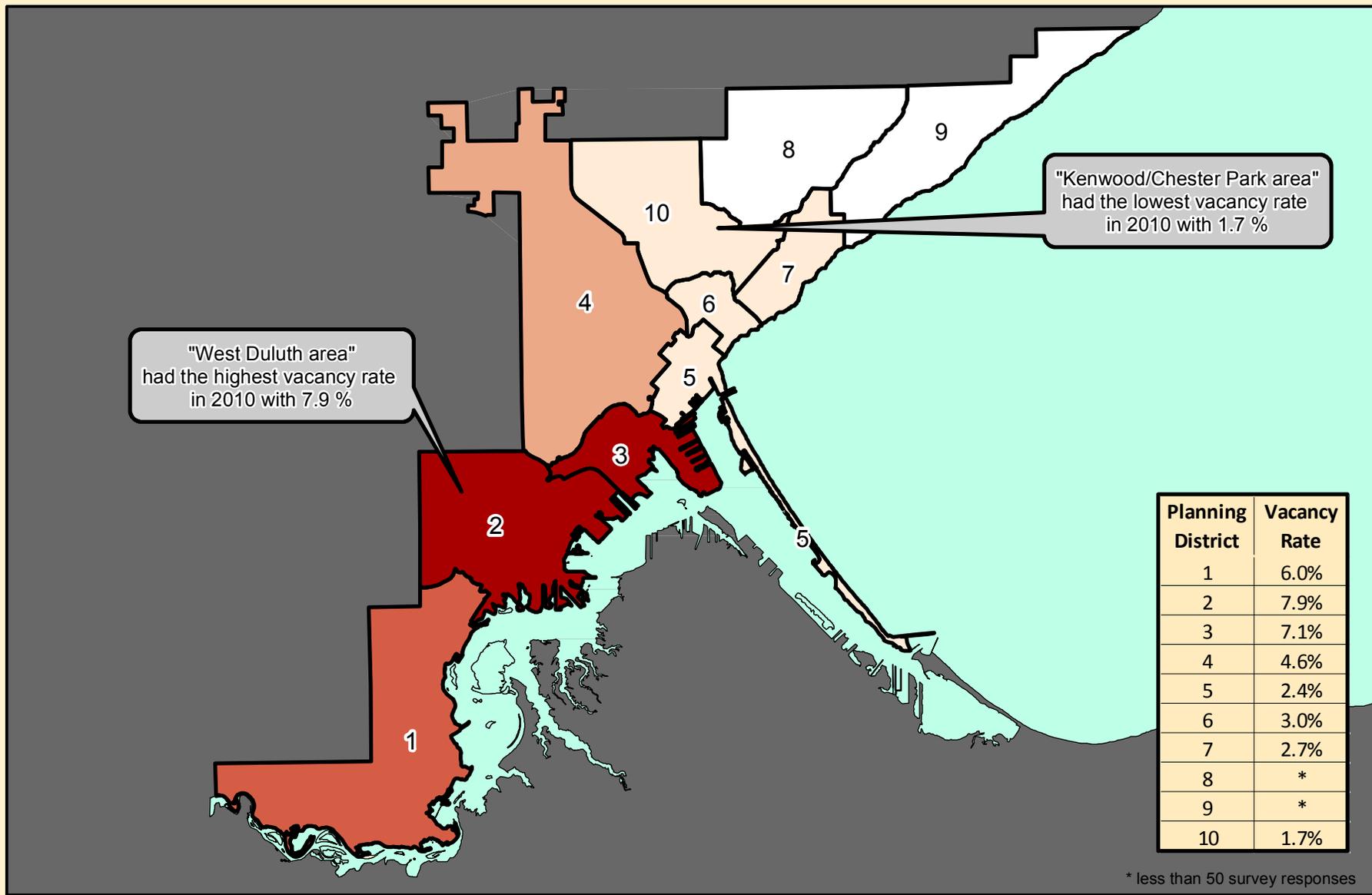
Table: Duluth Market Rental Rates 2010, Entire City

Table: Duluth Market Rental Rates 2010, By Neighborhood



City of Duluth Neighborhood Districts

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Planning District	Vacancy Rate
1	6.0%
2	7.9%
3	7.1%
4	4.6%
5	2.4%
6	3.0%
7	2.7%
8	*
9	*
10	1.7%

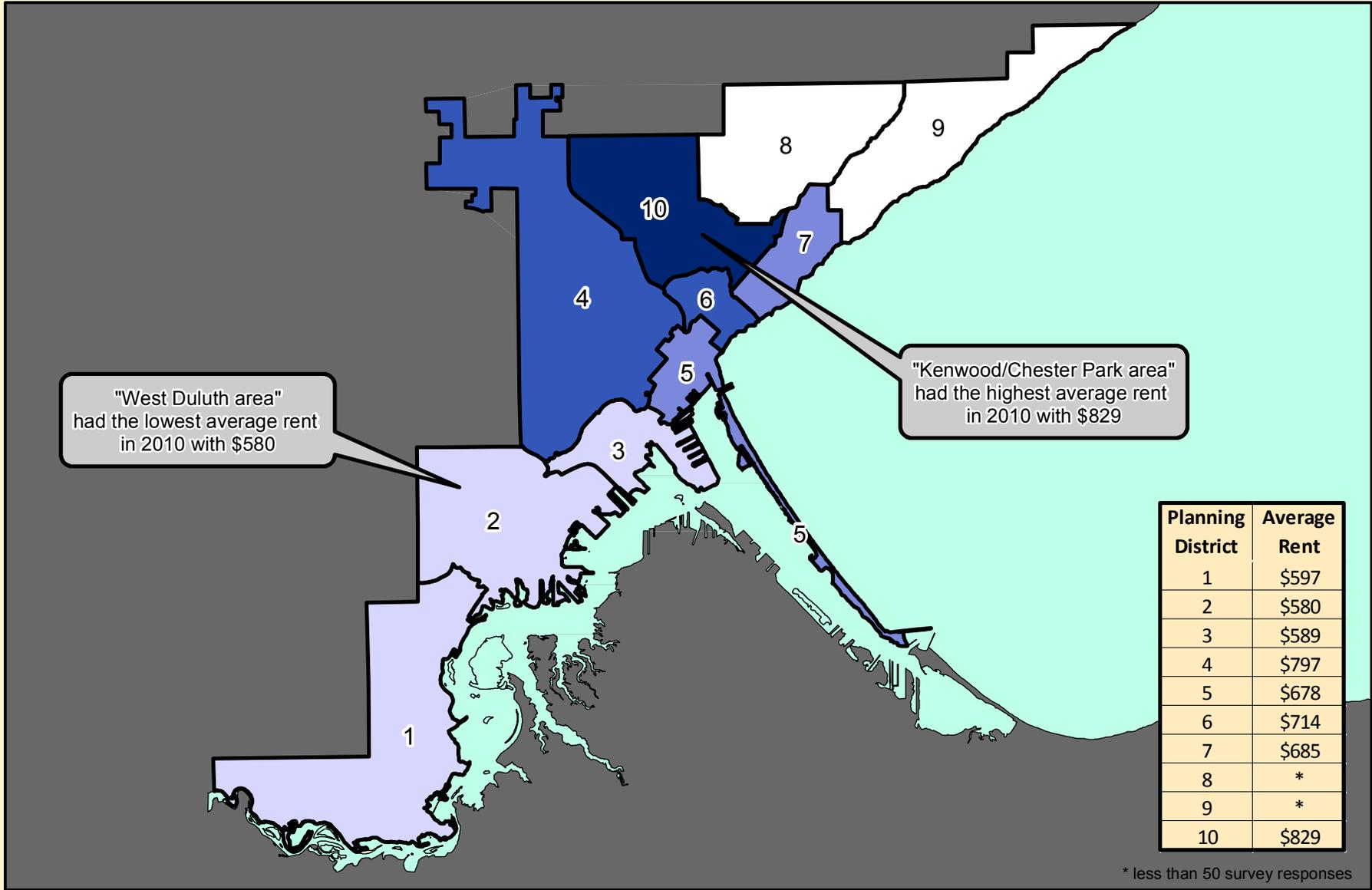
* less than 50 survey responses

Vacancy Rates

- <50 responses
- 0.0 - 3.0 %
- 3.1 - 5.0 %
- 5.1 - 7.0 %
- 7.1 - 9.0 %

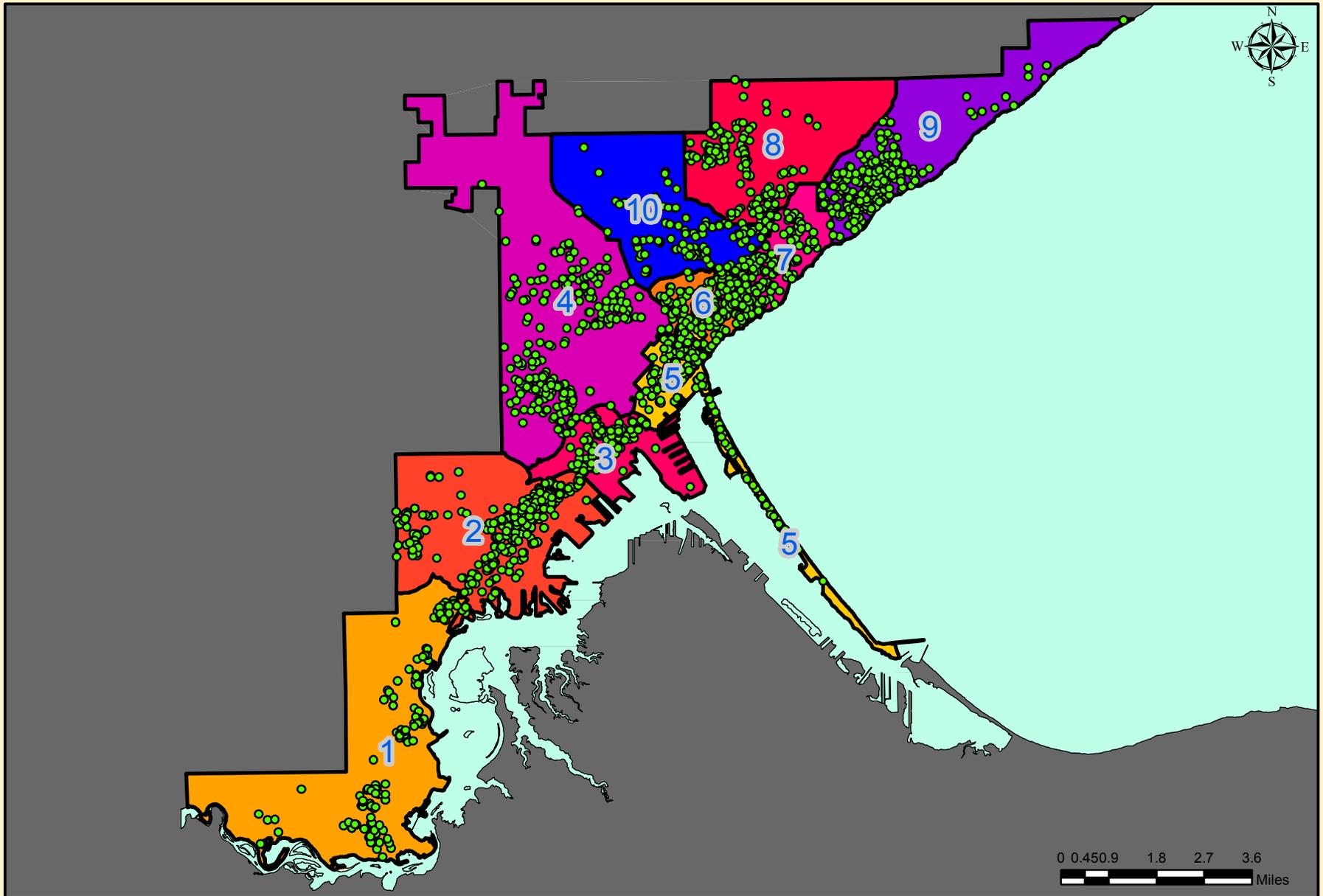
City of Duluth 2010 Rental Vacancy Rates





City of Duluth 2010 Average Rents





City of Duluth 2010 Permits- Alterations, Additions, and New Structures

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Duluth Market Rental Rates - 2010

Units: All

<i>Unit Type</i>	<i>Units Surveyed</i>	<i>Units Vacant</i>	<i>Vacancy Rate</i>	<i>Average Rent</i>	<i>Avg Low Rent</i>	<i>Avg High Rent</i>	<i>Average Sq Feet</i>	<i>Avg Low Sq Feet</i>	<i>Avg High Sq Feet</i>	<i>Avg Rent /Sq Foot</i>
1 Bedroom	923	18	2.0%	\$660	\$630	\$690	670	631	710	\$0.99
Owner Paid	707	18	2.5%	\$674	\$642	\$706	655	612	698	\$1.03
Renter Paid	216	0	0.0%	\$615	\$592	\$639	721	692	750	\$0.85
2 Bedroom	784	38	4.8%	\$757	\$730	\$784	886	857	915	\$0.85
Owner Paid	526	24	4.6%	\$758	\$729	\$786	879	848	909	\$0.86
Renter Paid	258	14	5.4%	\$756	\$734	\$778	902	877	928	\$0.84
3 Bedroom	125	7	5.6%	\$849	\$838	\$861	1,083	1,074	1,092	\$0.78
Owner Paid	53	3	5.7%	\$896	\$879	\$912	1,231	1,221	1,242	\$0.73
Renter Paid	72	4	5.6%	\$815	\$808	\$823	974	966	983	\$0.84
4 Bedroom	44	1	2.3%	\$1,097	\$1,080	\$1,114	1,289	1,273	1,305	\$0.85
Owner Paid	7	0	0.0%	\$1,121	\$1,119	\$1,123	1,536	1,536	1,536	\$0.73
Renter Paid	37	1	2.7%	\$1,093	\$1,073	\$1,112	1,242	1,223	1,261	\$0.88
Other	21	3	14.3%	\$1,426	\$1,367	\$1,484	1,725	1,701	1,750	\$0.83
Owner Paid	7	2	28.6%	\$1,240	\$1,066	\$1,414	2,236	2,236	2,236	\$0.55
Renter Paid	14	1	7.1%	\$1,519	\$1,518	\$1,520	1,470	1,433	1,507	\$1.03
Studio/Efficiency	140	2	1.4%	\$477	\$455	\$500	382	350	414	\$1.25
Owner Paid	131	2	1.5%	\$475	\$454	\$496	374	341	407	\$1.27
Renter Paid	9	0	0.0%	\$515	\$481	\$550	497	487	507	\$1.04
Total:	2,037	69	3.4%	\$714	\$687	\$741	783	751	816	\$0.91

Survey Conducted by: City of Duluth

How Survey was Conducted: The survey was conducted from the private rental market of rental structures with 1-3 units and 4 + units. All public housing units and subsidized units (such as public tax credits, mortgage credits, and other units using public funds to limit rental rates) are excluded from the survey. Units accepting housing vouchers, which are used in the private market, are included in the survey.

Definitions

Rental Vacancies: Rental vacancies are the number of rental units that are currently vacant and for rent, or do not have a signed lease to be rented in January.

Owner Paid Utilities (Majority): This means that the owner pays the majority of the utility costs associated with heat, water, sewer, electric, and garbage, and these costs are included in the contract rent paid by tenants. This could mean that the tenant pays electric and garbage, but the owner pays majority of the total costs of utilities for heat, water, sewer and others.

Renter Paid Utilities (Majority): This means that the renter pays the majority of the utility costs associated with heat, water, sewer, electric, and garbage, and these costs are not included in the contract rent paid by tenants. This could mean that the tenant pays for majority of utility costs such as heat and electric, while the owner pays minority cost share of utilities such as water, sewer, and others.

Additional Information Contact: Community Development Division, 407 City Hall, Duluth, MN 55802-1197. Phone: 218-730-5480, Fax: 218-730-5915

Duluth Rates by Type and Planning District - 2010

Units: All

Planning District: 1 Morgan Park, Gary New Duluth, Fond du Lac, Smithville, Riverside, Norton Park

<i>Unit Type</i>	<i>Units Surveyed</i>	<i>Units Vacant</i>	<i>Vacancy Rate</i>	<i>Avg Rent</i>	<i>Avg Low Rent</i>	<i>Avg High Rent</i>	<i>Avg Sq Feet</i>	<i>Avg Low Sq Feet</i>	<i>Avg High Sq Feet</i>	<i>Avg Rent /Sq Foot</i>
1 Bedroom	29	1	3.4%	\$532	\$519	\$546	600	600	600	\$0.89
Owner Paid	4	1	25.0%	\$568	\$525	\$610	600	600	600	\$0.95
Renter Paid	25	0	0.0%	\$527	\$518	\$535	600	600	600	\$0.88
2 Bedroom	44	3	6.8%	\$631	\$623	\$639	828	817	838	\$0.76
Owner Paid	4	0	0.0%	\$661	\$628	\$695	1,073	1,073	1,073	\$0.62
Renter Paid	40	3	7.5%	\$628	\$623	\$634	803	791	815	\$0.78
3 Bedroom	4	0	0.0%	\$730	\$711	\$749	1,388	1,388	1,388	\$0.53
Renter Paid	4	0	0.0%	\$730	\$711	\$749	1,388	1,388	1,388	\$0.53
4 Bedroom	6	1	16.7%	\$565	\$565	\$565	1,000	1,000	1,000	\$0.57
Renter Paid	6	1	16.7%	\$565	\$565	\$565	1,000	1,000	1,000	\$0.57
Other		0								
Renter Paid		0								
Total:	83	5	6.0%	\$597	\$587	\$606	788	782	793	\$0.76

Planning District: 2 Bayview Heights, Cody, Fairmont, Spirit Valley, Irving, Denfeld, Oneota

<i>Unit Type</i>	<i>Units Surveyed</i>	<i>Units Vacant</i>	<i>Vacancy Rate</i>	<i>Avg Rent</i>	<i>Avg Low Rent</i>	<i>Avg High Rent</i>	<i>Avg Sq Feet</i>	<i>Avg Low Sq Feet</i>	<i>Avg High Sq Feet</i>	<i>Avg Rent /Sq Foot</i>
1 Bedroom	27	0	0.0%	\$527	\$515	\$538	579	559	599	\$0.91
Owner Paid	20	0	0.0%	\$552	\$537	\$568	582	565	598	\$0.95
Renter Paid	7	0	0.0%	\$454	\$454	\$454	571	543	600	\$0.79
2 Bedroom	40	5	12.5%	\$596	\$569	\$622	711	694	729	\$0.84
Owner Paid	29	5	17.2%	\$620	\$596	\$643	725	716	734	\$0.85
Renter Paid	11	0	0.0%	\$532	\$497	\$567	675	637	714	\$0.79
3 Bedroom	7	1	14.3%	\$739	\$739	\$739	882	882	882	\$0.84
Owner Paid	2	1	50.0%	\$975	\$975	\$975	1,200	1,200	1,200	\$0.81
Renter Paid	5	0	0.0%	\$644	\$644	\$644	755	755	755	\$0.85
Other		0								
Owner Paid		0								
Studio/Efficiency	2	0	0.0%	\$450	\$450	\$450	243	243	243	\$1.86
Owner Paid	2	0	0.0%	\$450	\$450	\$450	243	243	243	\$1.86
Total:	76	6	7.9%	\$580	\$562	\$598	668	652	684	\$0.87

Planning District: 3 Lincoln Park

<i>Unit Type</i>	<i>Units Surveyed</i>	<i>Units Vacant</i>	<i>Vacancy Rate</i>	<i>Avg Rent</i>	<i>Avg Low Rent</i>	<i>Avg High Rent</i>	<i>Avg Sq Feet</i>	<i>Avg Low Sq Feet</i>	<i>Avg High Sq Feet</i>	<i>Avg Rent /Sq Foot</i>
1 Bedroom	36	0	0.0%	\$544	\$529	\$559	629	613	645	\$0.87
Owner Paid	23	0	0.0%	\$607	\$592	\$621	638	621	656	\$0.95
Renter Paid	13	0	0.0%	\$433	\$417	\$450	612	599	625	\$0.71
2 Bedroom	44	5	11.4%	\$607	\$584	\$629	739	717	761	\$0.82
Owner Paid	26	3	11.5%	\$654	\$629	\$679	729	701	757	\$0.90
Renter Paid	18	2	11.1%	\$538	\$519	\$558	753	740	766	\$0.71
3 Bedroom	19	2	10.5%	\$634	\$617	\$652	939	924	955	\$0.68
Owner Paid	5	0	0.0%	\$791	\$741	\$841	880	840	920	\$0.90
Renter Paid	14	2	14.3%	\$579	\$573	\$584	961	954	968	\$0.60
Total:	99	7	7.1%	\$589	\$570	\$608	737	719	756	\$0.80

Planning District: 4 Piedmont Heights, Duluth Heights

<i>Unit Type</i>	<i>Units Surveyed</i>	<i>Units Vacant</i>	<i>Vacancy Rate</i>	<i>Avg Rent</i>	<i>Avg Low Rent</i>	<i>Avg High Rent</i>	<i>Avg Sq Feet</i>	<i>Avg Low Sq Feet</i>	<i>Avg High Sq Feet</i>	<i>Avg Rent /Sq Foot</i>
1 Bedroom	208	9	4.3%	\$762	\$741	\$783	704	683	726	\$1.08
Owner Paid	207	9	4.3%	\$763	\$742	\$784	704	682	726	\$1.08
Renter Paid	1	0	0.0%	\$445	\$445	\$445	750	750	750	\$0.59
2 Bedroom	172	8	4.7%	\$837	\$815	\$859	981	939	1,023	\$0.85
Owner Paid	162	7	4.3%	\$834	\$816	\$851	998	953	1,043	\$0.84
Renter Paid	10	1	10.0%	\$891	\$793	\$988	713	713	713	\$1.25
3 Bedroom	5	1	20.0%	\$972	\$972	\$972	890	890	890	\$1.09
Renter Paid	5	1	20.0%	\$972	\$972	\$972	890	890	890	\$1.09
4 Bedroom	2	0	0.0%	\$850	\$850	\$850	1,550	1,550	1,550	\$0.55
Renter Paid	2	0	0.0%	\$850	\$850	\$850	1,550	1,550	1,550	\$0.55
Studio/Efficiency	1	0	0.0%	\$375	\$375	\$375	400	400	400	\$0.94
Renter Paid	1	0	0.0%	\$375	\$375	\$375	400	400	400	\$0.94
Total:	388	18	4.6%	\$797	\$776	\$818	833	803	863	\$0.96

Planning District: 5 Central Hillside, Observation, Downtown

<i>Unit Type</i>	<i>Units Surveyed</i>	<i>Units Vacant</i>	<i>Vacancy Rate</i>	<i>Avg Rent</i>	<i>Avg Low Rent</i>	<i>Avg High Rent</i>	<i>Avg Sq Feet</i>	<i>Avg Low Sq Feet</i>	<i>Avg High Sq Feet</i>	<i>Avg Rent /Sq Foot</i>
1 Bedroom	157	2	1.3%	\$636	\$588	\$683	712	648	776	\$0.89
Owner Paid	104	2	1.9%	\$673	\$632	\$714	697	634	760	\$0.97
Renter Paid	53	0	0.0%	\$563	\$503	\$622	742	675	809	\$0.76
2 Bedroom	82	5	6.1%	\$733	\$701	\$765	911	885	937	\$0.80
Owner Paid	63	3	4.8%	\$731	\$695	\$768	897	869	925	\$0.82
Renter Paid	19	2	10.5%	\$738	\$720	\$756	957	938	975	\$0.77
3 Bedroom	20	0	0.0%	\$773	\$756	\$789	1,195	1,190	1,200	\$0.65
Owner Paid	13	0	0.0%	\$811	\$785	\$836	1,185	1,177	1,192	\$0.68
Renter Paid	7	0	0.0%	\$702	\$702	\$702	1,214	1,214	1,214	\$0.58
4 Bedroom	7	0	0.0%	\$1,020	\$973	\$1,066	1,257	1,243	1,271	\$0.81
Owner Paid	1	0	0.0%	\$1,064	\$1,064	\$1,064	1,500	1,500	1,500	\$0.71
Renter Paid	6	0	0.0%	\$1,013	\$958	\$1,067	1,217	1,200	1,233	\$0.83
Other	3	0	0.0%	\$1,360	\$1,020	\$1,700	1,751	1,751	1,751	\$0.78
Owner Paid	3	0	0.0%	\$1,360	\$1,020	\$1,700	1,751	1,751	1,751	\$0.78
Studio/Efficiency	22	0	0.0%	\$485	\$465	\$505	474	436	511	\$1.02
Owner Paid	14	0	0.0%	\$458	\$449	\$467	454	401	507	\$1.01
Renter Paid	8	0	0.0%	\$533	\$494	\$572	509	498	520	\$1.05
Total:	291	7	2.4%	\$678	\$636	\$720	807	762	853	\$0.84

Planning District: 6 East Hillside

<i>Unit Type</i>	<i>Units Surveyed</i>	<i>Units Vacant</i>	<i>Vacancy Rate</i>	<i>Avg Rent</i>	<i>Avg Low Rent</i>	<i>Avg High Rent</i>	<i>Avg Sq Feet</i>	<i>Avg Low Sq Feet</i>	<i>Avg High Sq Feet</i>	<i>Avg Rent /Sq Foot</i>
1 Bedroom	106	2	1.9%	\$586	\$553	\$620	665	587	744	\$0.88
Owner Paid	100	2	2.0%	\$590	\$558	\$622	671	589	752	\$0.88
Renter Paid	6	0	0.0%	\$522	\$463	\$580	577	553	600	\$0.90
2 Bedroom	165	6	3.6%	\$709	\$671	\$747	812	794	831	\$0.87
Owner Paid	126	4	3.2%	\$693	\$644	\$741	851	827	875	\$0.81
Renter Paid	39	2	5.1%	\$763	\$760	\$766	687	687	688	\$1.11
3 Bedroom	48	3	6.3%	\$941	\$931	\$952	1,086	1,077	1,095	\$0.87
Owner Paid	22	2	9.1%	\$949	\$935	\$962	1,375	1,373	1,377	\$0.69
Renter Paid	26	1	3.8%	\$935	\$928	\$943	842	827	857	\$1.11
4 Bedroom	18	0	0.0%	\$1,233	\$1,209	\$1,256	1,242	1,209	1,276	\$0.99
Owner Paid	1	0	0.0%	\$385	\$370	\$400	1,200	1,200	1,200	\$0.32
Renter Paid	17	0	0.0%	\$1,282	\$1,259	\$1,306	1,245	1,210	1,280	\$1.03
Other	7	0	0.0%	\$1,501	\$1,501	\$1,501	1,509	1,509	1,509	\$0.99
Renter Paid	7	0	0.0%	\$1,501	\$1,501	\$1,501	1,509	1,509	1,509	\$0.99
Studio/Efficiency	51	1	2.0%	\$490	\$457	\$524	359	308	410	\$1.36
Owner Paid	51	1	2.0%	\$490	\$457	\$524	359	308	410	\$1.36
Total:	395	12	3.0%	\$714	\$683	\$745	780	742	817	\$0.92

Planning District: 7 Endion, Congdon Park

<i>Unit Type</i>	<i>Units Surveyed</i>	<i>Units Vacant</i>	<i>Vacancy Rate</i>	<i>Avg Rent</i>	<i>Avg Low Rent</i>	<i>Avg High Rent</i>	<i>Avg Sq Feet</i>	<i>Avg Low Sq Feet</i>	<i>Avg High Sq Feet</i>	<i>Avg Rent /Sq Foot</i>
1 Bedroom	157	3	1.9%	\$605	\$572	\$638	588	561	614	\$1.03
Owner Paid	140	3	2.1%	\$600	\$564	\$635	563	545	582	\$1.06
Renter Paid	17	0	0.0%	\$647	\$634	\$661	787	699	875	\$0.82
2 Bedroom	107	4	3.7%	\$781	\$758	\$803	923	872	973	\$0.85
Owner Paid	77	1	1.3%	\$752	\$733	\$772	809	785	834	\$0.93
Renter Paid	30	3	10.0%	\$853	\$823	\$883	1,213	1,096	1,331	\$0.70
3 Bedroom	17	0	0.0%	\$900	\$887	\$912	1,150	1,138	1,162	\$0.78
Owner Paid	10	0	0.0%	\$947	\$947	\$947	1,190	1,180	1,200	\$0.80
Renter Paid	7	0	0.0%	\$832	\$801	\$862	1,093	1,079	1,107	\$0.76
4 Bedroom	7	0	0.0%	\$1,311	\$1,311	\$1,311	1,536	1,536	1,536	\$0.85
Owner Paid	4	0	0.0%	\$1,375	\$1,375	\$1,375	1,538	1,538	1,538	\$0.89
Renter Paid	3	0	0.0%	\$1,227	\$1,227	\$1,227	1,533	1,533	1,533	\$0.80
Other	7	2	28.6%	\$1,186	\$1,157	\$1,214	2,029	2,018	2,040	\$0.58
Owner Paid	4	2	50.0%	\$1,150	\$1,100	\$1,200	2,600	2,600	2,600	\$0.44
Renter Paid	3	0	0.0%	\$1,233	\$1,233	\$1,233	1,268	1,243	1,293	\$0.97
Studio/Efficiency	37	0	0.0%	\$437	\$417	\$457	336	309	363	\$1.30
Owner Paid	37	0	0.0%	\$437	\$417	\$457	336	309	363	\$1.30
Total:	332	9	2.7%	\$685	\$659	\$711	747	714	779	\$0.92

Planning District: 8 Woodland, Hunters Park, Morley Heights

<i>Unit Type</i>	<i>Units Surveyed</i>	<i>Units Vacant</i>	<i>Vacancy Rate</i>	<i>Avg Rent</i>	<i>Avg Low Rent</i>	<i>Avg High Rent</i>	<i>Avg Sq Feet</i>	<i>Avg Low Sq Feet</i>	<i>Avg High Sq Feet</i>	<i>Avg Rent /Sq Foot</i>
1 Bedroom	4	0	0.0%	\$613	\$575	\$650	908	890	925	\$0.67
Renter Paid	4	0	0.0%	\$613	\$575	\$650	908	890	925	\$0.67
2 Bedroom	1	0	0.0%	\$750	\$750	\$750	1,050	1,050	1,050	\$0.71
Renter Paid	1	0	0.0%	\$750	\$750	\$750	1,050	1,050	1,050	\$0.71
Other	1	0	0.0%	\$1,675	\$1,675	\$1,675	1,428	1,428	1,428	\$1.17
Renter Paid	1	0	0.0%	\$1,675	\$1,675	\$1,675	1,428	1,428	1,428	\$1.17
Total:	6	0	0.0%	\$813	\$788	\$838	1,018	1,006	1,030	\$0.80

Planning District: 9 Lakeside, Lester Park, North Shore

<i>Unit Type</i>	<i>Units Surveyed</i>	<i>Units Vacant</i>	<i>Vacancy Rate</i>	<i>Avg Rent</i>	<i>Avg Low Rent</i>	<i>Avg High Rent</i>	<i>Avg Sq Feet</i>	<i>Avg Low Sq Feet</i>	<i>Avg High Sq Feet</i>	<i>Avg Rent /Sq Foot</i>
1 Bedroom	16	1	6.3%	\$634	\$613	\$656	628	628	628	\$1.01
Owner Paid	16	1	6.3%	\$634	\$613	\$656	628	628	628	\$1.01
2 Bedroom	16	1	6.3%	\$775	\$749	\$801	819	797	841	\$0.95
Owner Paid	16	1	6.3%	\$775	\$749	\$801	819	797	841	\$0.95
3 Bedroom	2	0	0.0%	\$1,075	\$1,075	\$1,075	1,500	1,500	1,500	\$0.72
Renter Paid	2	0	0.0%	\$1,075	\$1,075	\$1,075	1,500	1,500	1,500	\$0.72
4 Bedroom	1	0	0.0%	\$900	\$900	\$900	1,900	1,900	1,900	\$0.47
Owner Paid	1	0	0.0%	\$900	\$900	\$900	1,900	1,900	1,900	\$0.47
Studio/Efficiency	4	0	0.0%	\$515	\$500	\$530	500	500	500	\$1.03
Owner Paid	4	0	0.0%	\$515	\$500	\$530	500	500	500	\$1.03
Total:	39	2	5.1%	\$709	\$688	\$730	770	761	779	\$0.92

Planning District: 10 Kenwood, Chester Park

<i>Unit Type</i>	<i>Units Surveyed</i>	<i>Units Vacant</i>	<i>Vacancy Rate</i>	<i>Avg Rent</i>	<i>Avg Low Rent</i>	<i>Avg High Rent</i>	<i>Avg Sq Feet</i>	<i>Avg Low Sq Feet</i>	<i>Avg High Sq Feet</i>	<i>Avg Rent /Sq Foot</i>
1 Bedroom	75	0	0.0%	\$769	\$720	\$817	659	558	760	\$1.17
Owner Paid	75	0	0.0%	\$769	\$720	\$817	659	558	760	\$1.17
2 Bedroom	23	0	0.0%	\$965	\$940	\$990	740	700	780	\$1.30
Owner Paid	23	0	0.0%	\$965	\$940	\$990	740	700	780	\$1.30
3 Bedroom	2	0	0.0%	\$1,200	\$1,200	\$1,200	950	950	950	\$1.26
Renter Paid	2	0	0.0%	\$1,200	\$1,200	\$1,200	950	950	950	\$1.26
4 Bedroom	3	0	0.0%	\$1,260	\$1,260	\$1,260	1,261	1,261	1,261	\$1.00
Renter Paid	3	0	0.0%	\$1,260	\$1,260	\$1,260	1,261	1,261	1,261	\$1.00
Other	3	1	33.3%	\$1,795	\$1,792	\$1,798	1,595	1,447	1,742	\$1.13
Renter Paid	3	1	33.3%	\$1,795	\$1,792	\$1,798	1,595	1,447	1,742	\$1.13
Studio/Efficiency	13	1	7.7%	\$563	\$550	\$575	415	414	416	\$1.36
Owner Paid	13	1	7.7%	\$563	\$550	\$575	415	414	416	\$1.36
Total:	119	2	1.7%	\$829	\$793	\$866	692	616	767	\$1.20