Home values continue to rise despite economy

Zillow Home Value Index

- Dakota County: $319,896
- Minneapolis-St Paul, MN: $307,156
- United States: $259,906

Year:
Rental market cooling relative to home values

Zillow Observed Rent Index

Year-over-year

United States $1,756
Minneapolis-St Paul, MN $1,573
Rental demand waning amid weakening economy
Recent rent growth impacts affordability in Minneapolis

Share of income toward mortgage

- Actual: 15.5%
- Market Rate: 11.7%

Share of income toward rent

- Actual: 26.3%
- Market Rate: 43.4%
Key industries hit hard by unemployment dominated by renters

Share of housing payments owed by newly unemployed in each industry

- Accommodation and Food Services: 45.1%
- Arts, Entertainment, and Recreation: 23.7%
- Other Services (except Public Administration): 21.0%
- Retail Trade: 14.1%
- Construction: 13.0%
- Health Care and Social Assistance: 11.7%
- Transportation and Warehousing: 9.8%
- Manufacturing: 8.3%
- Professional, Scientific, and Technical Services: 6.9%
- Educational Services: 3.7%
- Public Administration: 3.2%
- Agriculture, Forestry, Fishing and Hunting: 1.6%
Recently unemployed owe millions of dollars in housing costs

<table>
<thead>
<tr>
<th>Industry</th>
<th>Homeowners</th>
<th>Renters</th>
<th>Total Owed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Care and Social Assistance</td>
<td>$27.8M</td>
<td></td>
<td></td>
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<tr>
<td>Accommodation and Food Services</td>
<td>$20.0M</td>
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<tr>
<td>Retail Trade</td>
<td>$18.7M</td>
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<tr>
<td>Manufacturing</td>
<td>$17.4M</td>
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<tr>
<td>Transportation and Warehousing</td>
<td>$6.5M</td>
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<tr>
<td>Arts, Entertainment, and Recreation</td>
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<tr>
<td>Educational Services</td>
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<tr>
<td>Public Administration</td>
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<tr>
<td>Agriculture, Forestry, Fishing and Hunting</td>
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</tbody>
</table>
Renter incomes largely come from at-risk jobs

In Minneapolis households that have a high-contact worker:

- 46% of median share of homeowner household income comes from high contact-intensity job.
- 62% of median share of renter household income comes from high contact-intensity job.
Communities of color rely on income from at-risk jobs

Median share of household income comes from high contact-intensity job by race

- Black: 76.3%
- Hispanic: 44.4%
- White: 49.6%

Source: U.S. Census Bureau, ACS 2018 and Federal Reserve Bank of St. Louis.
CARES Act helped households meet housing payments

Share of households that are severely housing burdened with state unemployment insurance and additional $600/week and without additional $600/week

- National: 3.2% vs. 41.3%
- Minneapolis, MN: 1.5% vs. 35.0%
Suburban and urban areas make hot housing markets

Change in YoY from February 2020, by urban and suburban ZIP codes in the Midwest
Thank you.