



Maxfield
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Real Estate Research
Providing Comprehensive
Market Information
and Feasibility Studies

A Housing Demand Analysis for Southeast Minnesota – Goodhue County

Presented to: Goodhue County Board of Commissioners

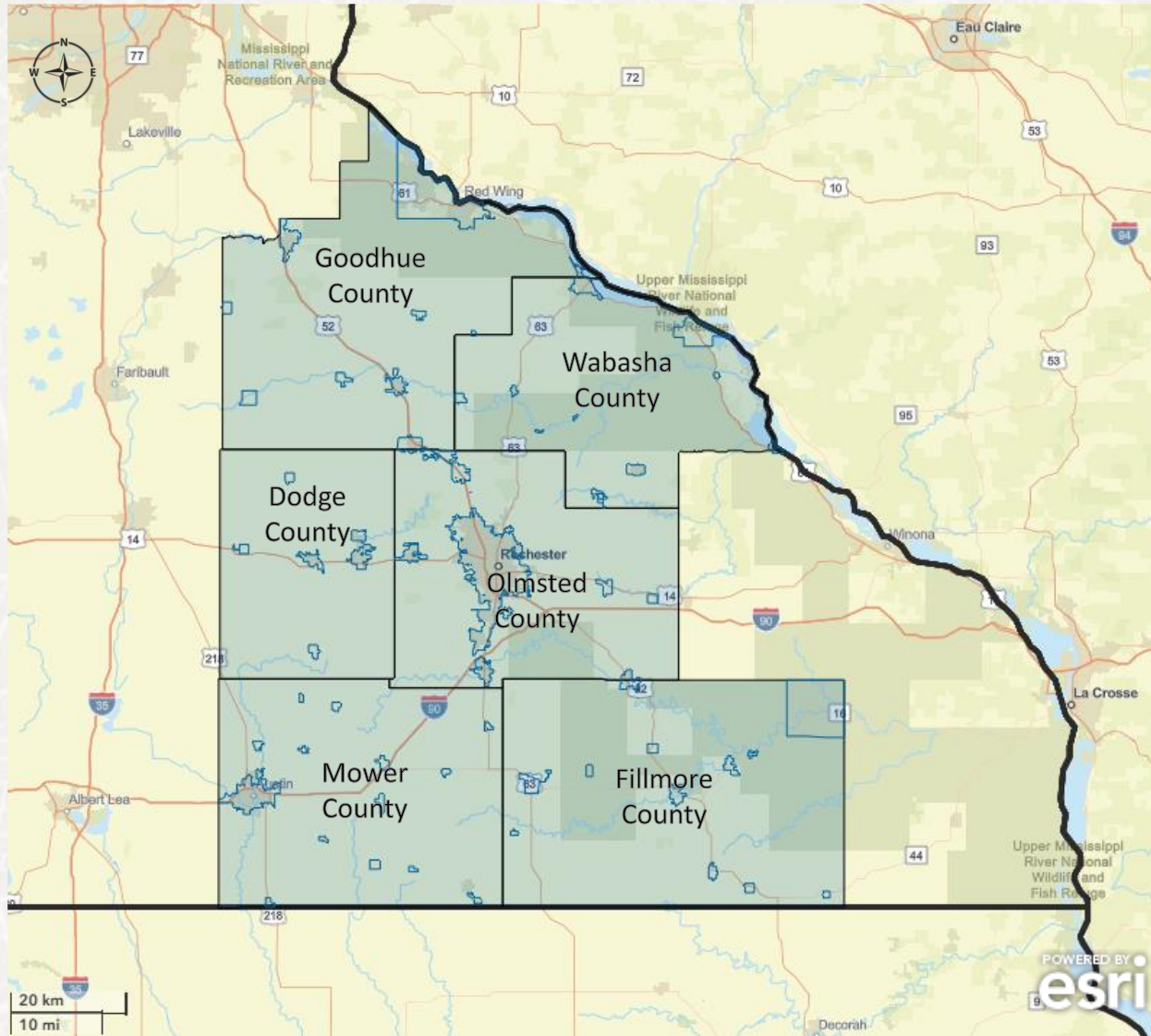
Presented by: Joe Hollman
Director of Research
Maxfield Research & Consulting

May 19, 2026

Project Timeline & Scope of Work



Southeast Minnesota



2020 Census

County	Population	Households
Dodge	20,867	7,903
Fillmore	21,228	8,605
Goodhue	47,582	19,499
Mower	40,029	15,700
Olmsted	162,847	65,242
Wabasha	21,387	8,923
Total:	313,940	125,872

Key Demographic Trends – Southeast MN

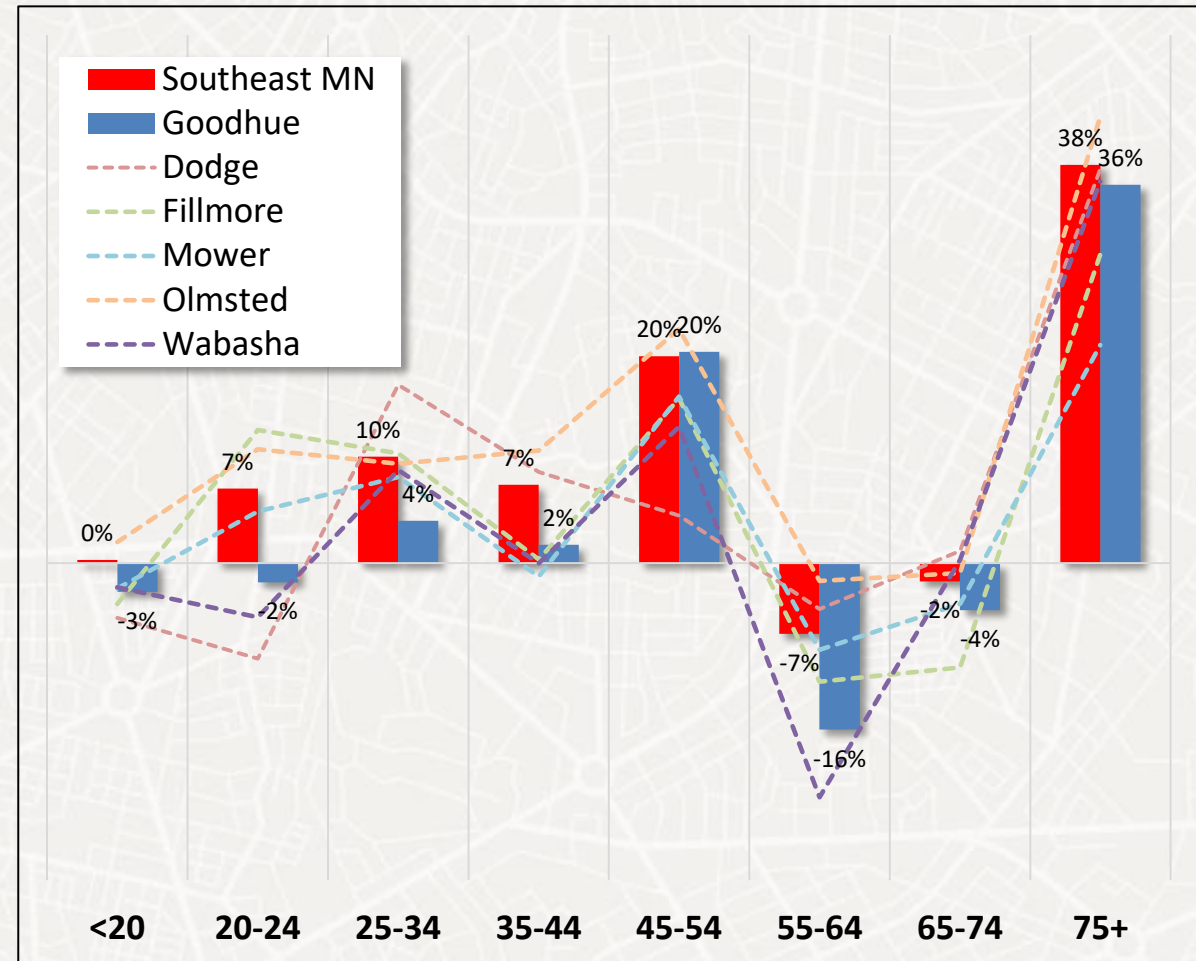
Solid population growth projected across the Region...

Growth projected across several age groups...
Housing demand across the spectrum

Renter households increased 25% past 15 years compared to 9% growth in owner households

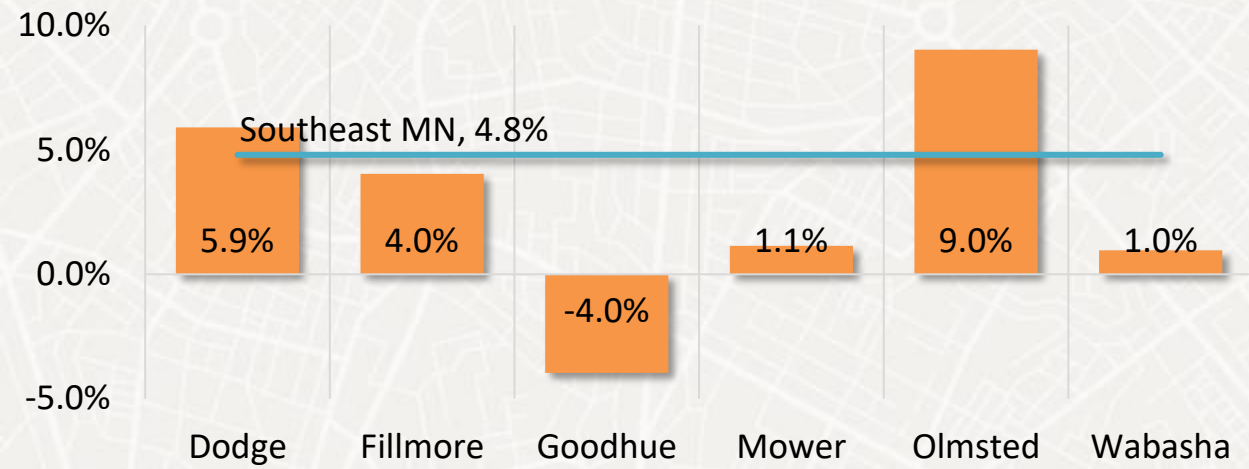
Family households expanded 10% compared to 20% increase in non-family households

Projected Population Growth by Age Group: 2025-2035

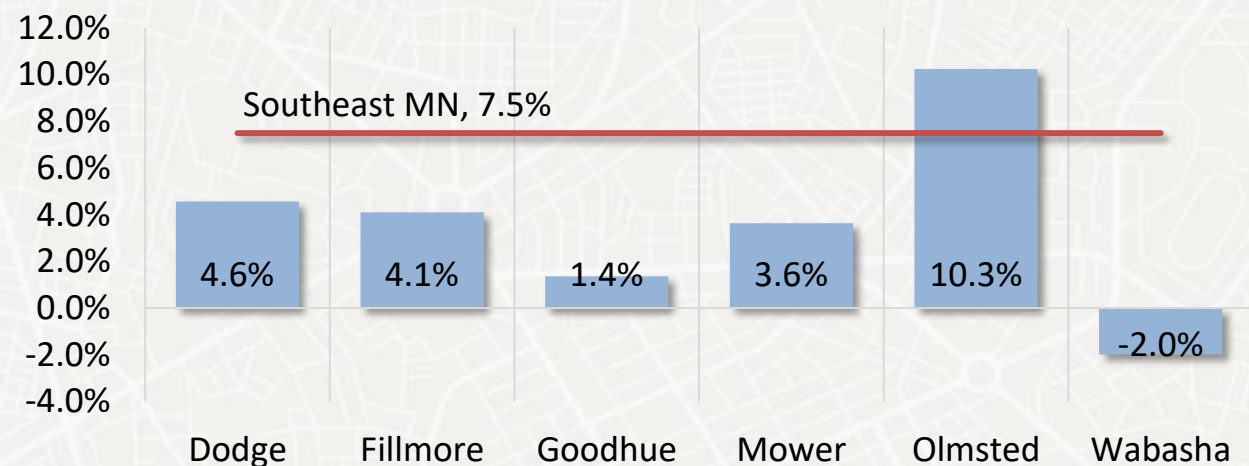


Labor Force & Employment Trends – Southeast MN

Labor Force Growth by County... Past 10 Years



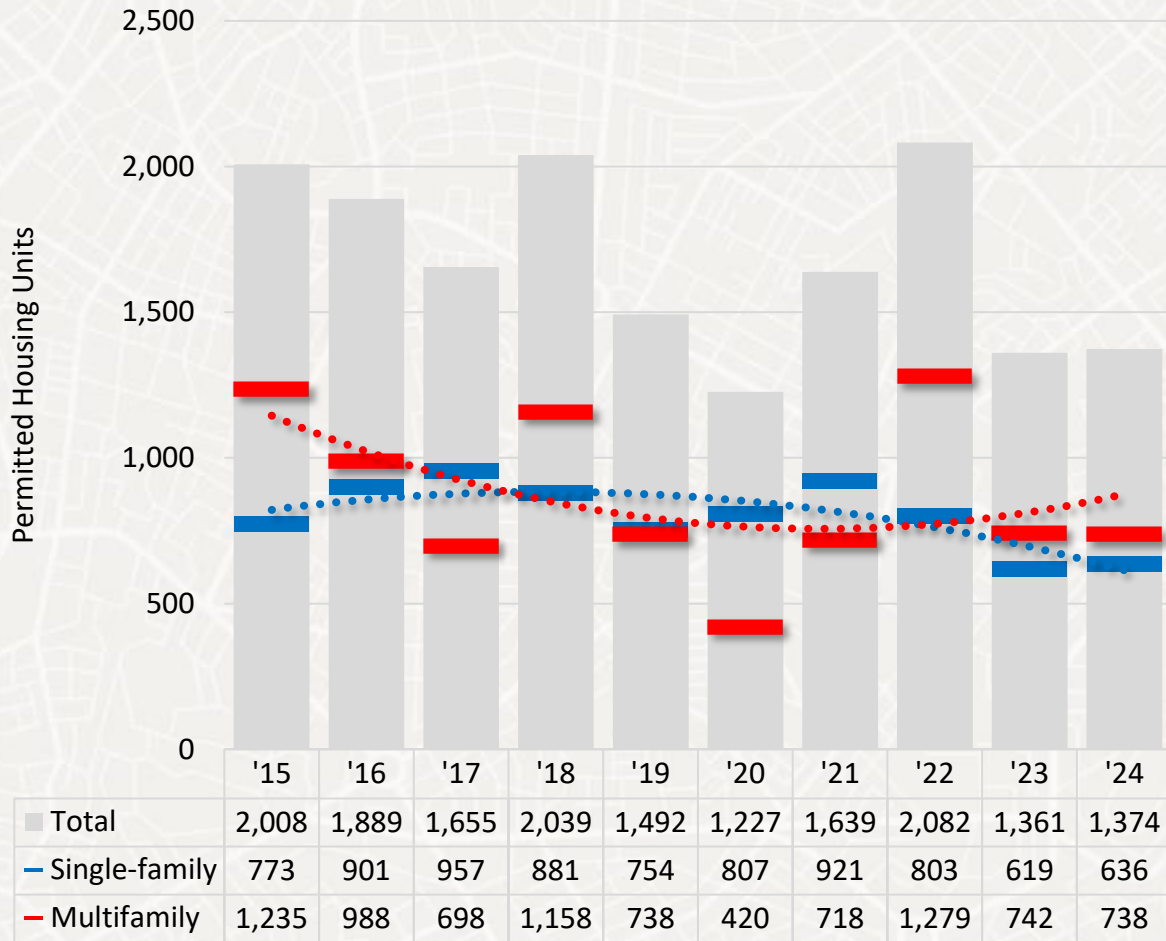
Workforce Age Population Growth by County... Next 10 Years



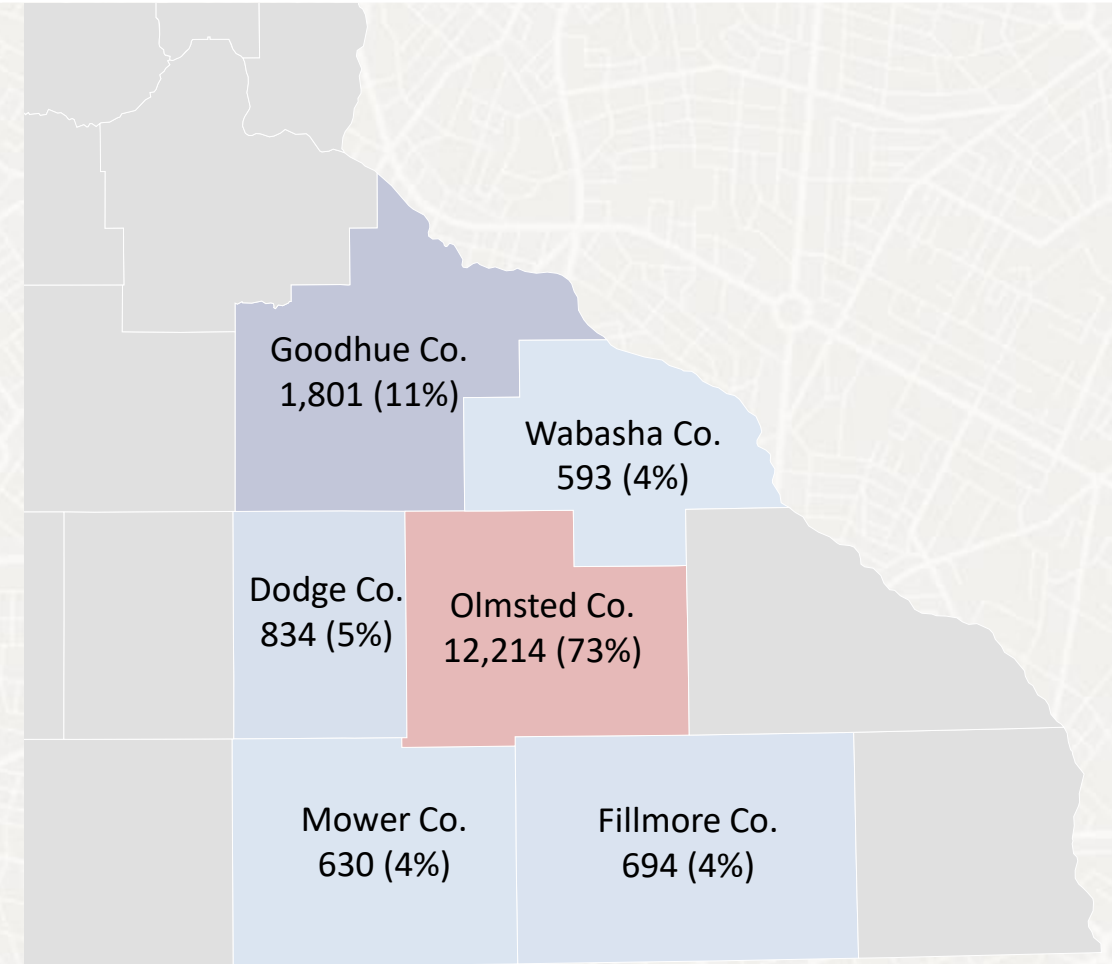
- Region's labor force expanded 4.8% (8,013) past 10 years
 - 2.6% annual unemployment rate
- Workforce population expected to increase 7.5% (13,483) next 10 years
 - 68.1% LF participation rate
 - Estimated labor force growth of 9,182
- 19,487 additional jobs projected by 2035 (12.1% growth)
 - Potential shortfall of workers
- Tight labor market is widening the labor shed
 - 13% of workers commute 50+ miles (20,348)
 - 52% increase past 10 years
- Labor availability will impact job growth potential
 - Housing needed to support workforce growth/retention

Residential Development Activity

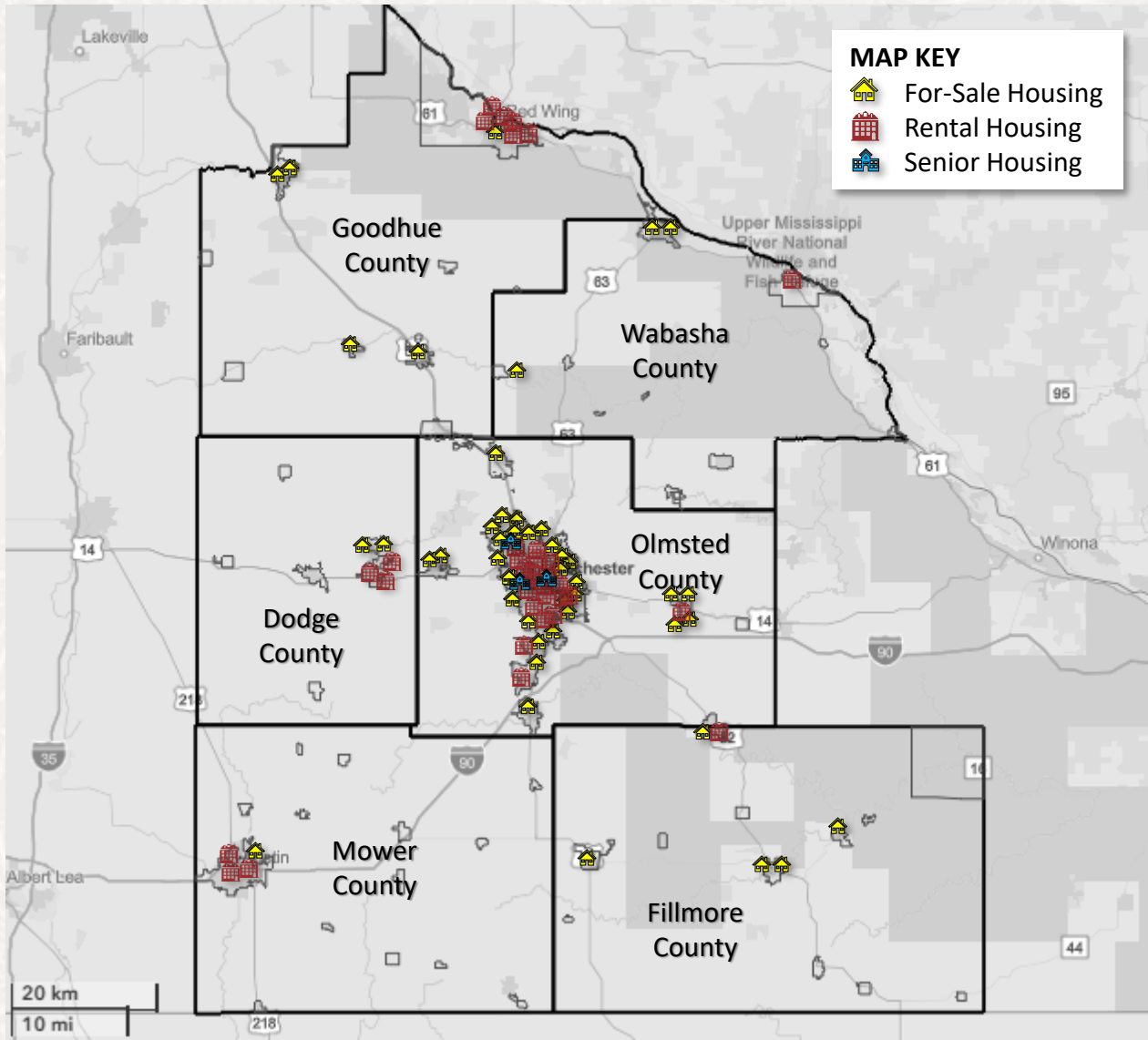
Construction Trends by Type – Southeast MN



New Units by County Past 10 Years



Residential Development Pipeline



- 6,055 total housing units/lots in development pipeline
- 39% for-sale lots/units (2,340)
 - 650 under construction, 424 approved, 1,266 proposed
- 57% general occupancy rental units (3,424)
 - 419 under construction, 1,156 approved, 1,849 proposed
 - 75% market rate units
- 5% senior housing units (291)
 - All active adult, all in Rochester
 - 140 market rate, 151 affordable
- 83% of pending supply in Olmsted County
 - Goodhue Co. (6%), Dodge Co. (5%), Mower Co. (3%), Wabasha Co. (2%), Fillmore Co. (1%)

Housing Market Conditions



For-Sale Market

- Sales volume down from peak - modest increases past year
- 86% of resales single-family -87% in Goodhue Co.
- 2.5-month supply on market
- Median single-family resale (\$320,750)... +6.8% annually
- Goodhue Co. median (\$320,000)... +7.6% annually
- New construction (\$499,900)... \$399,900 in Goodhue Co.



Rental Housing

- 5.8% vacancy est. (4.5% in Goodhue Co.)... trending up
- \$1,000 1BR FMR in 2025... +8% annually past 5 years
- \$877 in Goodhue Co... +9% annually past 5 years
- 1,142 Housing Choice Vouchers under lease... 179 in Goodhue Co.
 - Wait lists... 440 Red Wing HRA, 235 SEMMCHRA

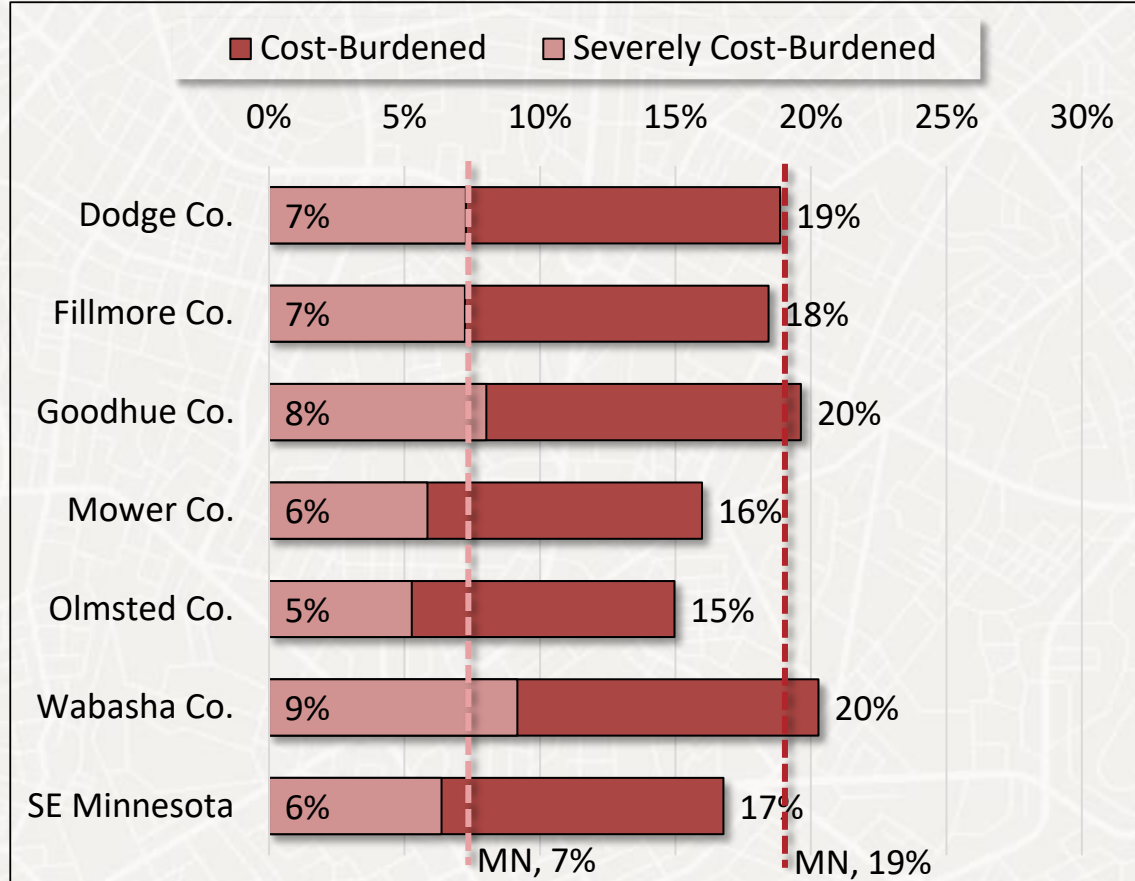


Senior Housing

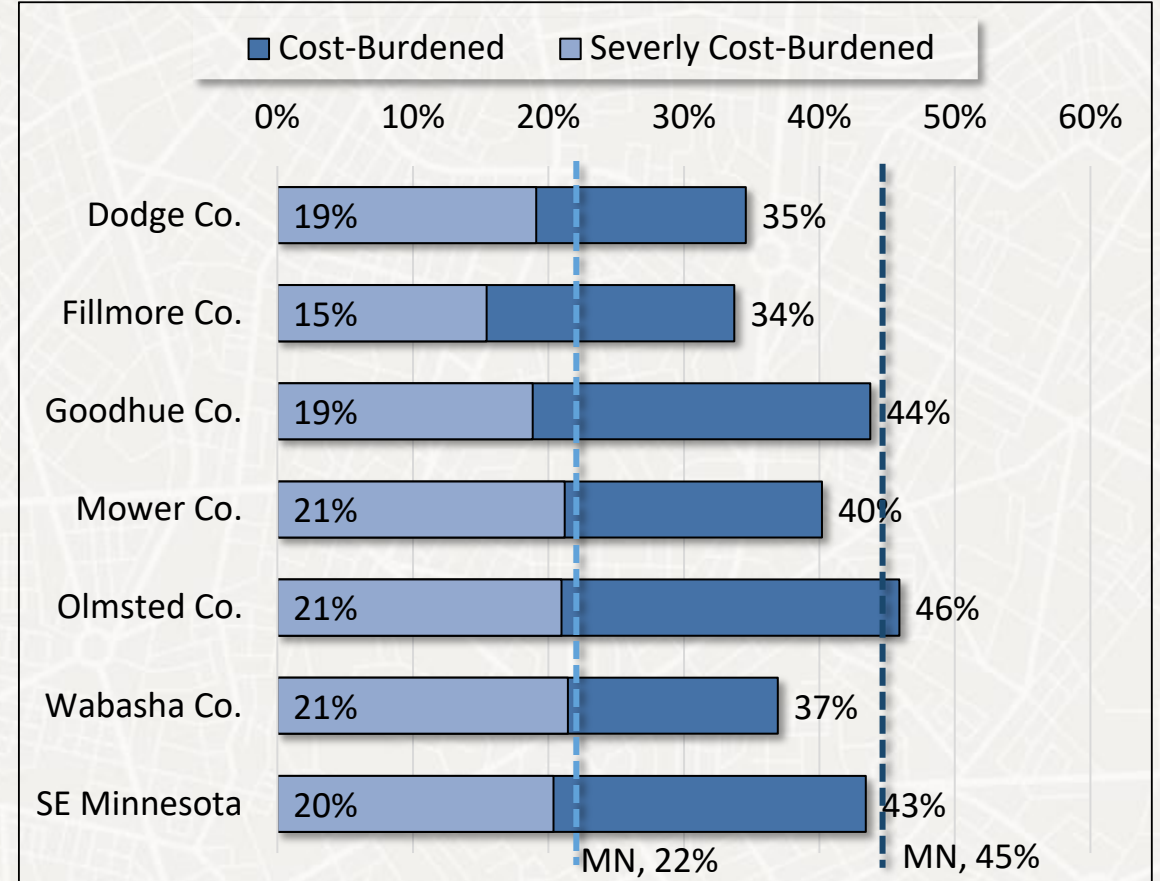
- 159 senior housing facilities in Region... 6,245 units
- 16% market rate active adult, 33% affordable/subsidized, 51% service-enhanced
- 1,103 units in Goodhue Co.
- 6.3 age 65+ HHs/unit (6.4 in Goodhue Co.)
- Age 75+ pop. to grow 38% (10,652) by 2035 (36%, 1,747 in Goodhue Co.)... housing options will be needed

Housing Affordability – Cost Burden

Cost Burdened Owner Households



Cost Burdened Renter Households



Housing Affordability Based on Income

Ownership

Southeast MN

- Resale (\$321K)



- New Construction (\$499K)



Goodhue County

- Resale (\$320K)



- New Construction (\$400K)



1BR Rental

Southeast MN

- FMR (\$1,000)



- New Construction (\$1,300)



Goodhue County

- FMR (\$877)



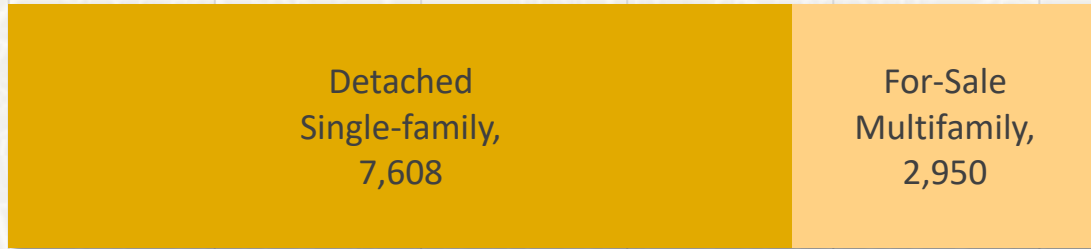
- New Construction (\$1,300)



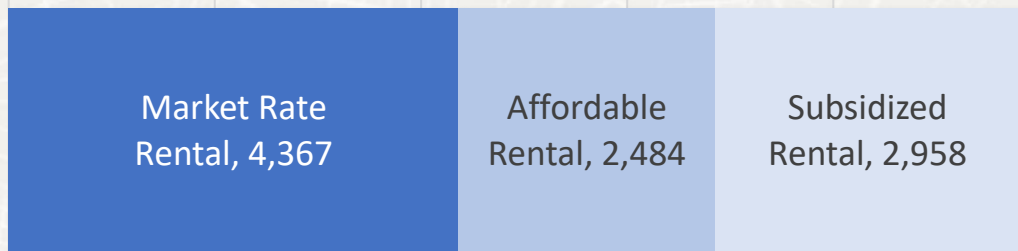
Housing Demand Calculations (2025 – 2035)

➡ Demand for 20,367 General Occupancy Housing Units by 2035

General Occupancy For-Sale Housing Demand (10,558 units)



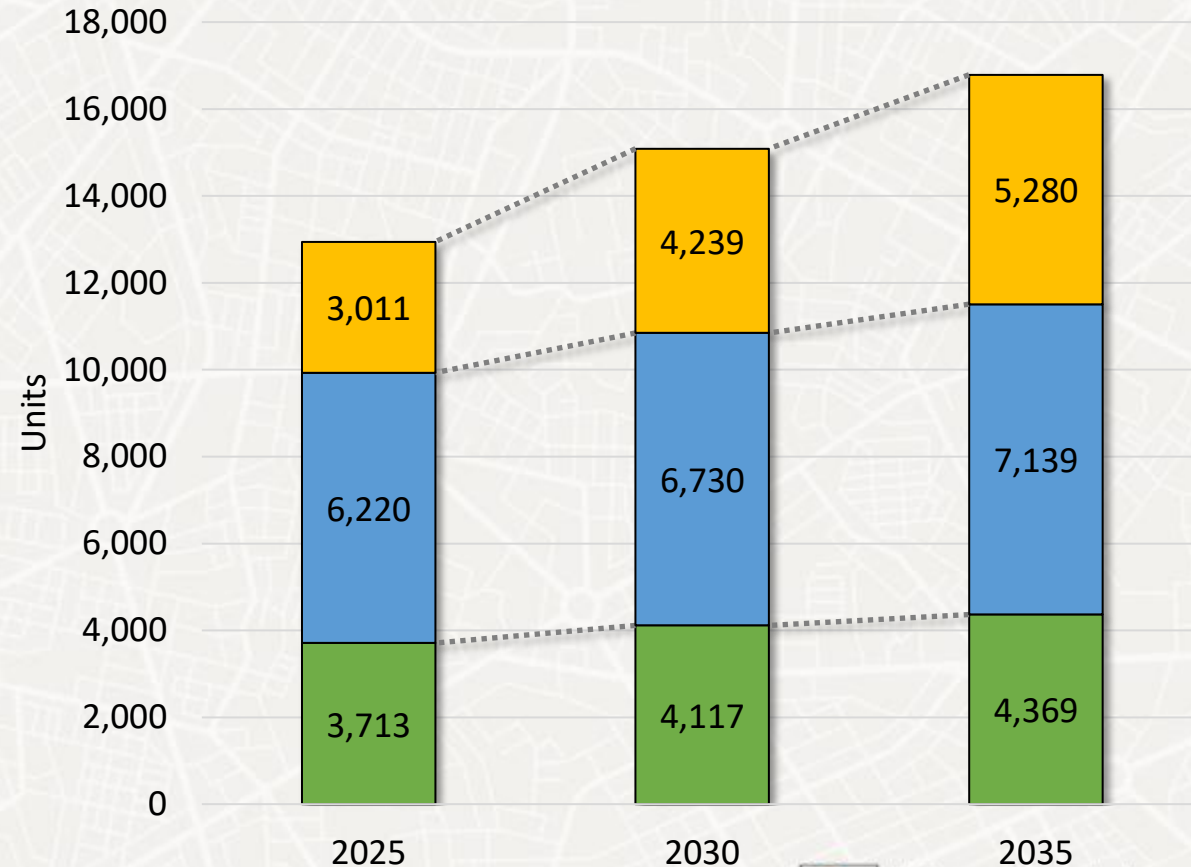
General Occupancy Rental Housing Demand (9,809 units)



2,000 4,000 6,000 8,000 10,000

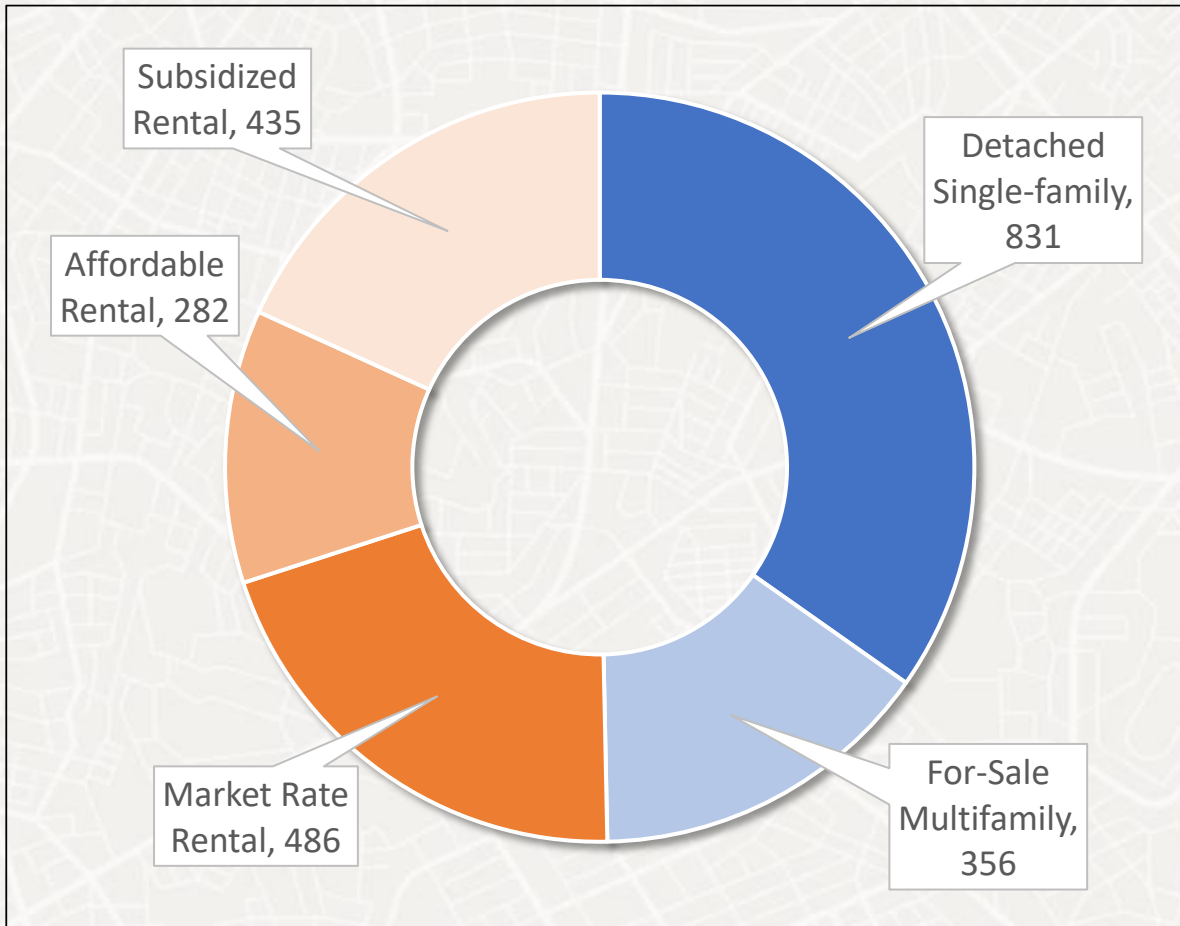
➡ Excess Demand for 16,788 Senior Housing Units in 2035

Market Rate Active Adult Affordable/Subsidized Service-Enhanced

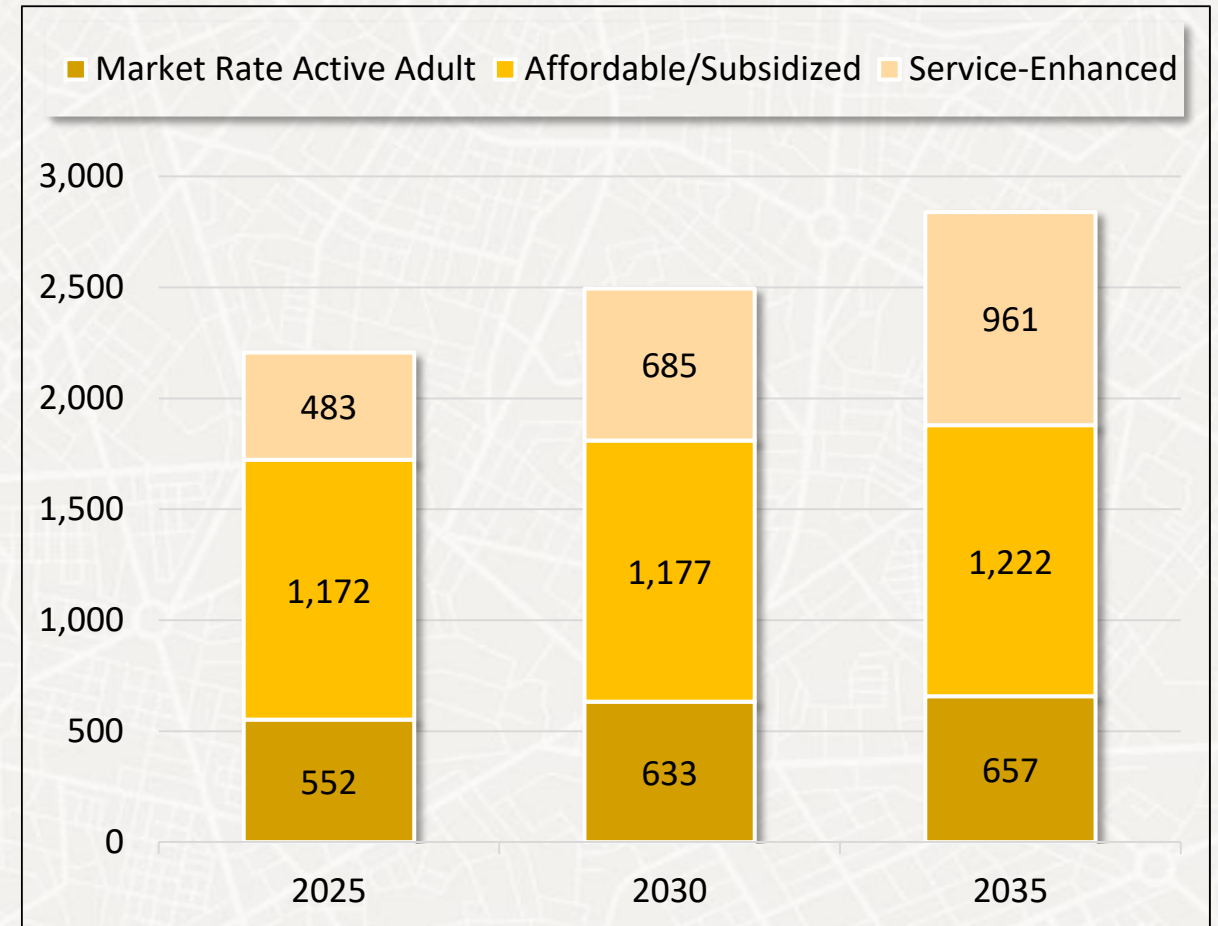


Goodhue County Demand Calculations (2025 – 2035)

➡ Demand for 2,390 General Occupancy Housing Units by 2035



➡ Excess Demand for 2,840 Senior Housing Units in 2035



Key Findings

- **Housing needs across the spectrum... affordability pressures are significant**
 - ➔ Affordable/subsidized rental housing comprises 37% of total projected demand in Goodhue County
 - ➔ 43% of total excess senior housing demand
- **New construction unattainable for many households**
- **Younger households face considerable barriers to housing**
 - ➔ Gap between housing costs and incomes/wages is widening
 - ➔ Limited turnover of affordably priced housing
- **Many communities missing out on potential growth among younger households**
 - ➔ Impact on economic development

Strategic Opportunities for Goodhue County

- **Workforce housing**
 - ➔ Ownership and rental options priced to target local workforce
- **Housing products targeted to older adults/seniors**
 - ➔ Help stimulate turnover of existing single-family homes... expand opportunities for the workforce and younger households
 - ➔ Affordable rental options
- **Explore ways to help keep housing costs down**
 - ➔ Public/private partnerships
 - ➔ Maximize infill/redevelopment opportunities
 - ➔ Evaluate development regulations and processes
 - ➔ Increase variety (missing middle)

Questions & Comments



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