



The Single-Family Rental Home Market in Minnesota

Prepared by the National Rental Home Council
www.rentalhomecouncil.org

Rental housing is in higher demand than ever before

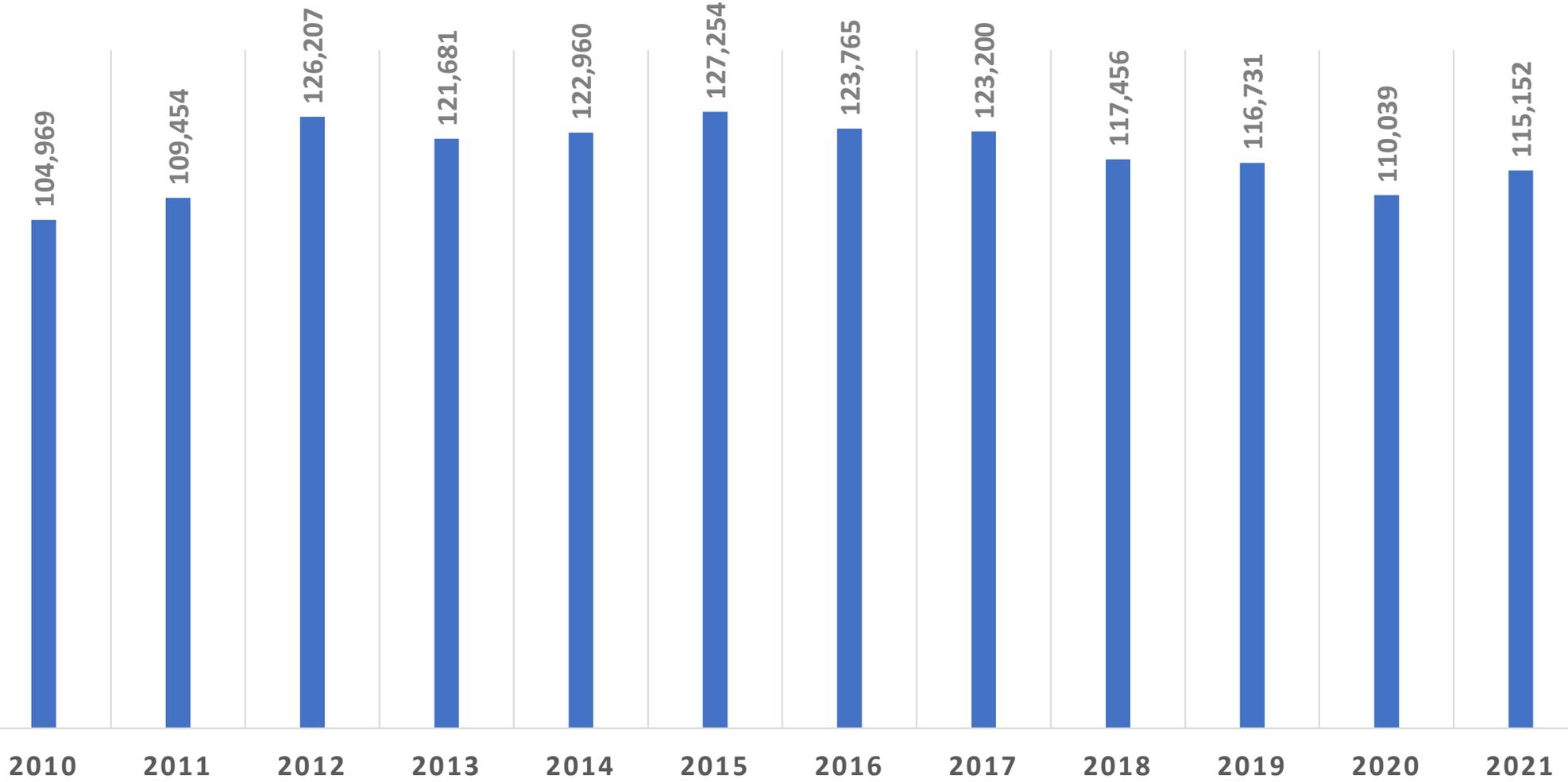
According to the Harvard Joint Center for Housing Studies report, *America's Rental Housing 2022*, **the number of new renter households increased by more than 870,000** since the beginning of the COVID health pandemic. The report identifies five causes for the surge in demand for rental housing:

1. Large number of millennials moving through their 20s and 30s: *ages where renting is most common*
2. Rapid growth of older renters: *baby boomers aging into their 60s and 70s*
3. Sharp rise in rentership between 2009 and 2019 for younger and middle-aged households: *signaling delayed transitions to homeownership*
4. The growing popularity of renting among older households: *contributing to increases in both the number and share of higher-income renters*
5. The increasing diversity of U.S. households: *lifting demand for rental housing*

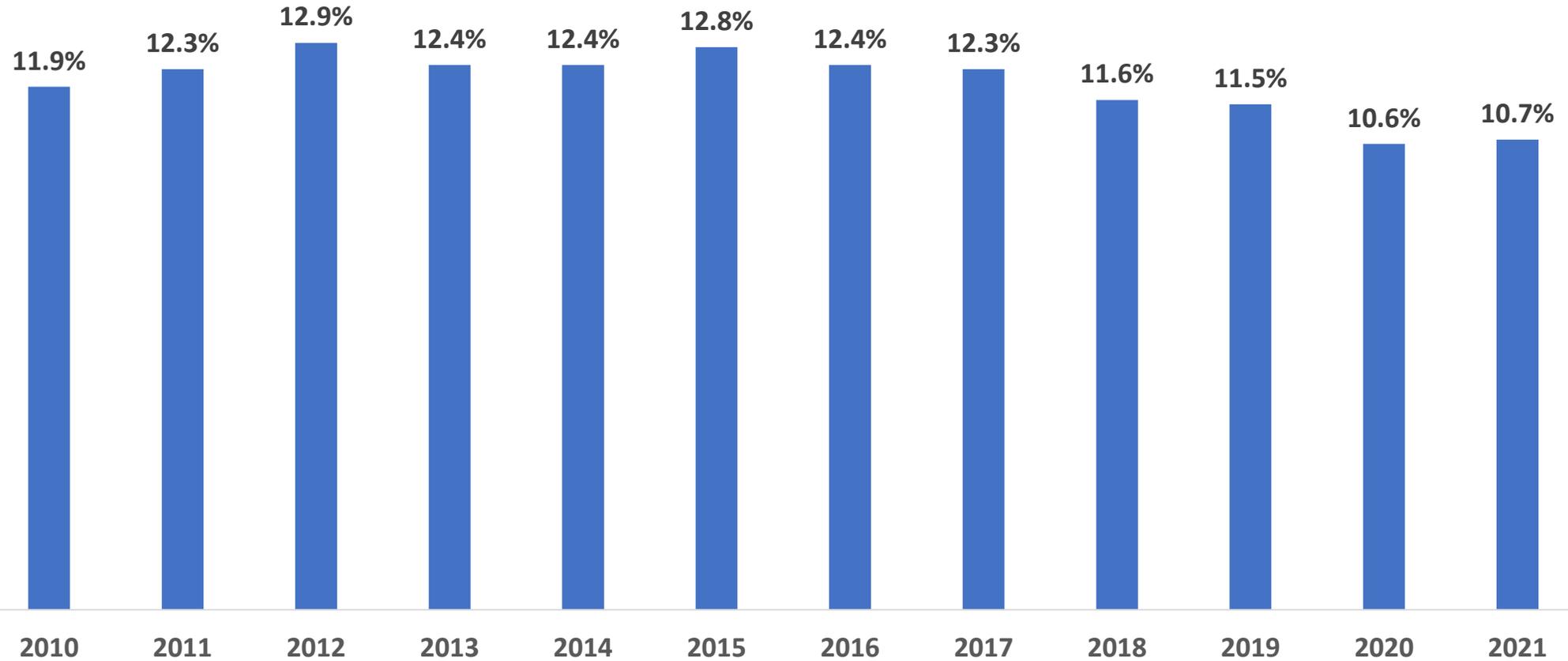
Single-family rental homes account for **half of all rental housing in the United States** and play a critical role in meeting the housing needs of millions of Americans.

Institutional owners, though a small part of the overall SFR market, bring much-needed capital, liquidity, and property management expertise to the rental housing market. In the process, they provide Americans with more options for stable, quality, and affordable housing in neighborhoods that might otherwise not be accessible to them.

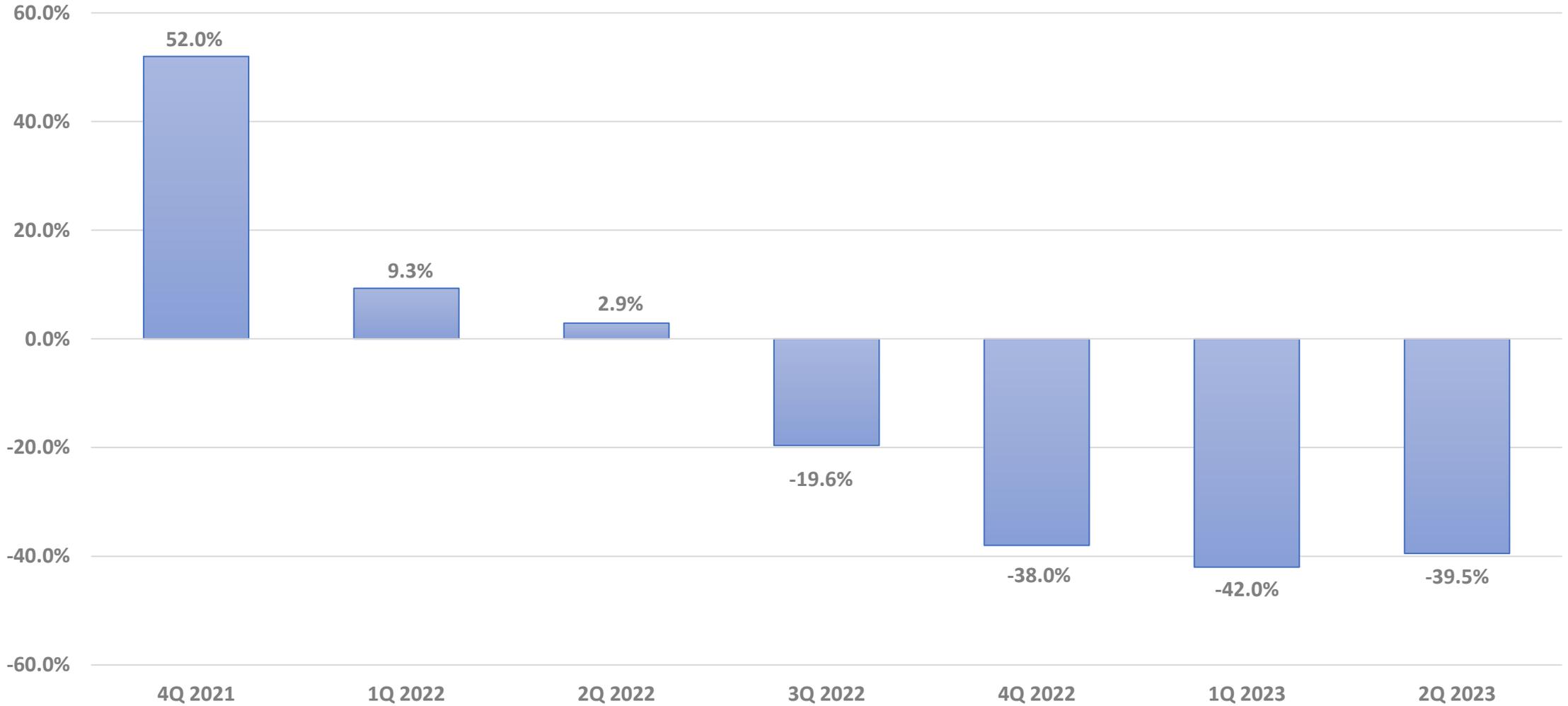
NUMBER OF SINGLE-FAMILY RENTAL HOMES MINNEAPOLIS MSA



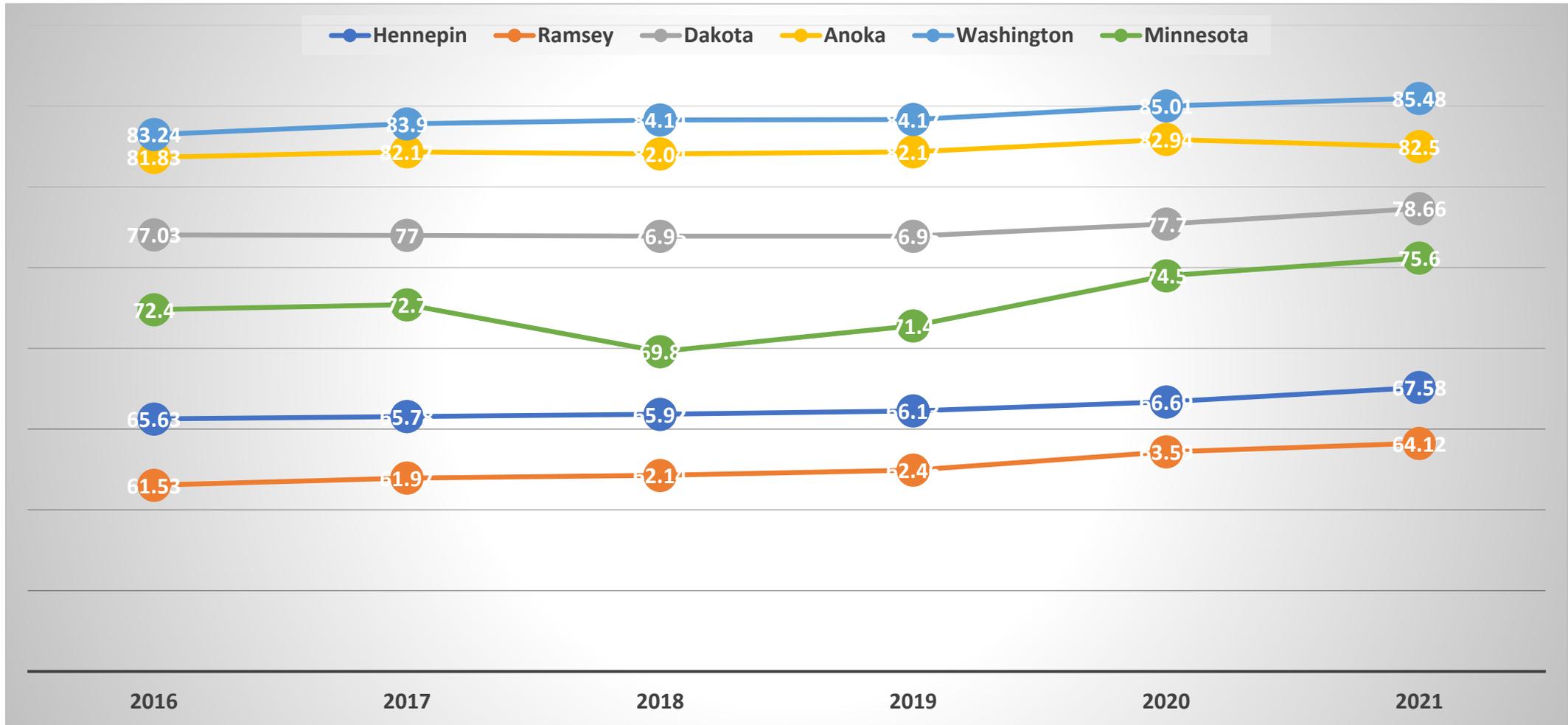
Single-Family Rental Homes as a Share of the Overall Single-Family Housing Market Minneapolis MSA



'Investor' Purchases YoY Change (Minneapolis MSA)



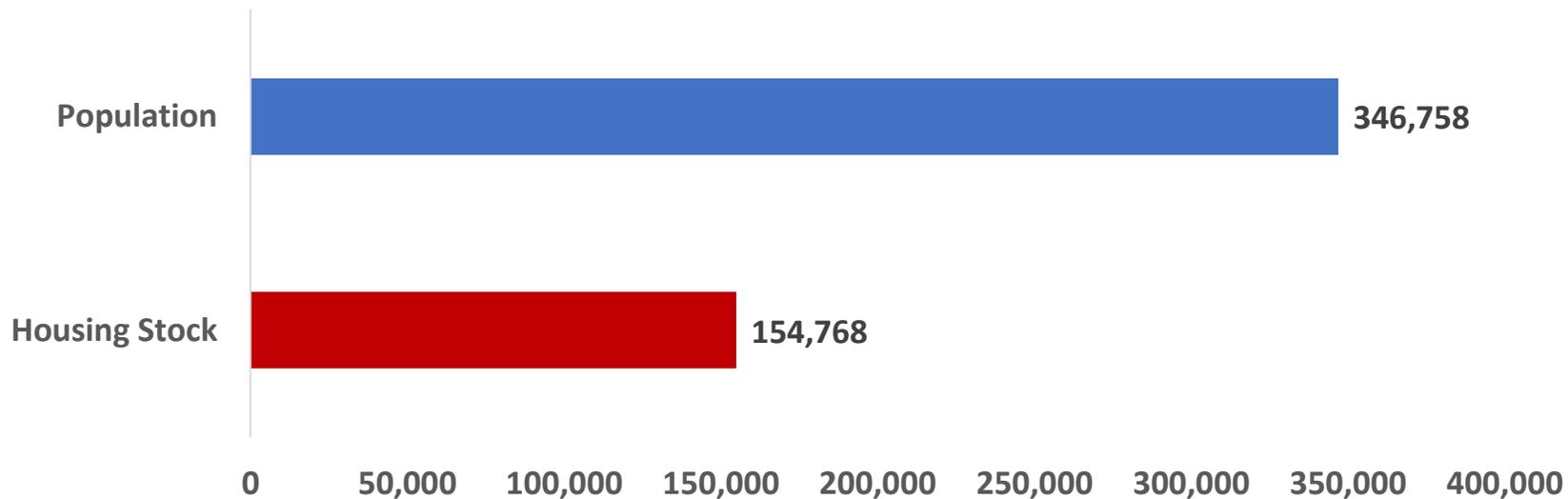
Homeownership rates are **higher** statewide and in all five of Minnesota's largest counties than they were in 2016



Source: Federal Reserve Bank of St. Louis; FRED Economic Data

The growth in Minnesota's housing stock has not kept pace with population growth

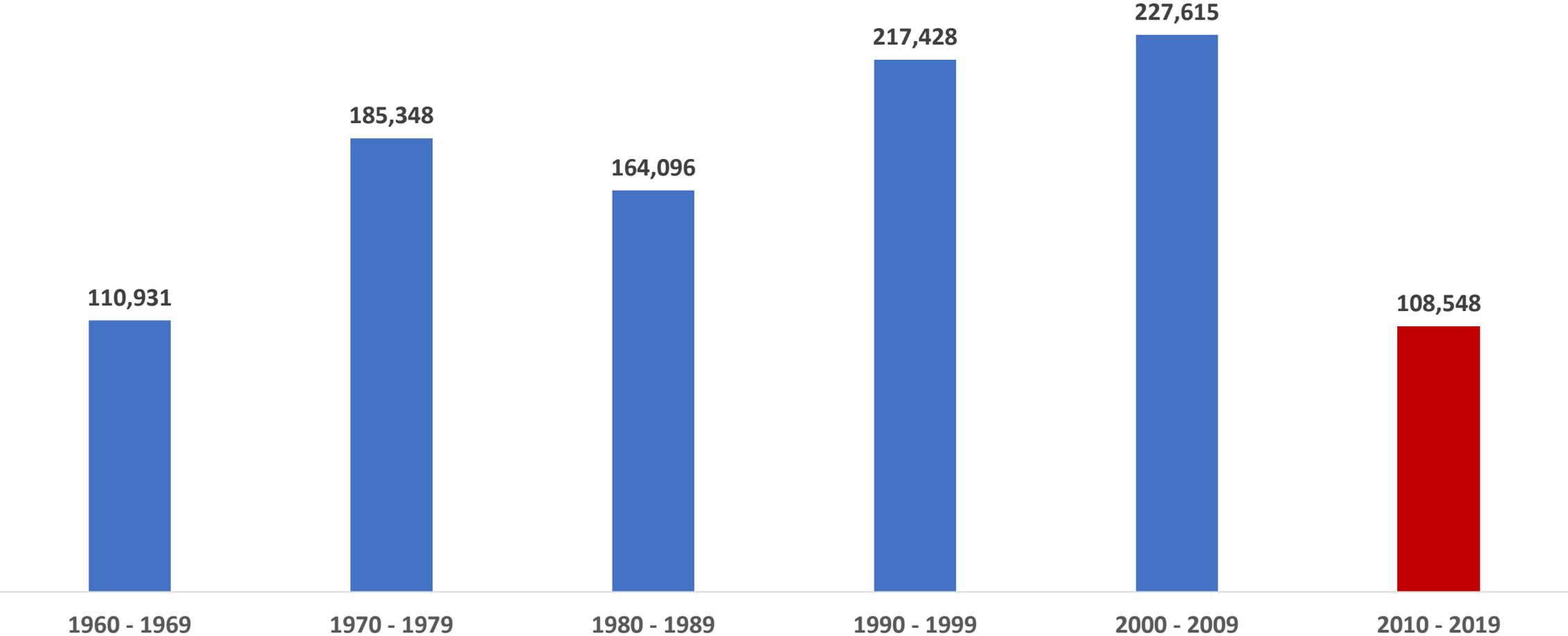
Minnesota Statewide Increases in Population and Housing Stock, 2010 - 2020



Of 309 MSAs in the U.S., Minneapolis has the 13th highest level of housing underproduction at 80,138 units.

Source: *Up For Growth*, 2022 Housing Underproduction in the U.S.

Permits for New Single-Family Housing in Minnesota have declined by more than 50% over the most recent decade.



Source: Bipartisan Policy Center: J. Ronald Terwilliger Center for Housing Policy

Caring for Residents

NRHC's five largest member companies each have an **A+ rating** by the Better Business Bureau (*American Homes 4 Rent, FirstKey Homes, Invitation Homes, Progress Residential, Tricon Residential*)

The adept use of customer care technology has enabled companies to respond quickly and efficiently to resident needs. Many companies have offered **24-7 customer service** for residents, a continuing standard of care made possible during the COVID crisis through the effective use of remote-work technology employed by call center personnel.