



## MARKET AT A GLANCE



**OCCUPANCY RATE** **96.0%**  
Down **120 bps** since 3Q19



**EFFECTIVE RENT** **\$1,370**  
Down **0.5%** since 3Q19

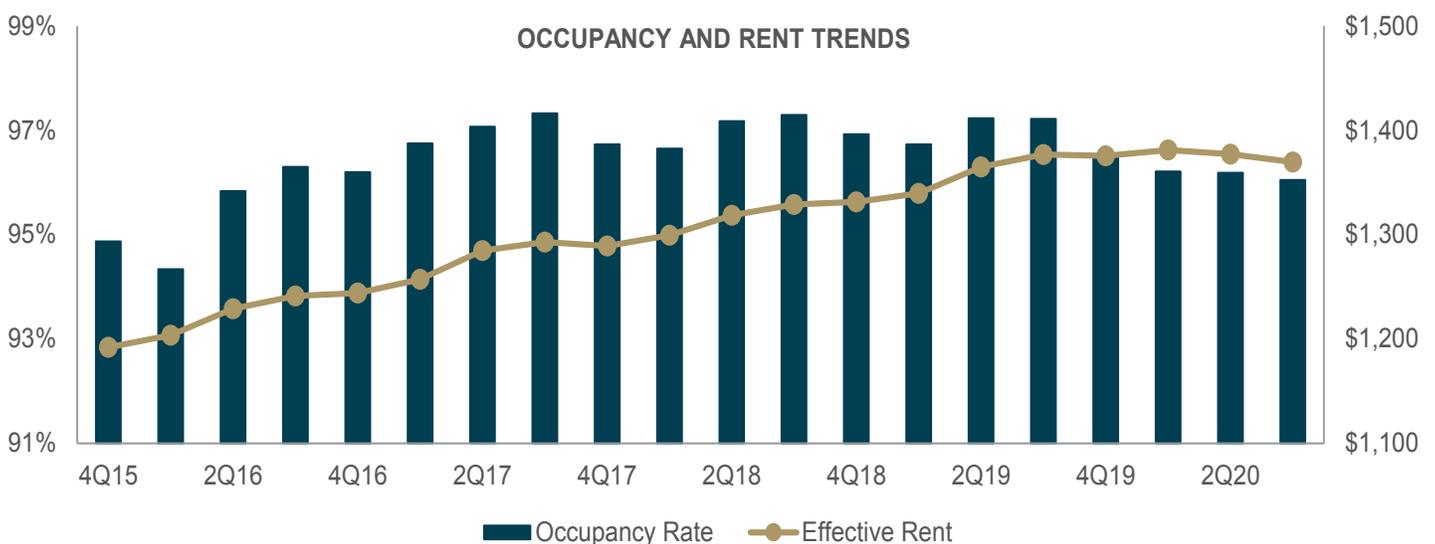


**RENT PAYMENT TRACKER (Oct. 1-13)** **92.7%**  
Up **40 bps** since Sept. 1-13

## OCCUPANCY AND RENT TRENDS

### APARTMENT DEMAND UP 48% FROM LAST QUARTER AS ECONOMY RECOVERS

The Minneapolis metro continued to operate in Phase 3 of its reopening plan through the third quarter of 2020. Less strict social distancing measures allowed employers to hire or bring back over 52,000 employees during July and August. Even more encouraging was the fact that 21,000 of those jobs were regained in the area's pandemic-battered leisure and hospitality sector. Multifamily development continued unfettered during the third quarter despite the pandemic continuing to drag down other aspects of the metro's economic development; the 2,881 new units brought online and 2,352 units absorbed during the quarter were almost identical to the supply and demand reported in the third quarter of 2019. As such, occupancy fell 20 basis points during the quarter due to supply side pressure. Apartment operators opted to cool rent growth and increase concessions in several submarkets in order to offset potential negative pressure on demand due to the pandemic. As a result, metrowide effective rent decreased 0.6% during the third quarter to \$1,370 per month. The portion of renters able to successfully keep up with their rent payments through the first two weeks of October increased 40 basis points to 92.7%, another promising sign.



# MINNEAPOLIS - ST. PAUL

MULTIFAMILY REPORT

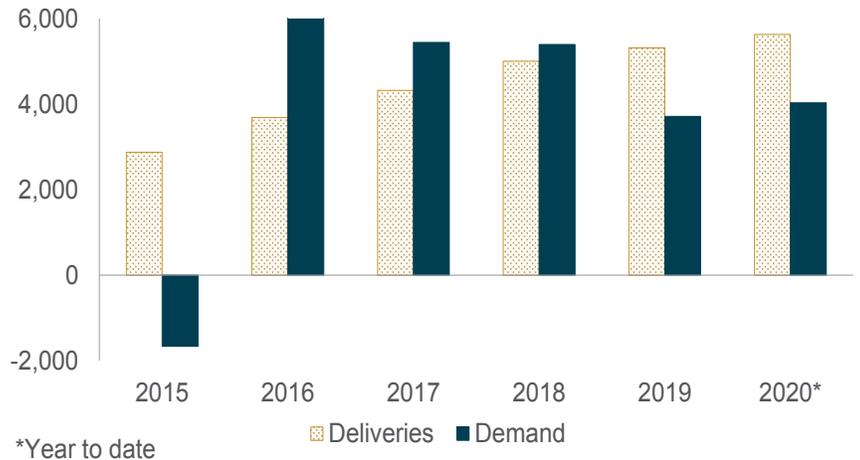
## DELIVERIES AND DEMAND



**DELIVERIES** 5,631  
Units YTD



**NET ABSORPTION** 4,030  
Units YTD



## ECONOMIC TRENDS

2019 3.0% ..... UNEMPLOYMENT\* ..... 2020 8.0%  
**500 BPS CHANGE**

2019 2.0m ..... EMPLOYMENT\* ..... 2020 1.9m  
**-7.7% CHANGE**

2019 63.9k ..... EXISTING SFH SALES\*\* ..... 2020 68.4k  
**7.0% CHANGE**

2019 3.7m ..... POPULATION\*\* ..... 2020 3.7m  
**0.9% CHANGE**

2019 1.70% ..... 10-YEAR TREASURY\*\* ..... 2020 0.68%  
**-100 BPS CHANGE**

\*August; \*\*September



# MINNEAPOLIS - ST. PAUL

## MULTIFAMILY REPORT

### SUBMARKET BREAKDOWN

SUBMARKET NAME	OCCUPANCY			EFFECTIVE RENT			NET ABSORPTION		DELIVERED UNITS	
	3Q20	Q-o-Q Change (BPS)	Y-o-Y Change (BPS)	3Q20	Q-o-Q Change	Y-o-Y Change	3Q20	Annual	3Q20	Annual
Anoka County	97.7%	50	20	\$1,188	1.1%	2.4%	234	466	102	415
Bloomington	96.4%	-10	-40	\$1,329	-0.9%	-0.9%	222	350	242	402
Burnsville/Apple Valley	96.6%	10	-50	\$1,325	0.8%	1.0%	337	697	336	786
Central St. Paul	94.0%	-140	-240	\$1,372	-3.0%	-4.6%	-235	-256	0	141
Downtown Minneapolis/University	93.0%	-150	-350	\$1,673	-2.5%	-3.6%	170	-174	823	1,416
East St. Paul	97.7%	70	40	\$1,256	0.9%	2.6%	351	257	152	152
Eden Prairie/Shakopee/Chaska	96.5%	20	-60	\$1,383	-0.7%	0.3%	158	94	136	189
Mnetonka	96.9%	10	-110	\$1,410	-0.1%	0.2%	40	-25	26	131
North Minneapolis	96.8%	50	-50	\$1,196	0.7%	1.9%	280	321	159	455
Plymouth/Maple Grove	96.2%	0	-120	\$1,462	0.8%	0.0%	45	109	48	291
South Minneapolis/Richfield	95.5%	-20	-260	\$1,395	-2.1%	-2.3%	96	266	141	813
South St. Paul/Eagan	97.5%	60	-50	\$1,277	0.4%	1.0%	158	110	68	200
Uptown/St. Louis Park	95.4%	-70	-110	\$1,563	-1.2%	-1.9%	337	548	558	876
West St. Paul	96.8%	30	-90	\$1,193	0.0%	0.2%	159	33	90	313
<b>TOTALS</b>	<b>96.0%</b>	<b>-20</b>	<b>-120</b>	<b>\$1,370</b>	<b>-0.6%</b>	<b>-0.5%</b>	<b>2,352</b>	<b>2,794</b>	<b>2,881</b>	<b>6,580</b>

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