



Tenant Hotline

Phone: 612-728-5767

Online: [homelinemn.org/email](https://homelinemn.org/email)

# Rental Housing Market Overview

Dan Hylton - HousingLink Research Manager

April 23, 2025 — 1:30-3:00pm

HOME Line Housing Attorney, Rachael Sterling

# What is HOME Line?

- HOME Line is a statewide nonprofit organization providing free legal, educational, and advocacy services to Minnesota renters. We have advised over 335,000 renters since 1992.
- Our primary program is a free and confidential legal hotline any Minnesota renter can contact us to receive legal advice specific to their situation, in 4 languages.
- HOME Line has a staff of 24, including attorneys, tenant advocates, and tenant organizers. We also rely on volunteers and interns.



# What is HOME Line?

HOME Line Tenant Hotline:

**612-728-5767**

Toll-free: 866-866-3546

- Para Español, llame al 612-255-8870
- Af- Soomaali wac 612-255-8860
- Hais lus Hmoob, Hu 612-255-7104
- Online: *[homelinemn.org/email](http://homelinemn.org/email)*



# Upcoming Webinars

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May 21st

Overview of Recent City Ordinances



# Housekeeping

- This session is being recorded and will be available on HOME Line's website in a few days
- Please ask questions through the Q&A function located at the bottom of the Zoom window
- CLE credits will be applied for after this session





[www.housinglink.org](http://www.housinglink.org)

Where do you want to rent?

Distance ▾

Rent ▾

Bedrooms

Subsidized Housing

Building Type

Seniors/Disabled

Pets

Programs

Show Listings

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See Content For:

Renters

Owners / Managers

Waitlist Central

Donate

## Featured Services



We can help find what you need faster! Click Contact Support below.

 Messages >

 Contact support >



## Three Datasets of HousingLink

- ***Streams***: Publicly financed affordable housing.



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- ***Streams***: Publicly financed affordable housing.
- ***Rental Revue***: Private market rent data.

## Key questions:

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- *What is driving that?*
- *Impact on affordable housing?*

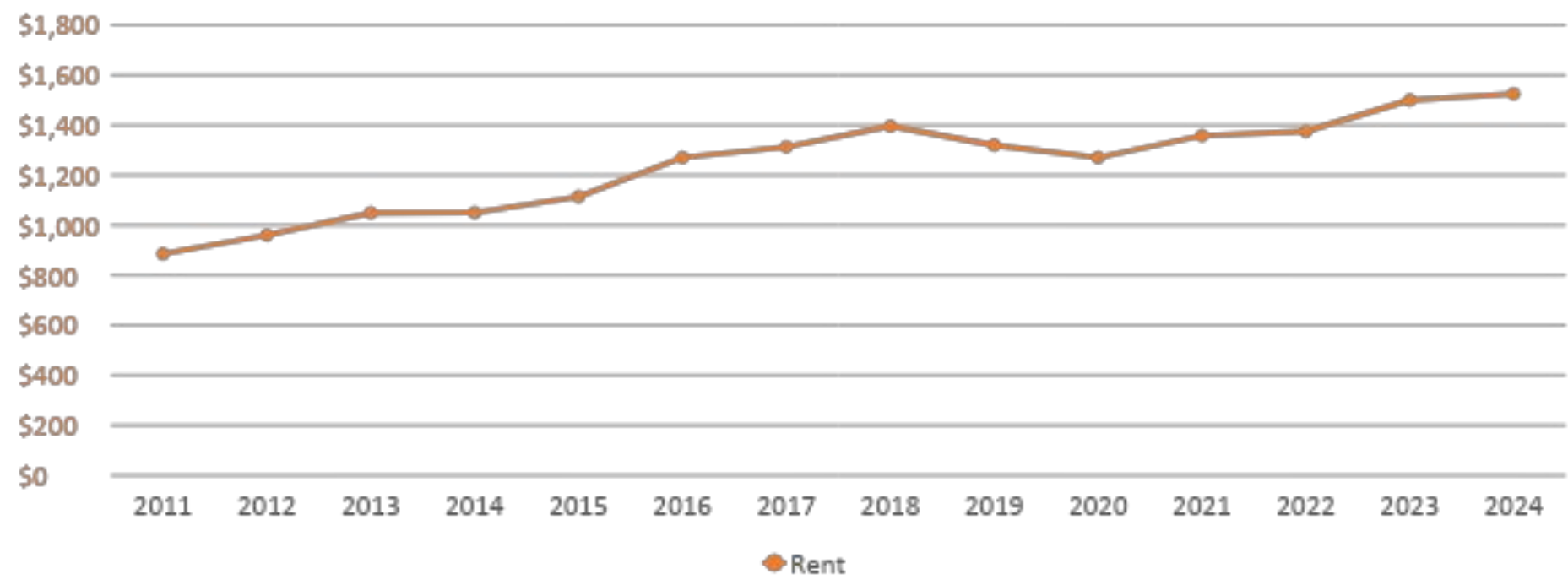


## Key questions:

- *What is happening with median rents?*
- *What is driving that?*
- *Impact on affordable housing?*
- *Where do we go from here? (“notes of hope”)*

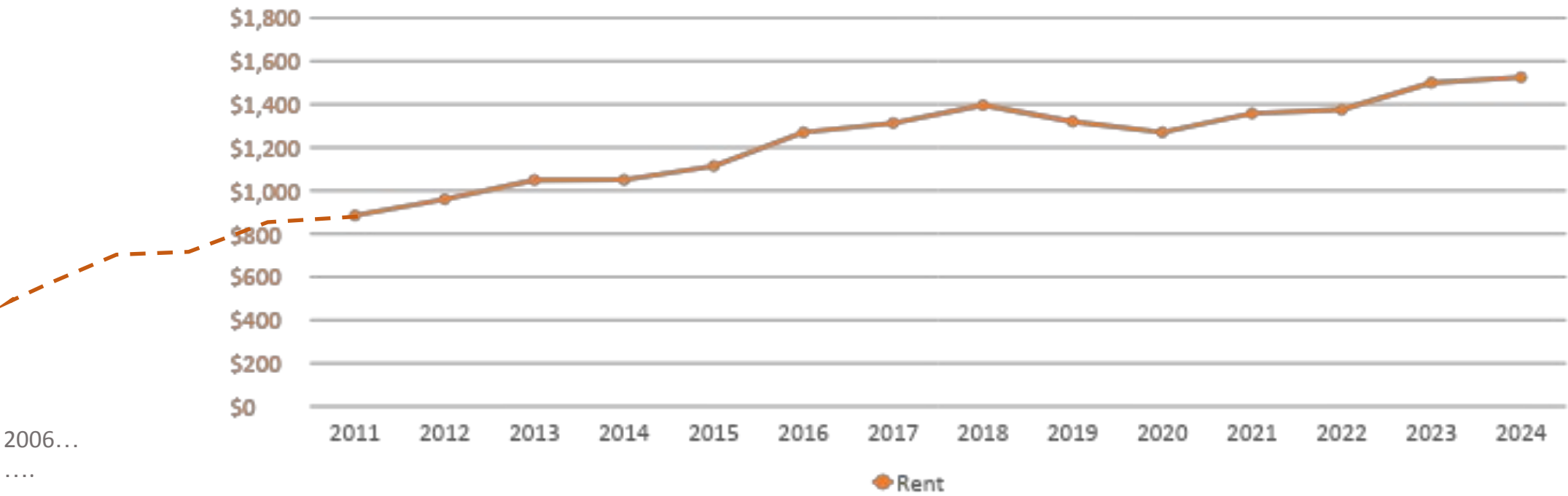
# Historical Perspective

Median 4<sup>th</sup> Quarter 2 BR Apartment Rents, Twin Cities



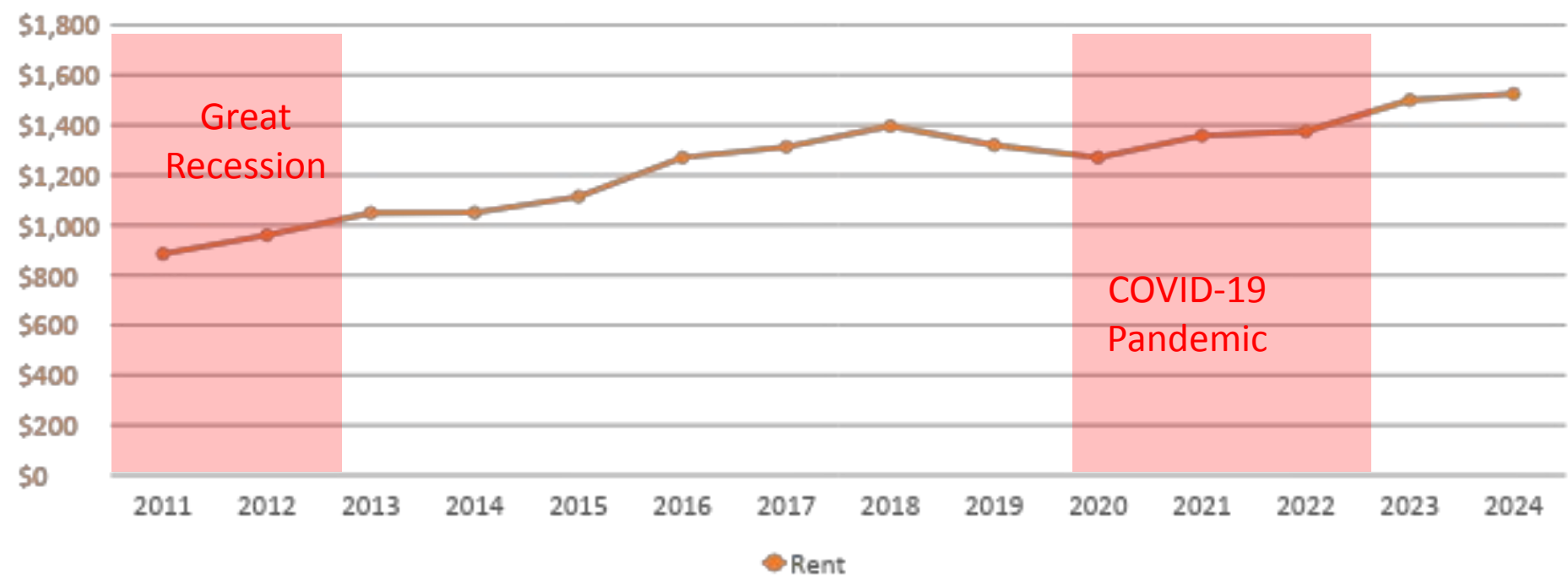
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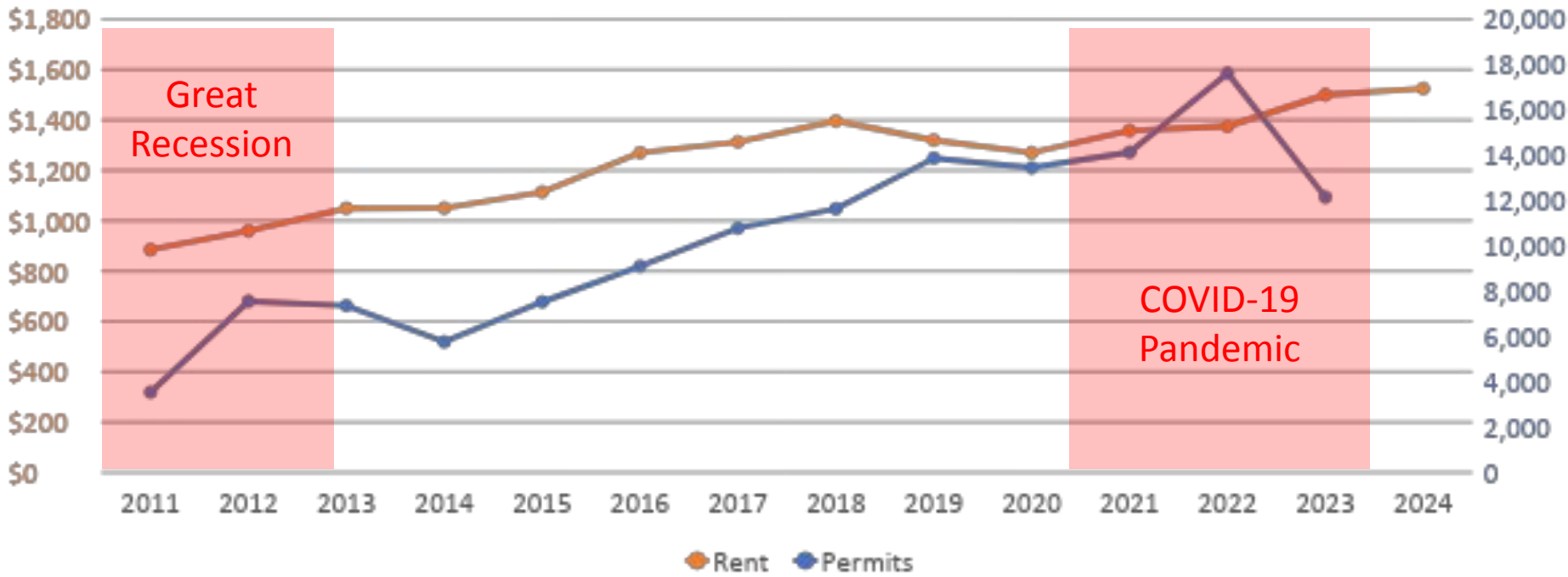
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# Historical Perspective

4<sup>th</sup> Quarter 2 BR Apartment Rents, Twin Cities and 5+ multifamily permits

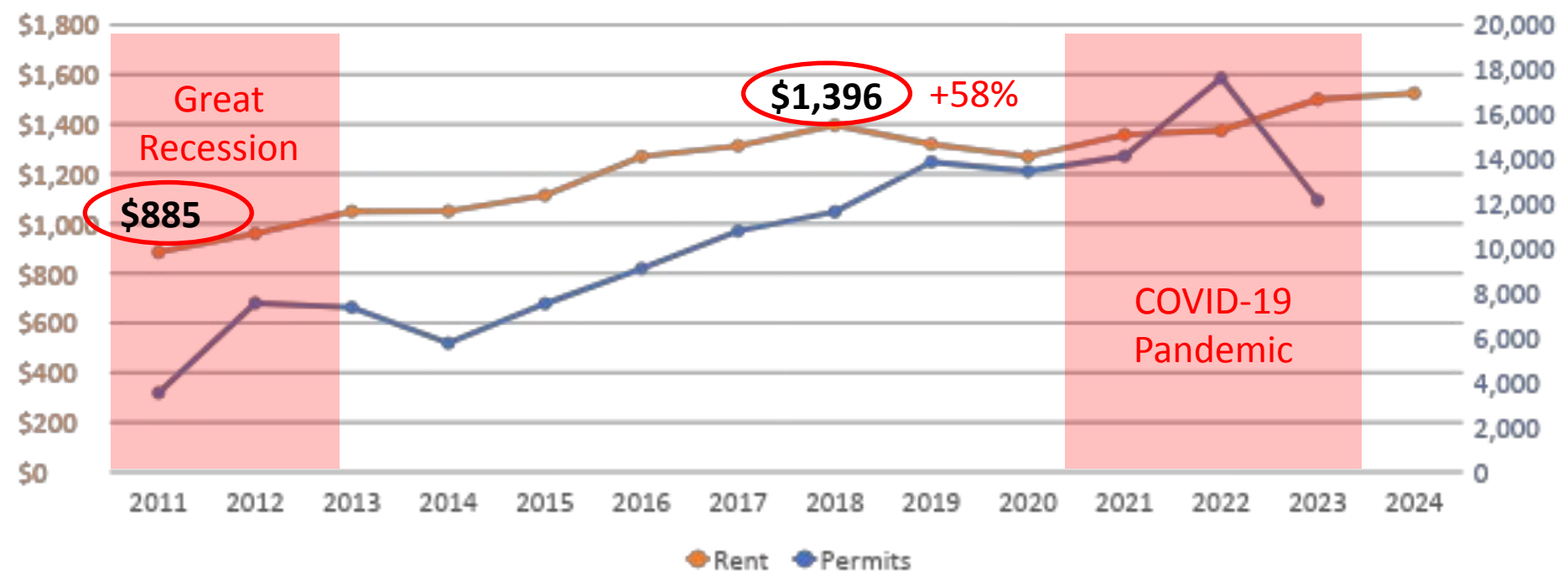


Data from HousingLink's *Twin Cities Rental Revue* report series  
5+ unit multifamily construction permits from Met Council, access via MN Geospatial Commons



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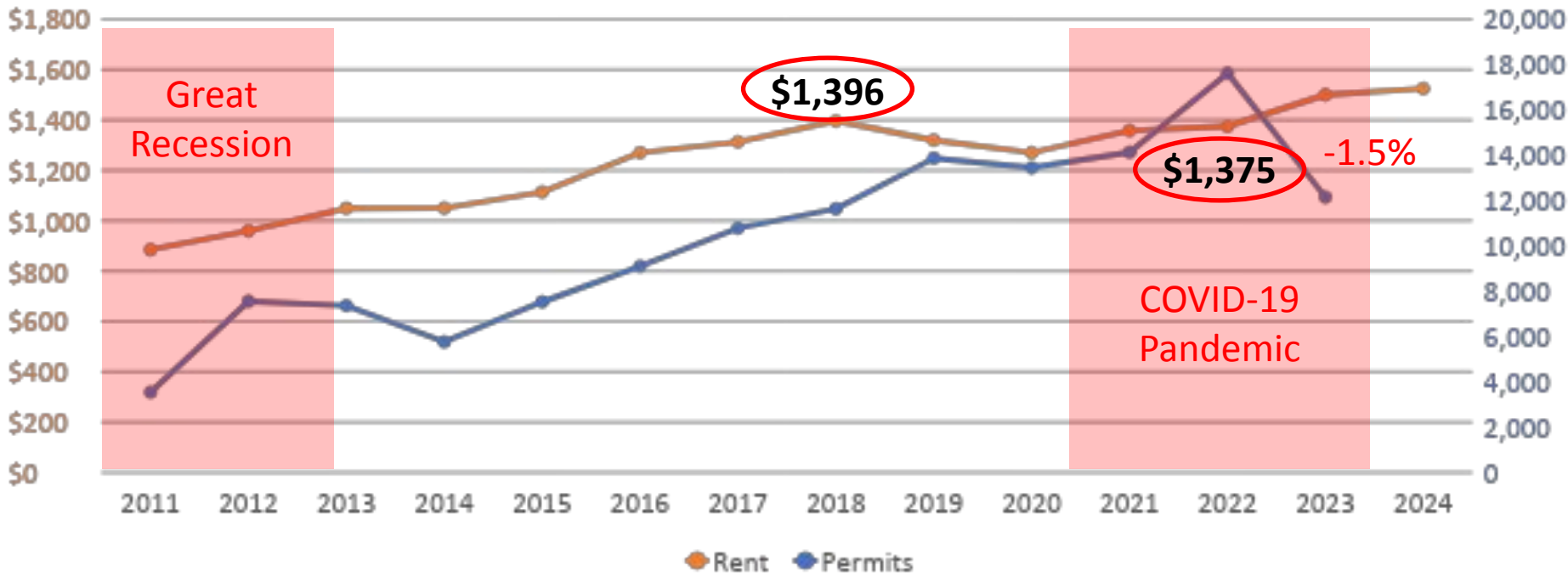
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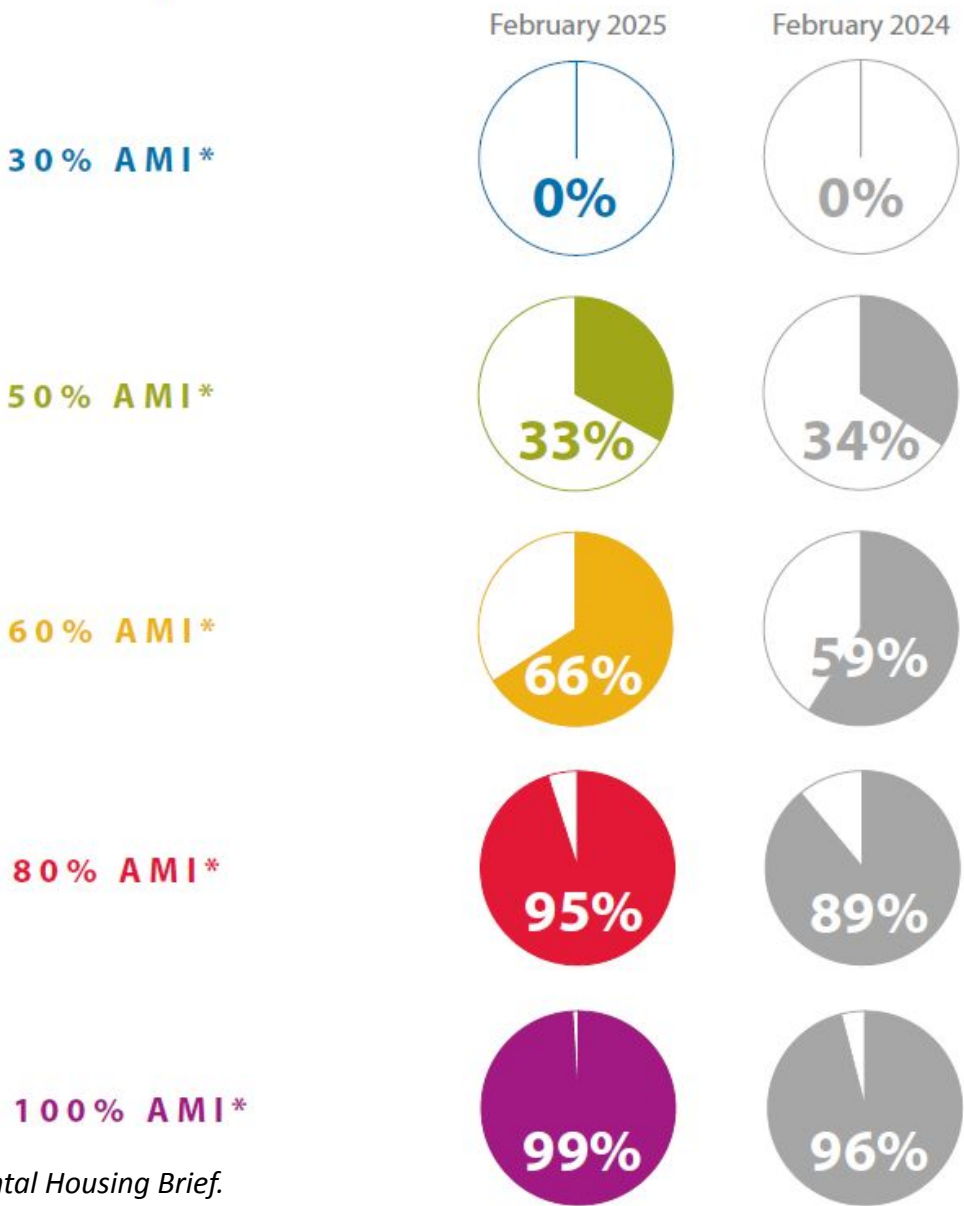
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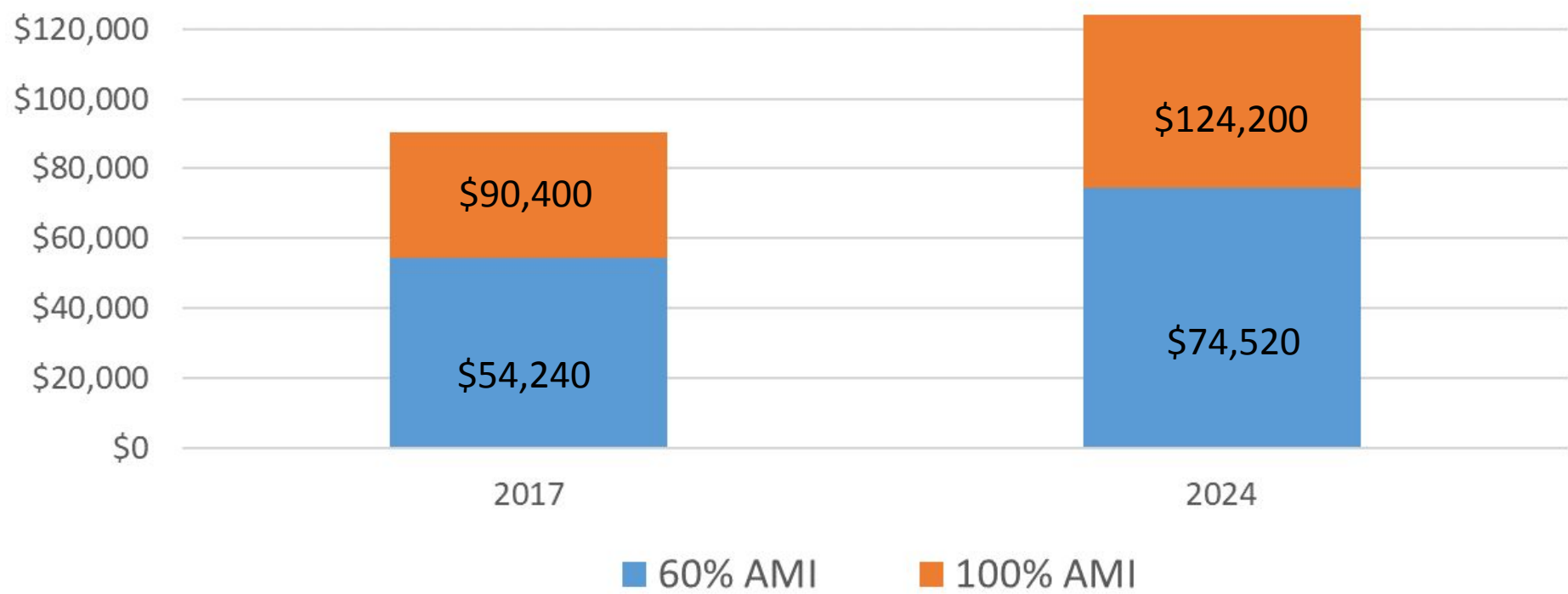
# About housing affordability and low-income renters

% of Minneapolis Rental Vacancies Affordable by Income Level<sup>1</sup>



Graph from HousingLink's February 2025 Minneapolis Rental Housing Brief.  
Analysis based on affordability to 30% of area median income.

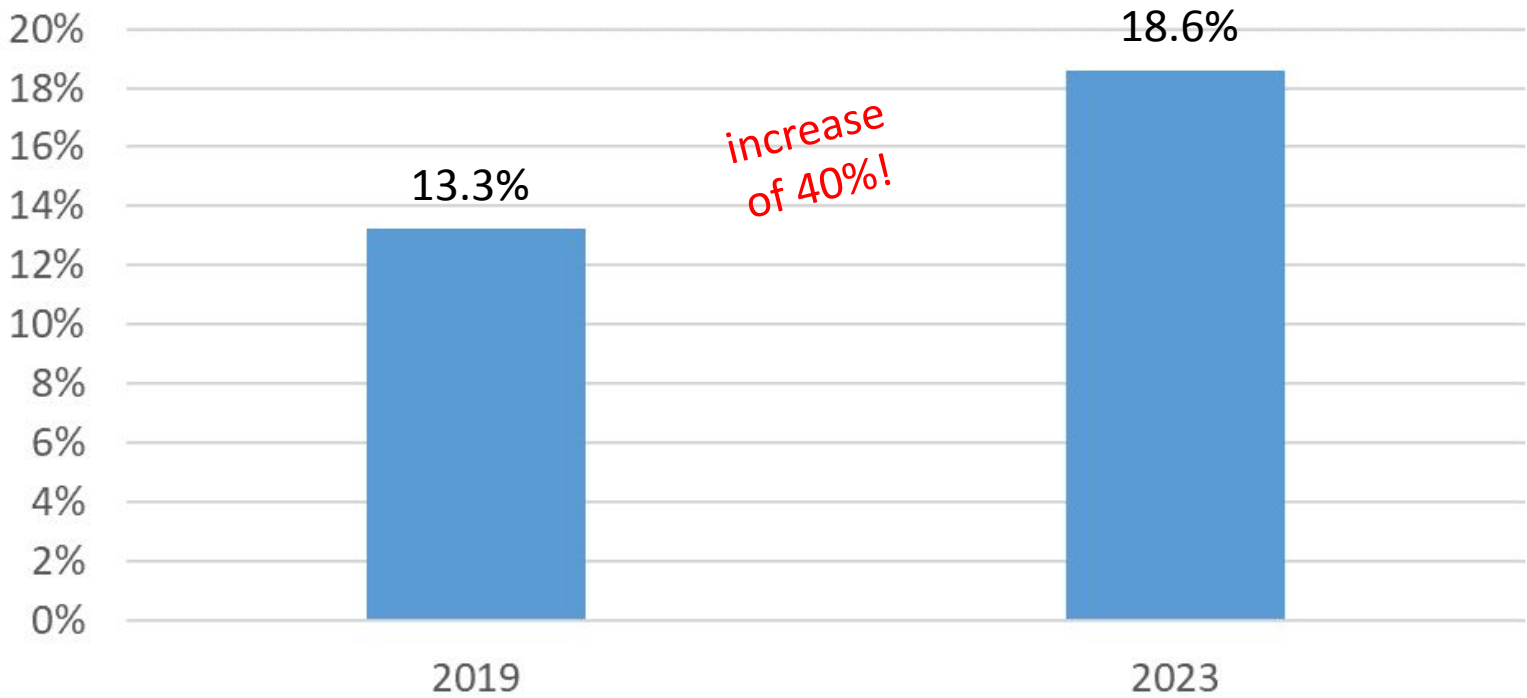
Area Median Income,  
Hennepin County





# Mismatch Sidetrack

Renter households making \$100k/year and up  
as a percent of all renter households



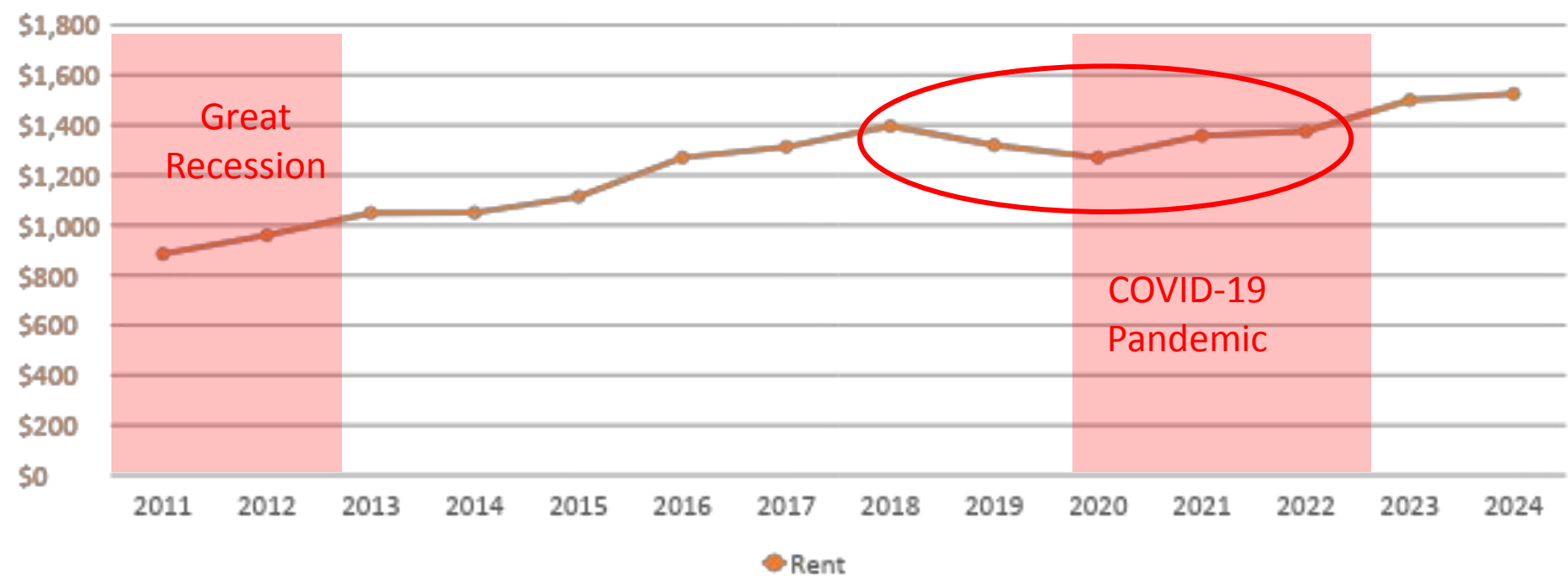
# Mismatch Sidetrack

## Twin Cities 2024 Demand Index

Bedrooms	Demand
1 BR	0.6
2 BR	0.8
3 BR	2.1
4+ BR	2.6

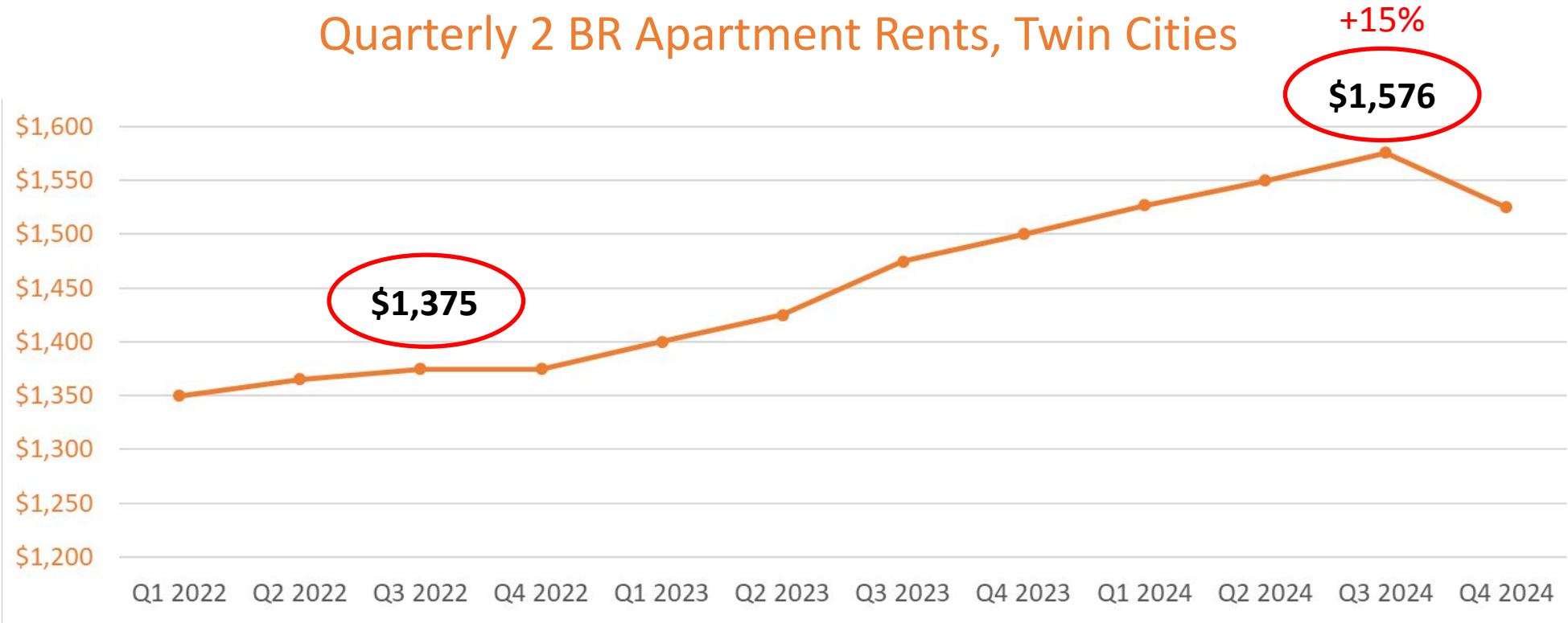
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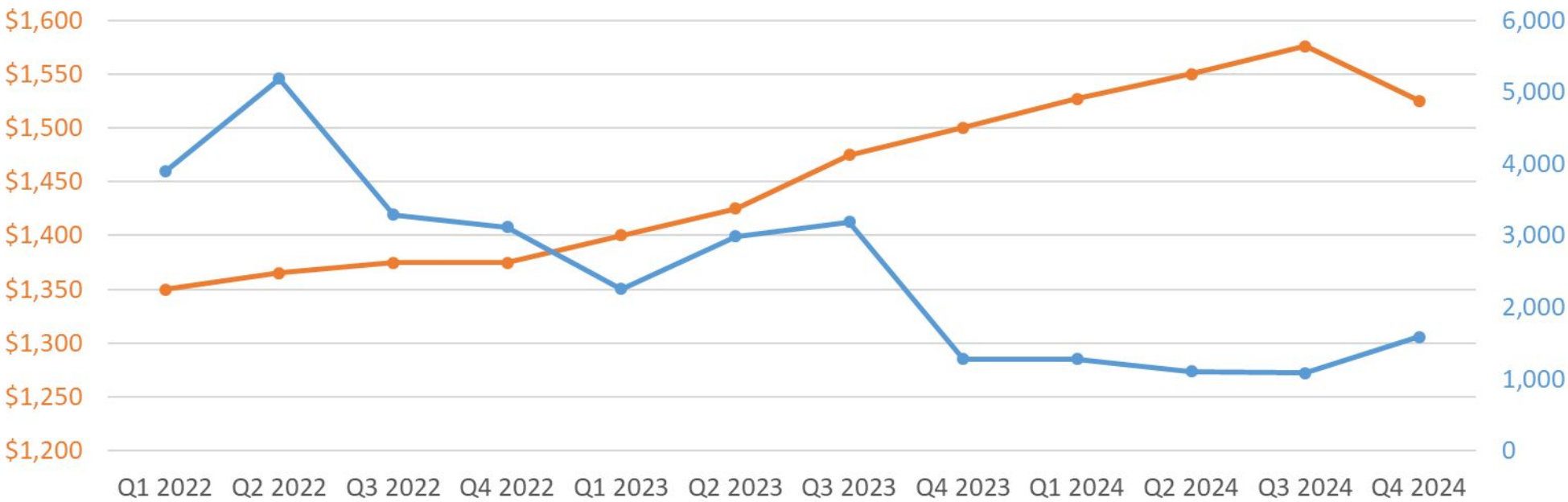
# Post-Pandemic

Quarterly 2 BR Apartment Rents, Twin Cities



# Post-Pandemic

Quarterly 2 BR Apartment Rents, Twin Cities and 5+ unit multifamily permits



Data from HousingLink’s *Twin Cities Rental Revue* report series  
5+ unit multifamily construction permits from HUD’s *SODCS Building Permits* data



# Why are developers not building?

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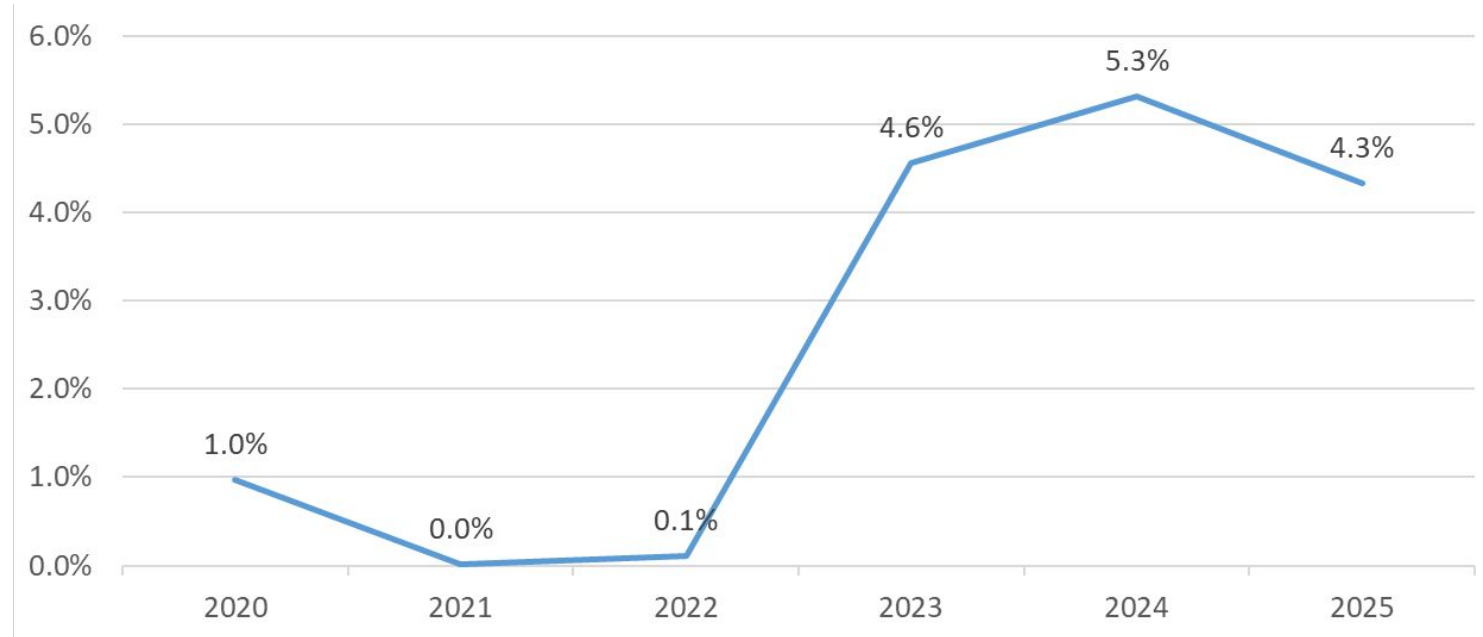
*Cost to Develop* ↑

# Why are developers not building?

**Cost to Develop** ↑

- **Interest rates** ↑

March 30-day Effective Federal Funds Rate



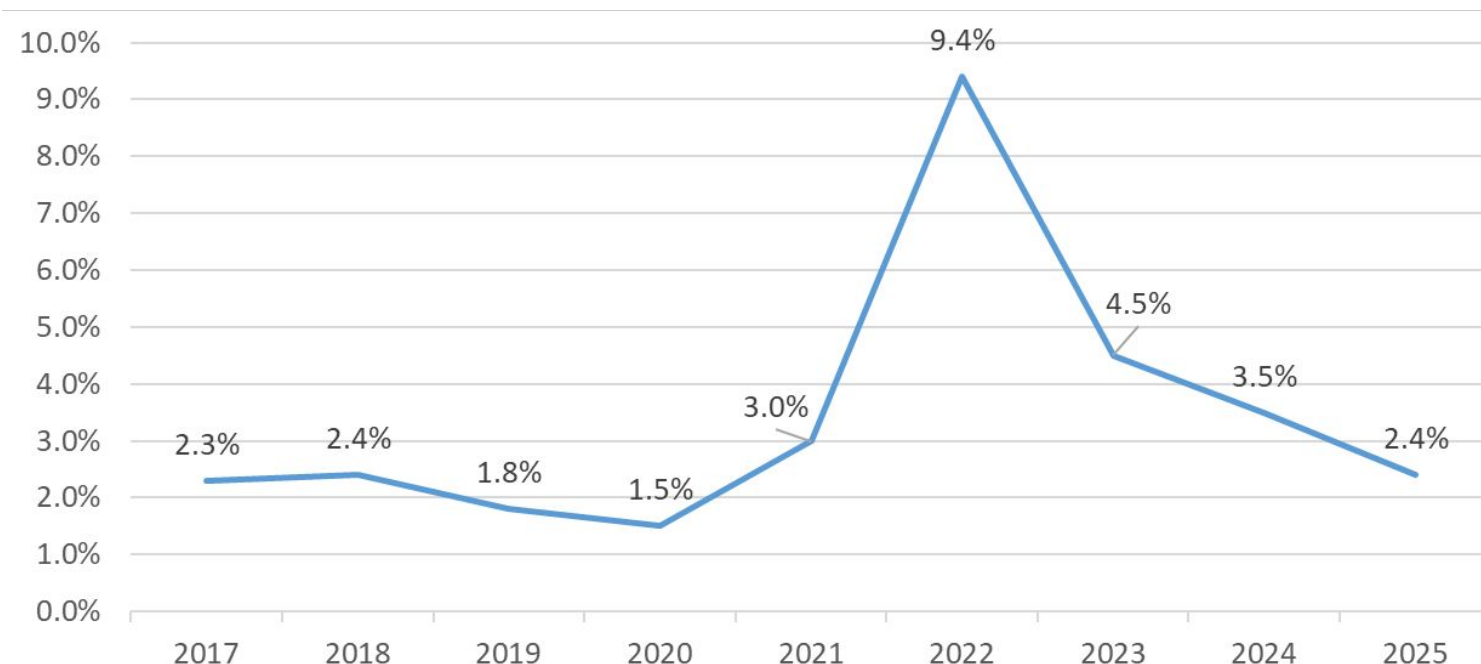
Source: Federal Reserve Bank of New York

# Why are developers not building?

## *Cost to Develop* ↑

- *Interest rates* ↑
- *Inflation* ↑

March CPI for urban workers, change from 12 months prior



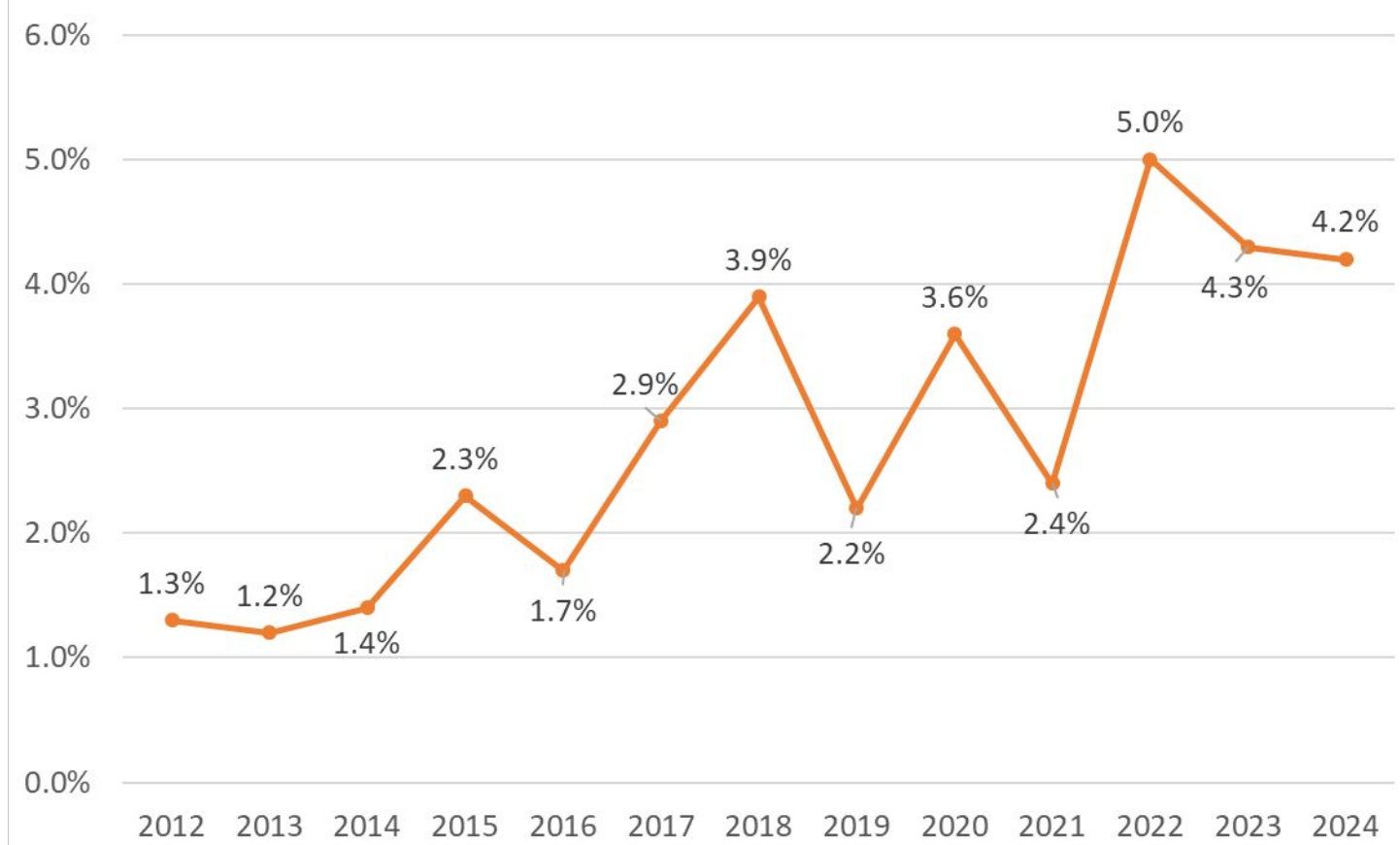
Source: Bureau of Labor Statistics

# Why are developers not building?

## *Costs to Develop* ↑

- *Interest rates* ↑
- *Inflation* ↑
- *Cost of wages* ↑

**Minneapolis-St Paul CSA wages & salaries, change from 12 months prior**



Source: Bureau of Labor Statistics

# Why are developers not building?

## ***Cost to Develop*** ↑

- *Interest rates* ↑
- *Inflation* ↑
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## ***Cost to Manage*** ↑

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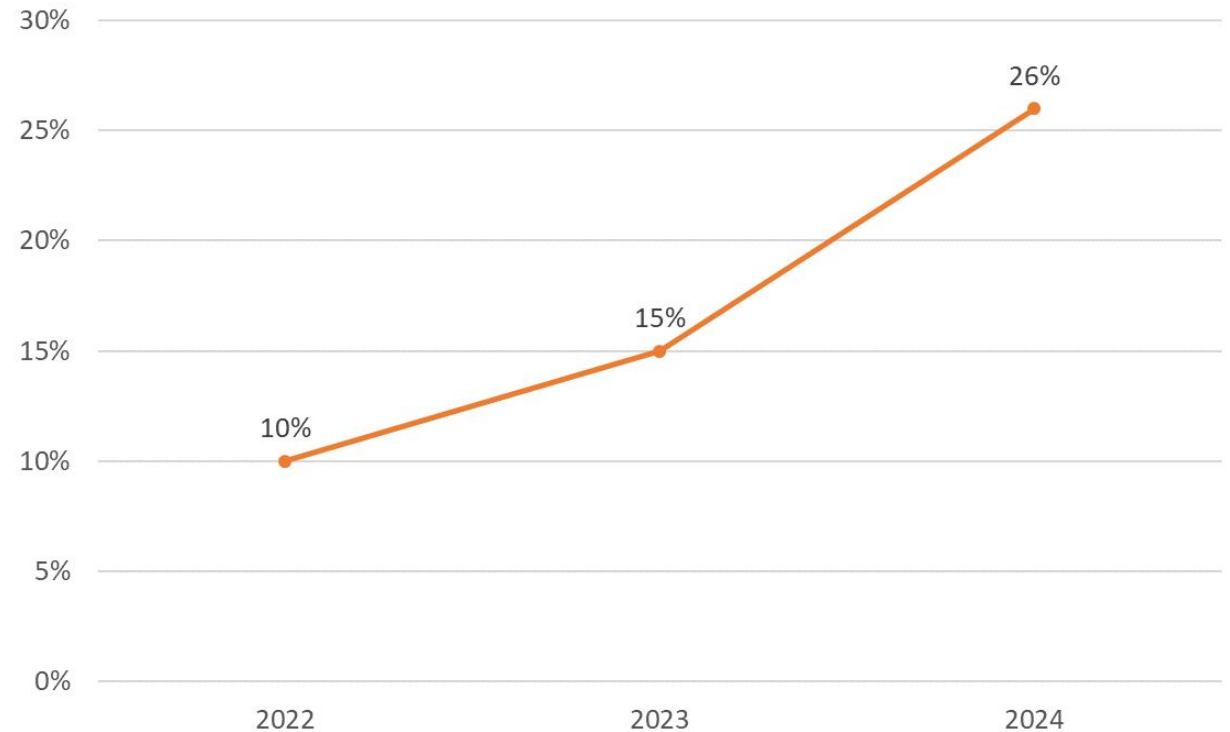
## **Cost to Develop** ↑

- *Interest rates* ↑
- *Inflation* ↑
- *Cost of wages* ↑

## **Cost to Manage** ↑

- *Inflation* ↑
- *Cost of wages* ↑
- *Insurance* ↑

Year-over-year median percent change in insurance premium expenses



Source: Federal Reserve Bank of Minneapolis, survey of 35 property management companies in Minnesota, Montana, North Dakota, and South Dakota for article "Rising property insurance costs stress multifamily housing"

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## ***Cost to Manage*** ↑

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**TARIFFS!**



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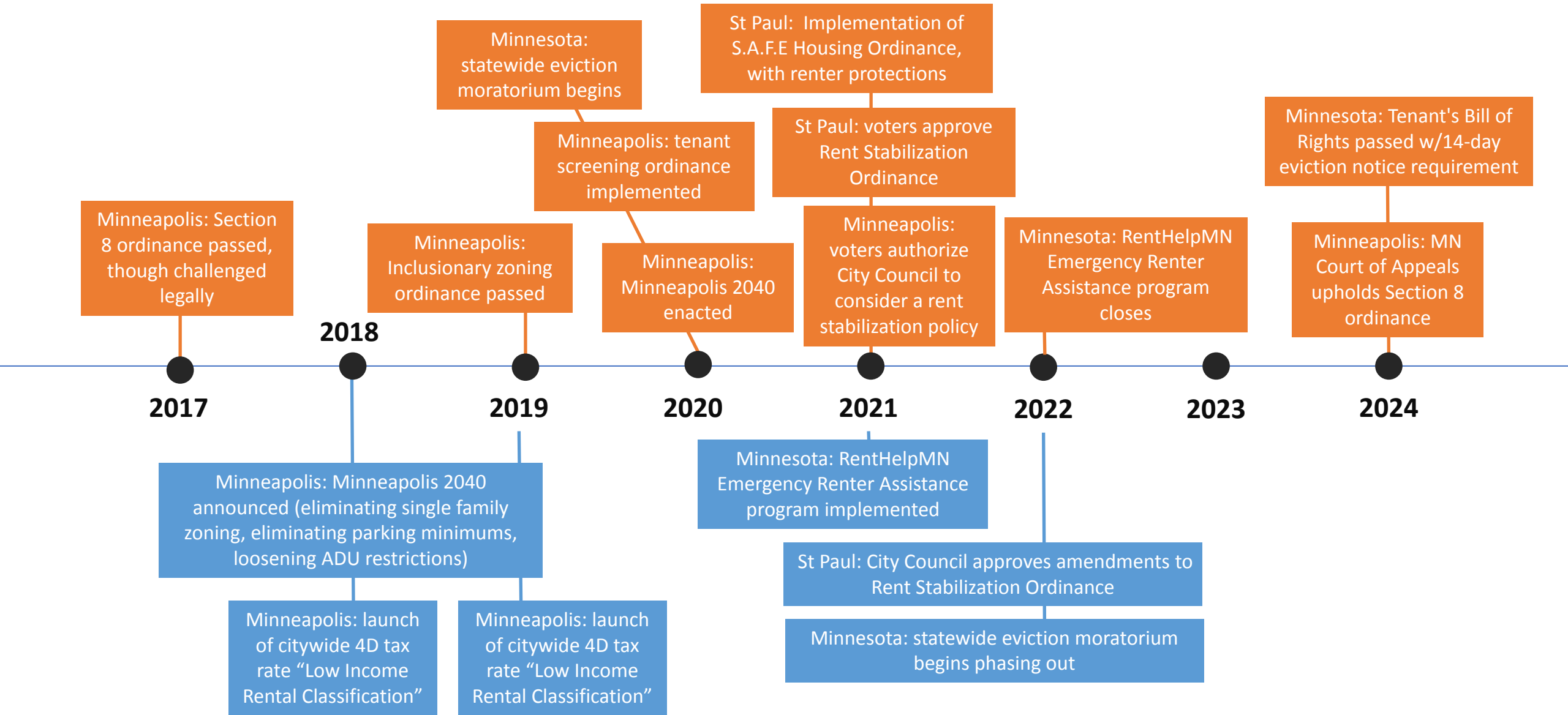
## ***Cost to Manage*** ↑

- *Inflation* ↑
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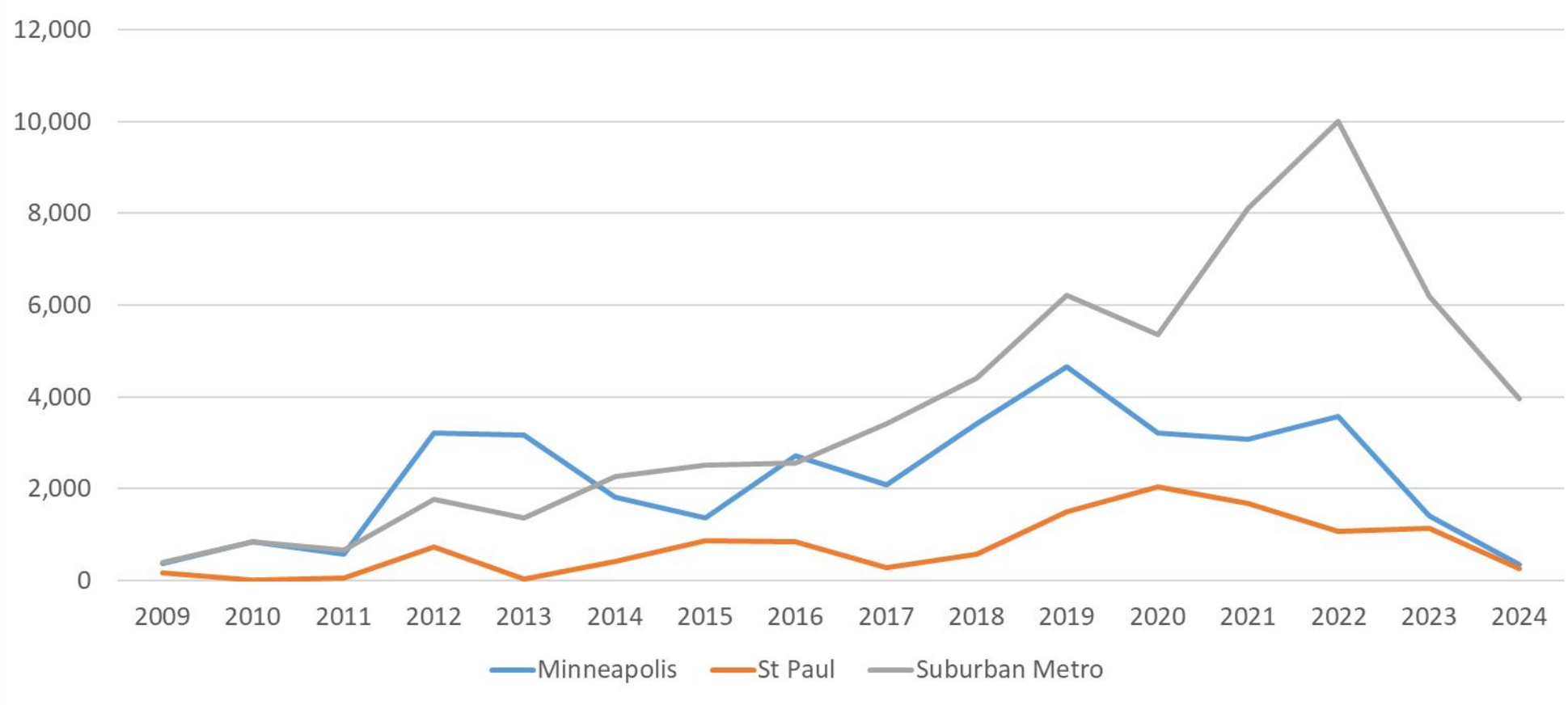
## ***Hostile Policy?***

**TARIFFS!**





# Multifamily 5+ Unit Permits



“Where do we go from here?”

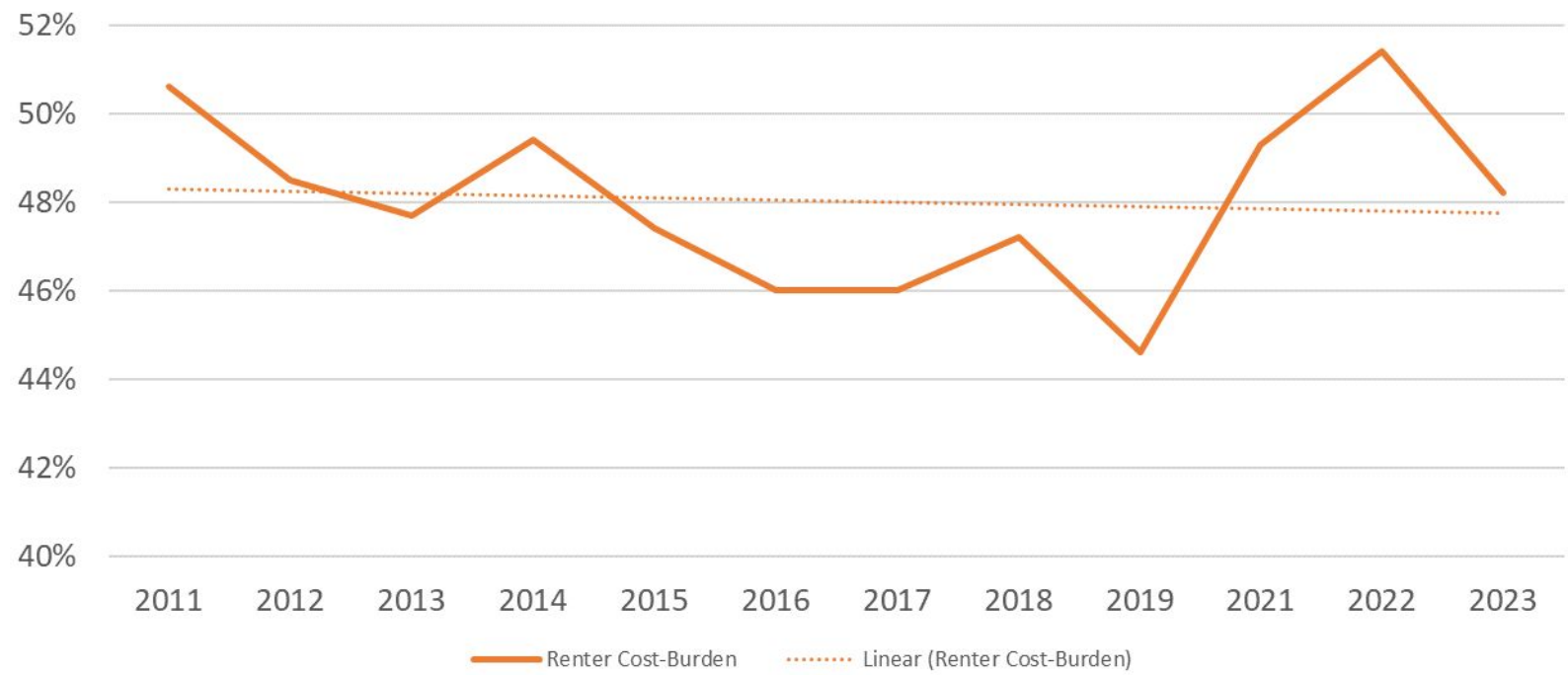
- *Vanessa Williams*

# Notes of Hope

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- Renters are resilient*

% of Twin Cities renters paying >30% of income on housing costs



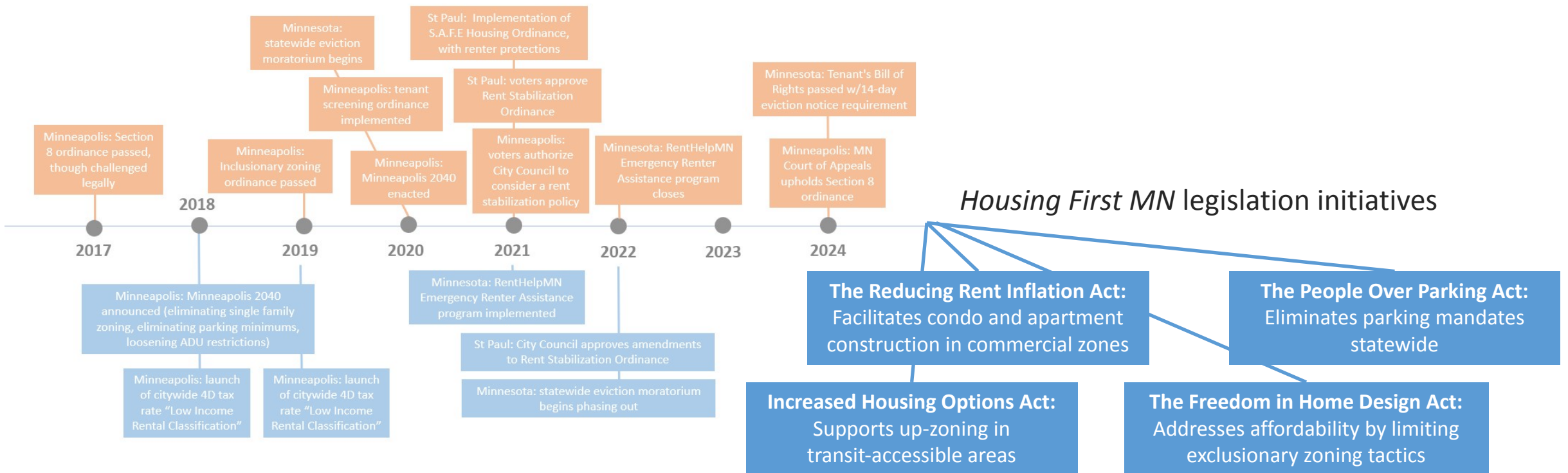


## Notes of Hope

- *Renters are resilient*
- *Shift from “their problem” to “our problem”*

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- *Renters are resilient*
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# Questions?

Dan Hylton, Research Manager  
HousingLink  
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- HOME Line waxay bixisaa adeeg ku baxa Afka-Soomaaliga. Af- Soomaali wac 612-255-8860.
- Peb lub koom haum HOME Line muaj neeg txhais lus Hmoob. Hais lus Hmoob, Hu 612-255-7104.



[www.housinglink.org/Research](http://www.housinglink.org/Research)



Thank You