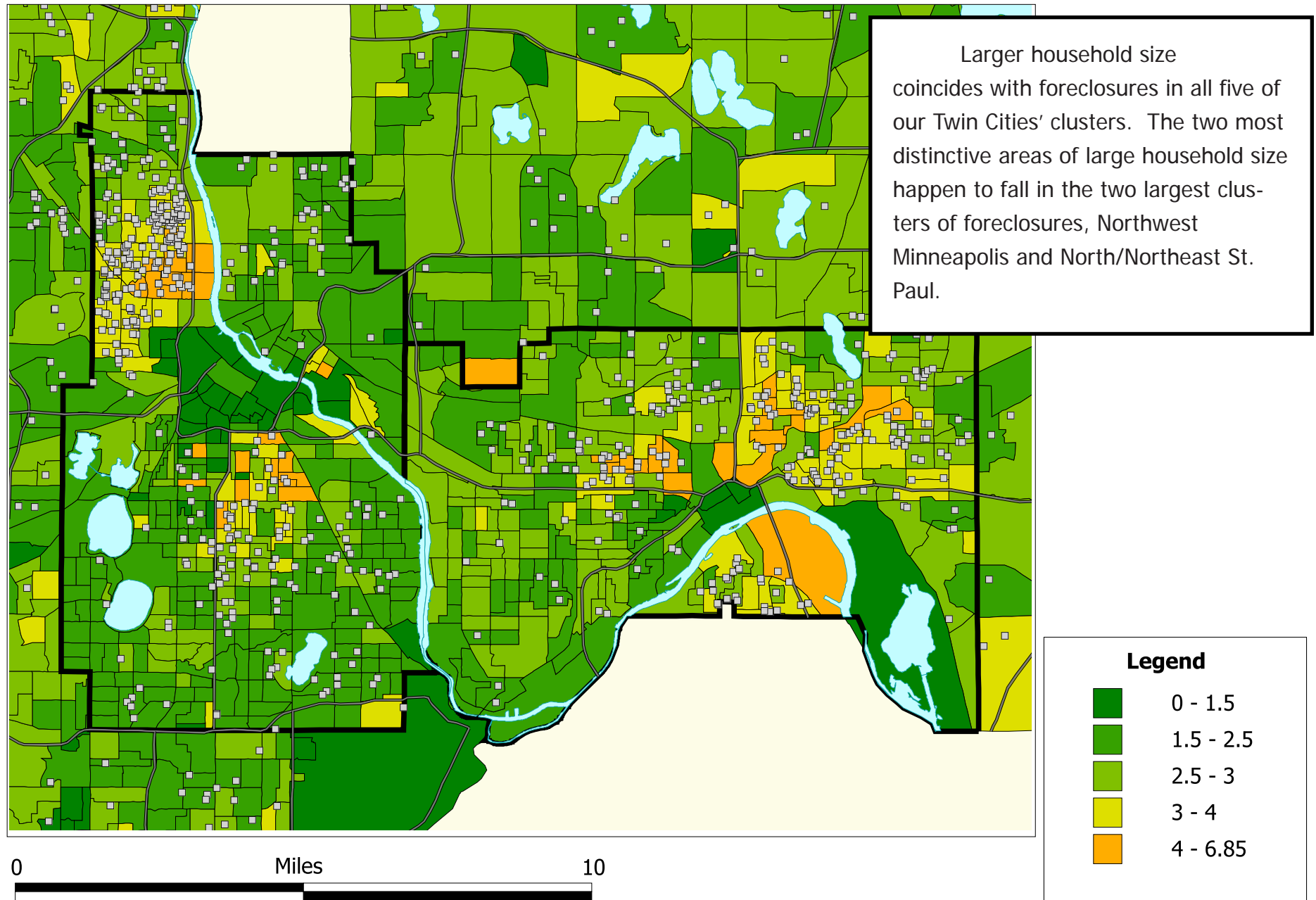


SECTION THREE:

FORECLOSURE AND HOUSING CHARACTERISTICS

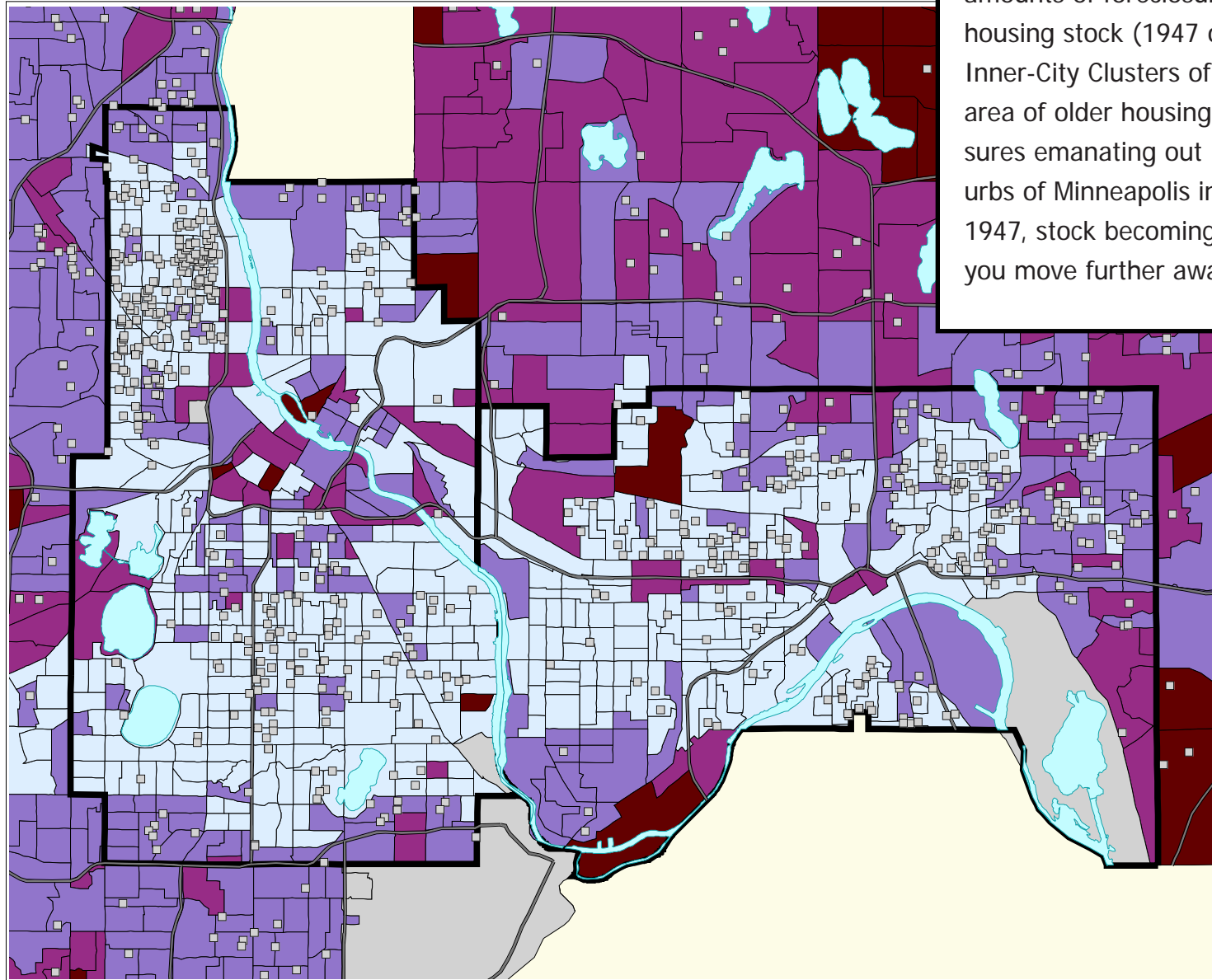


Average Household Size of Owner Occupied Housing Units

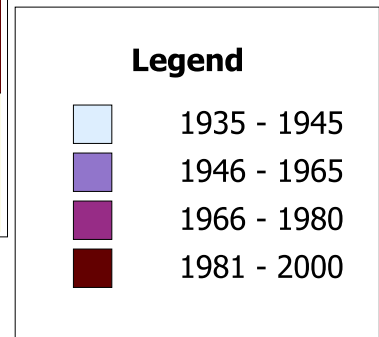


Median Age of Housing Stock

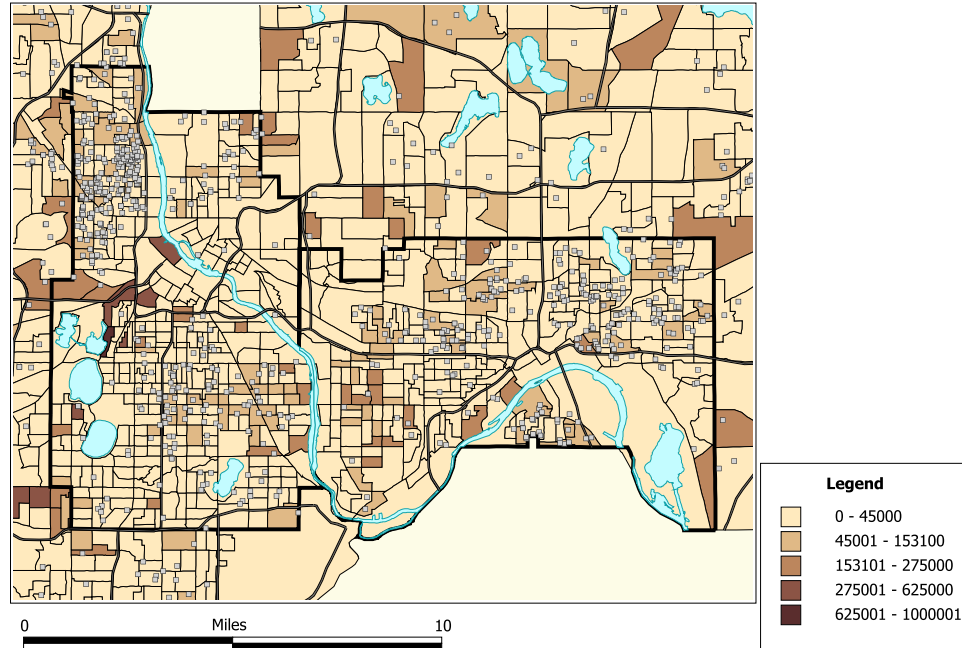
Inner-city block groups with large amounts of foreclosures mostly fall in older housing stock (1947 or earlier). The five Inner-City Clusters of foreclosures all fall in this area of older housing; the cluster of foreclosures emanating out into the northwest suburbs of Minneapolis include housing older than 1947, stock becoming increasingly younger as you move further away from the center city.



0 Miles 10

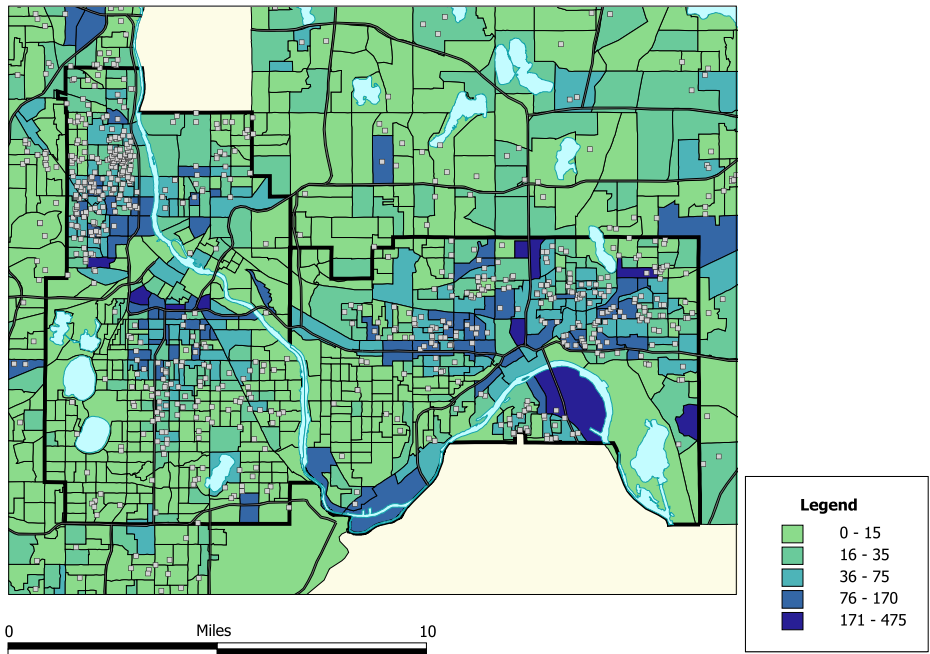


Median Asked Price in 1999 Dollars



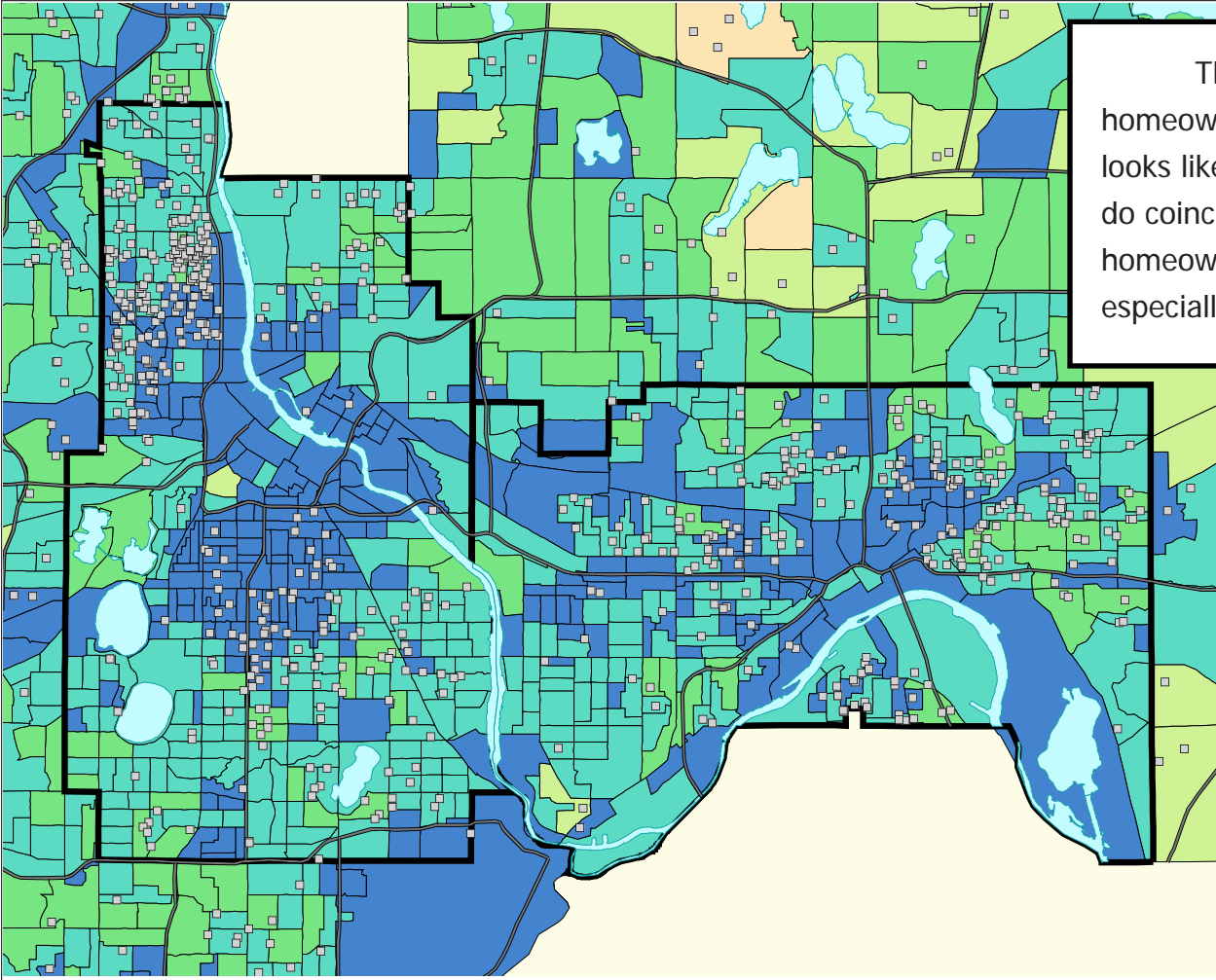
Inner-city block groups mainly fall into the lower three categories of this data set, and most of the foreclosures exist in the lower two categories. For housing in the higher three classifications (\$153,101 - \$1,000,001), there are not nearly as many foreclosures as in the bottom two classifications (\$0 - \$153,000).

Number of Households with Public Assistance Income

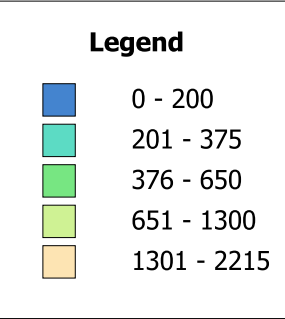


Block groups with a high number of households with public assistance (76 – 475 households) tend to have a smaller amount of foreclosures because the number of owner-occupied housing units is smaller in these groups. In block groups with a moderate amount of public assistance income (16 – 75 households) tend to have more foreclosures than the other groups.

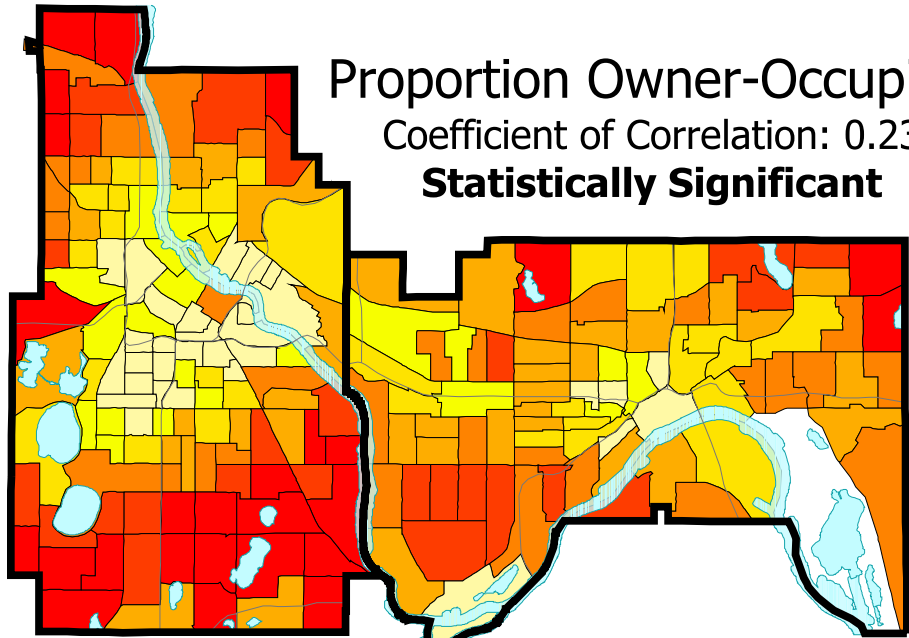
Number of Owner Occupied Housing Units



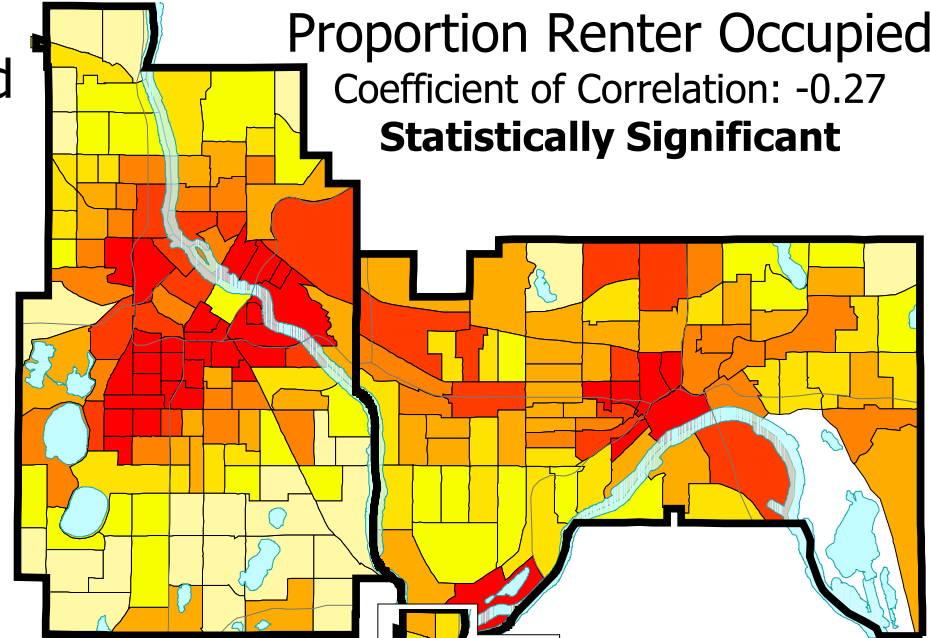
There are not many areas of high homeownership in the inner-city, but it looks like many of the foreclosure clusters do coincide with significantly low areas of homeownership in Minneapolis and St. Paul, especially clusters 1 and 2.



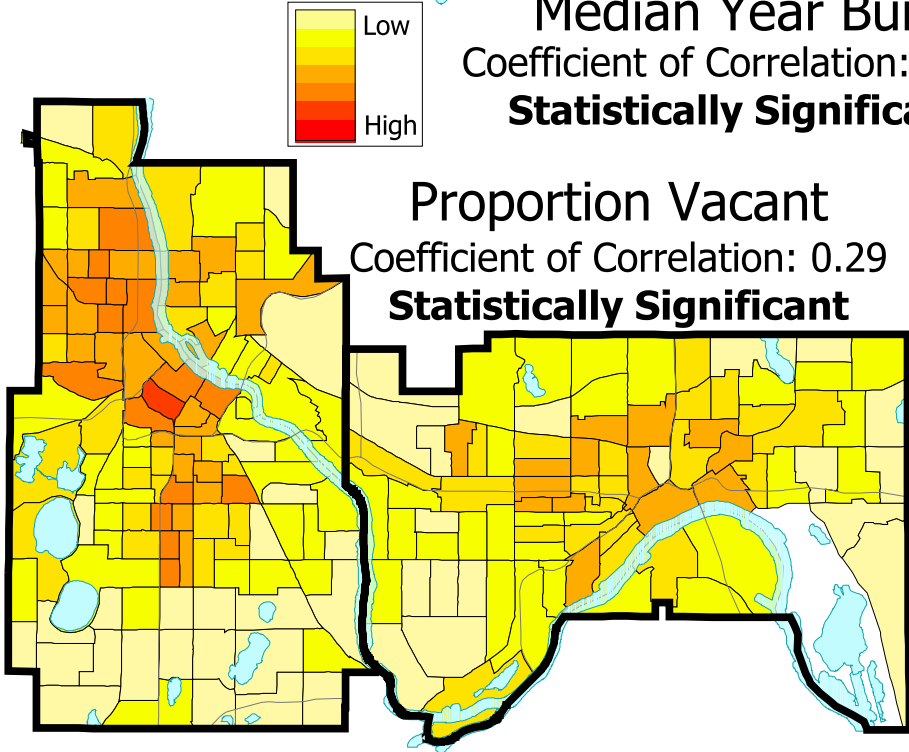
Vacant units for sale coincide with the inner-city foreclosure clusters, most notably clusters 1, 3, and 4.



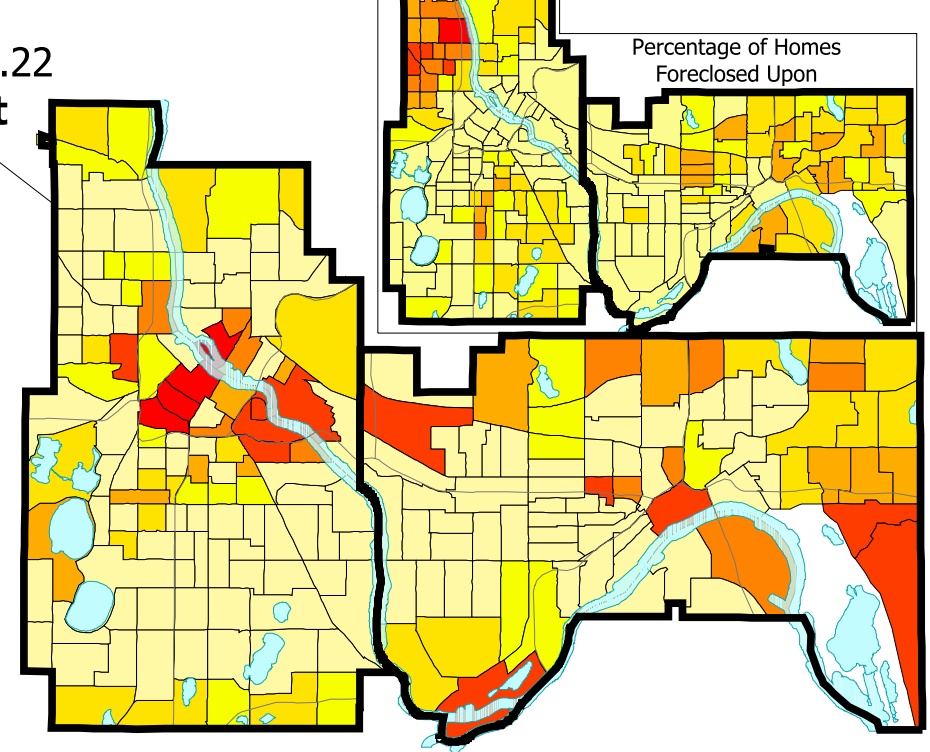
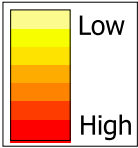
Proportion Owner-Occupied
Coefficient of Correlation: 0.23
Statistically Significant



Proportion Renter Occupied
Coefficient of Correlation: -0.27
Statistically Significant



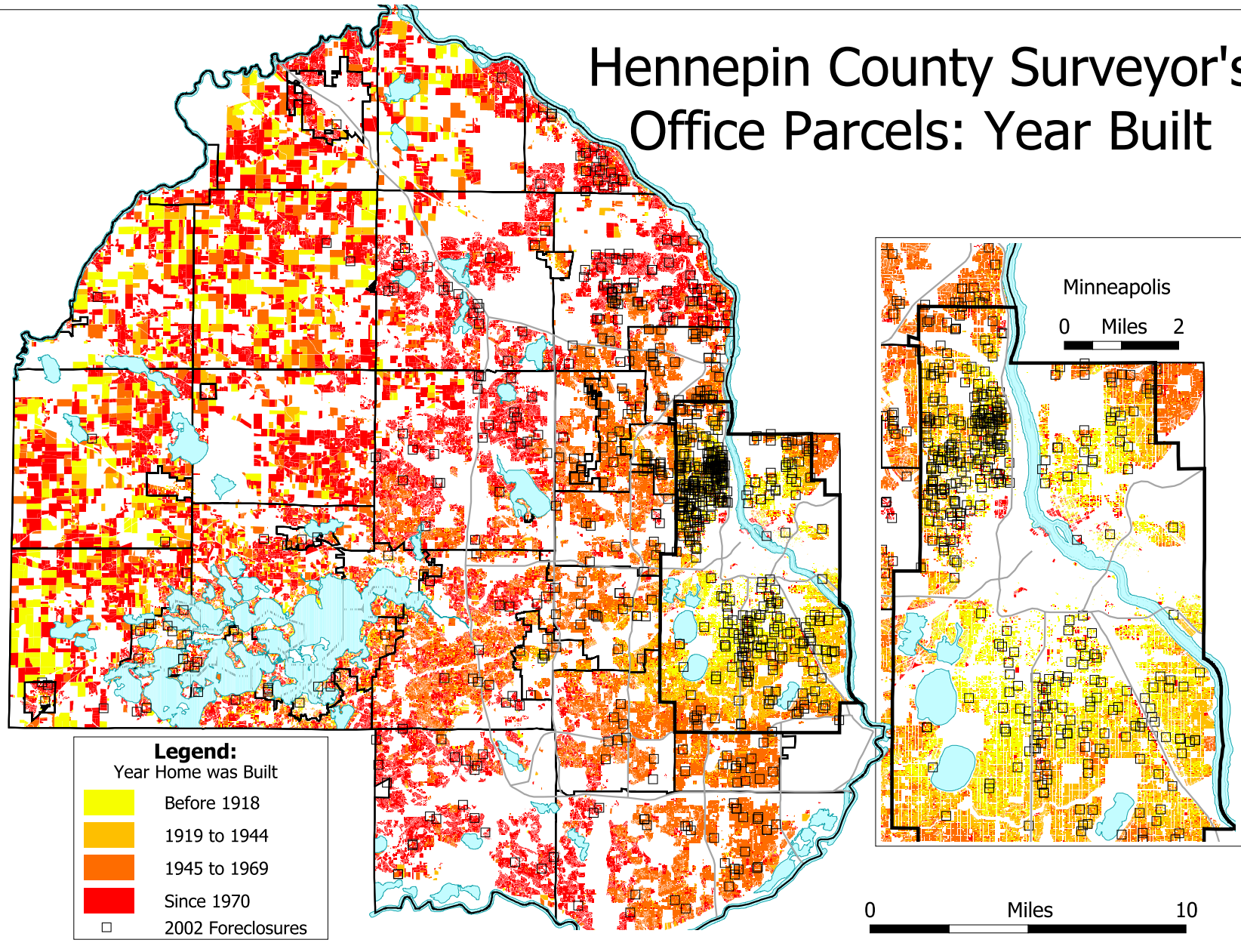
Median Year Built
Coefficient of Correlation: -0.22
Statistically Significant



Percentage of Homes Foreclosed Upon

Proportion Vacant
Coefficient of Correlation: 0.29
Statistically Significant

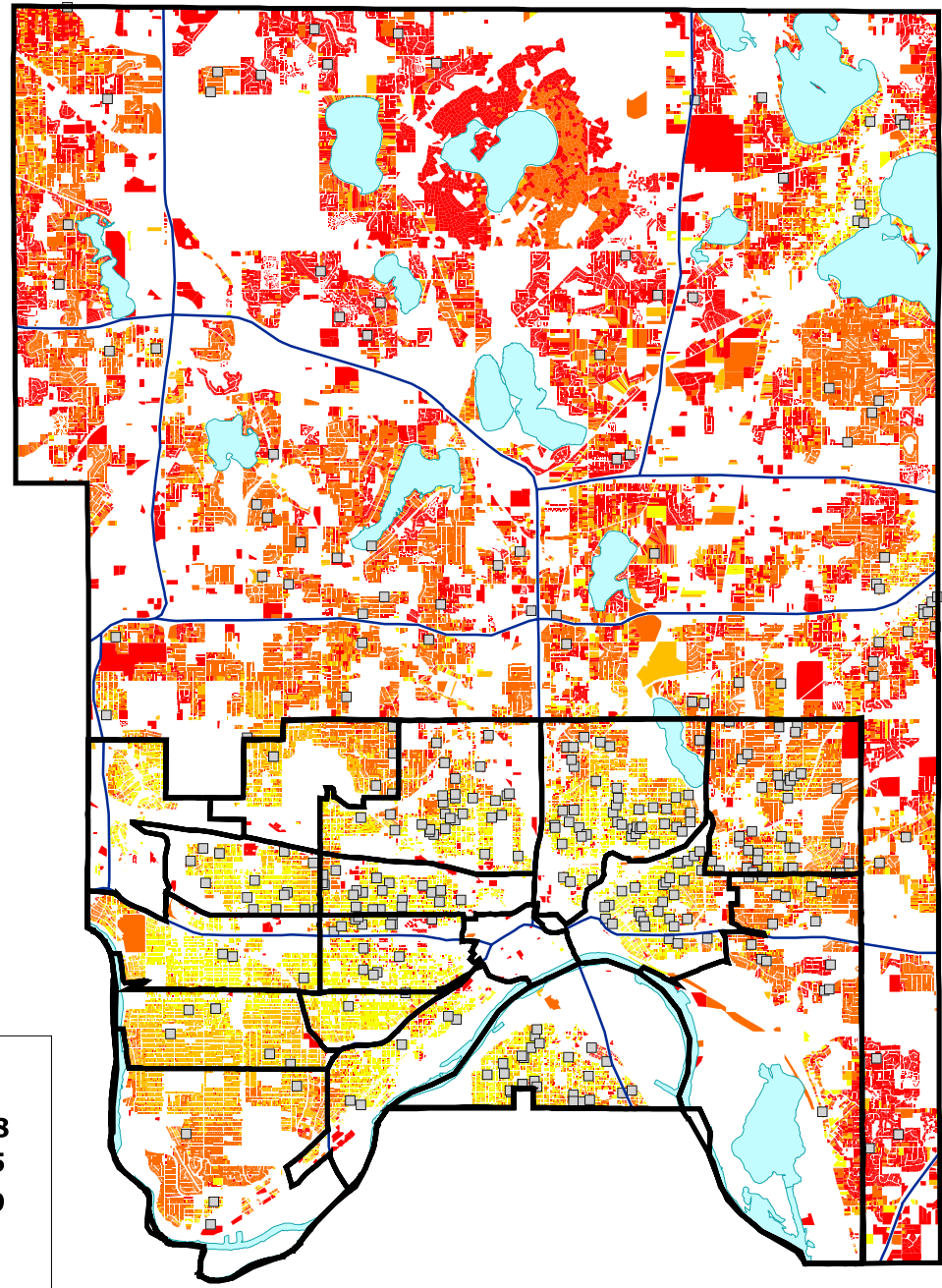
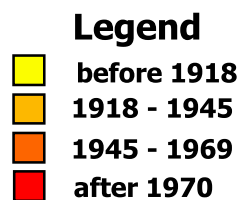
Hennepin County Surveyor's Office Parcels: Year Built



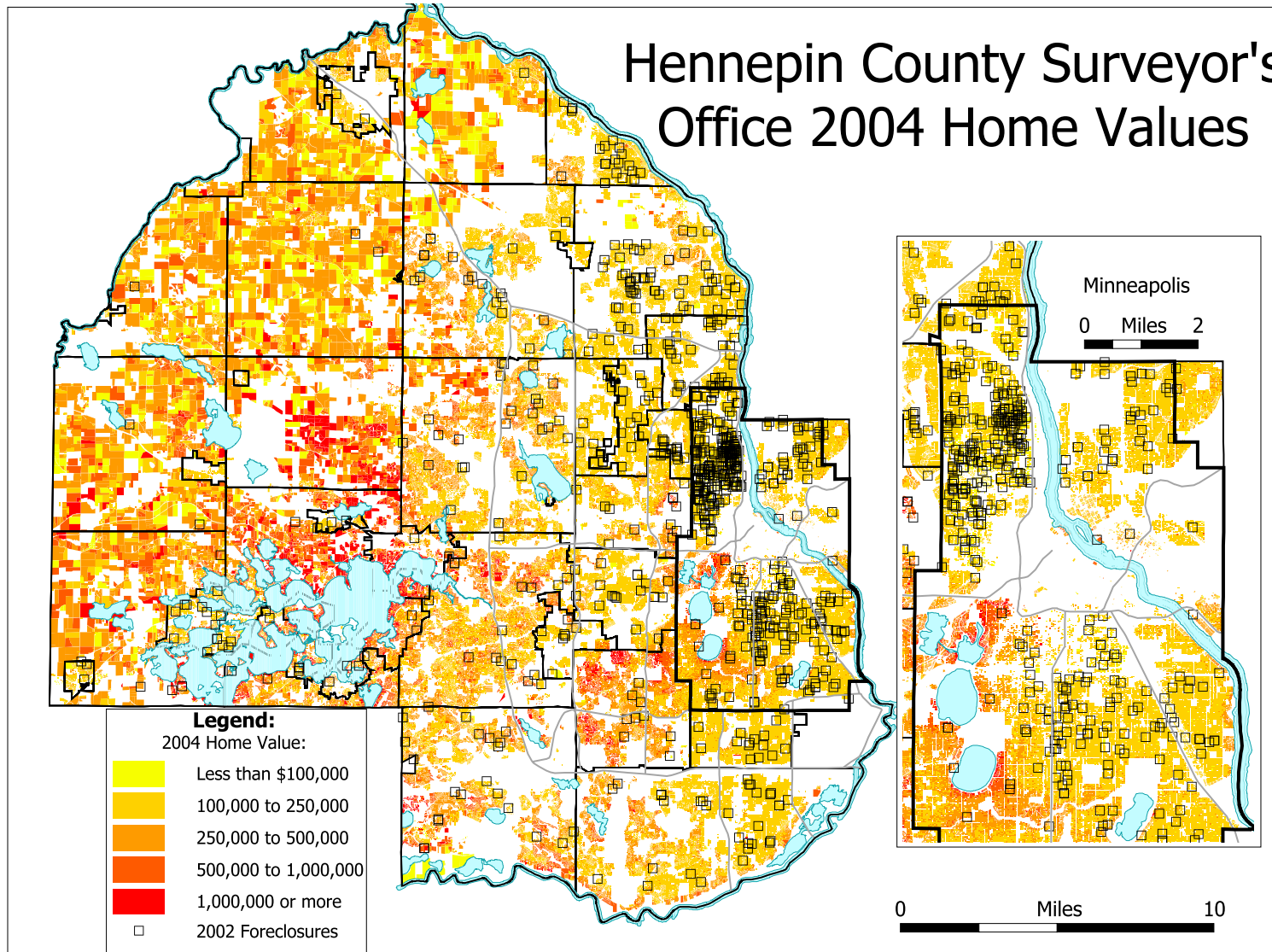
In Hennepin County, most of the foreclosures are located within the city of Minneapolis, and are especially clustered in areas with older housing stock, mainly north and south of downtown Minneapolis.

Ramsey County Surveyor's Office: Year Built

Housing age trends follow much the same pattern in Ramsey County as in Hennepin, with more foreclosures happening in older neighborhoods such as Thomas-Dale or the West Side. At the same time, age does not always determine where foreclosures will fall on this map. Historic city neighborhoods like Macalester-Groveland and Summit Hill have few foreclosures despite the maturity of the housing stock, while some of the newer suburbs have a fair share of foreclosures. It is easy to see how housing first developed in areas near the central core and then moved outwards from the downtown cities.



Hennepin County Surveyor's Office 2004 Home Values



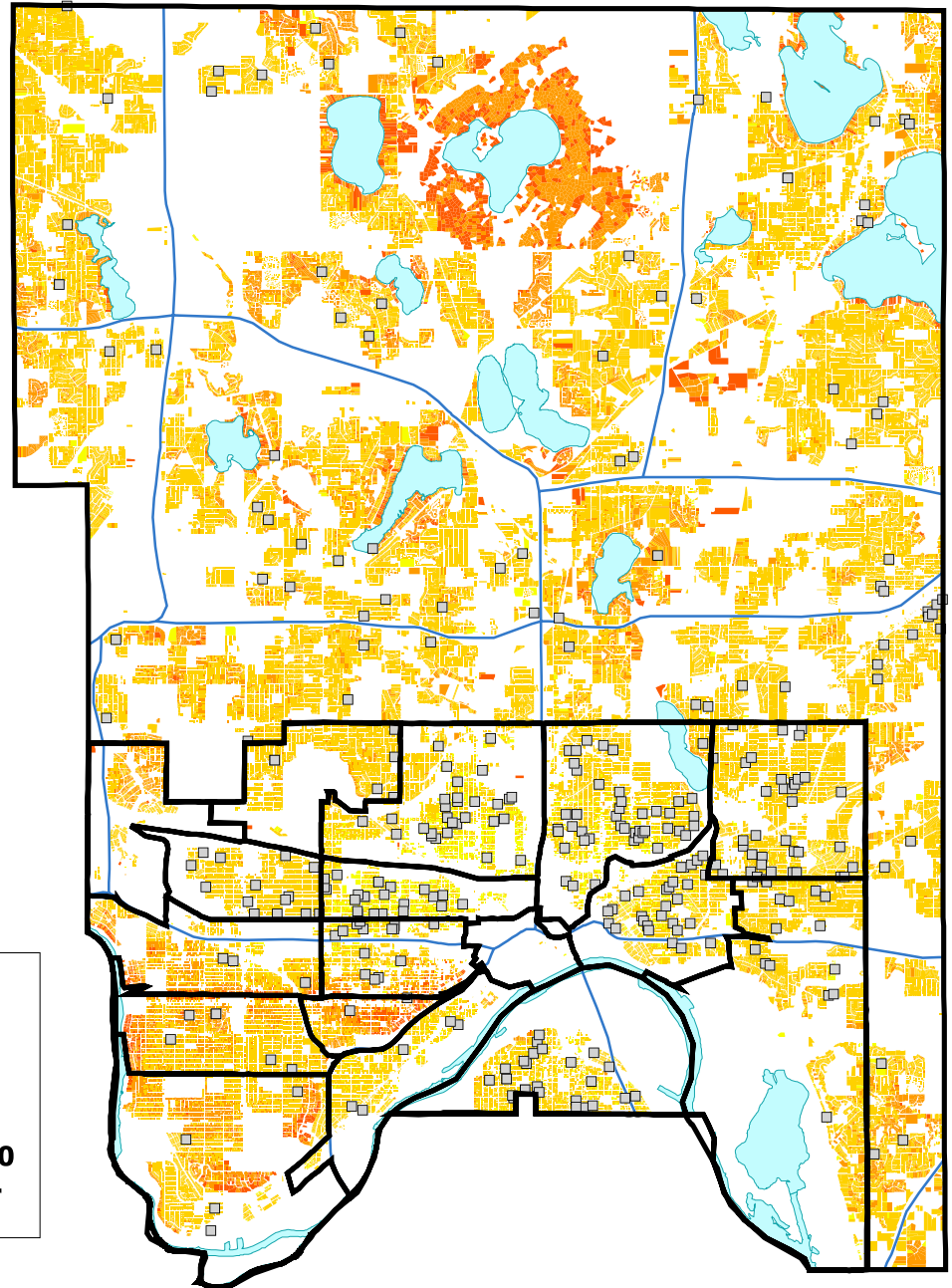
Hennepin County shows a trend of low housing prices around the central core, with increasing house prices farther out in to the suburbs. There are notable exceptions; houses along the lakes and the Mississippi River in Minneapolis tend to command very high values, and the neighborhoods around these aesthetic features tend to be higher priced as well. In addition, the exurban section of Hennepin County shows interesting trends. Large lots in far-flung suburbs have extremely variable house prices, with some very high priced lots with new construction of large housing, and others with no buildings showing up as very low.

Ramsey County Surveyor's Office 2004 Home Values

In Ramsey County, we see much of the same trends taking place, with housing values increasing as you move away from downtown St. Paul towards the suburbs. Most of the foreclosures are taking place within neighborhoods with lower estimated market values than those in the suburbs. For example, the Thomas-Dale (Frogtown), North End, and Payne-Phalen neighborhoods all have high concentrations of foreclosures but low housing values closer to \$100,000.

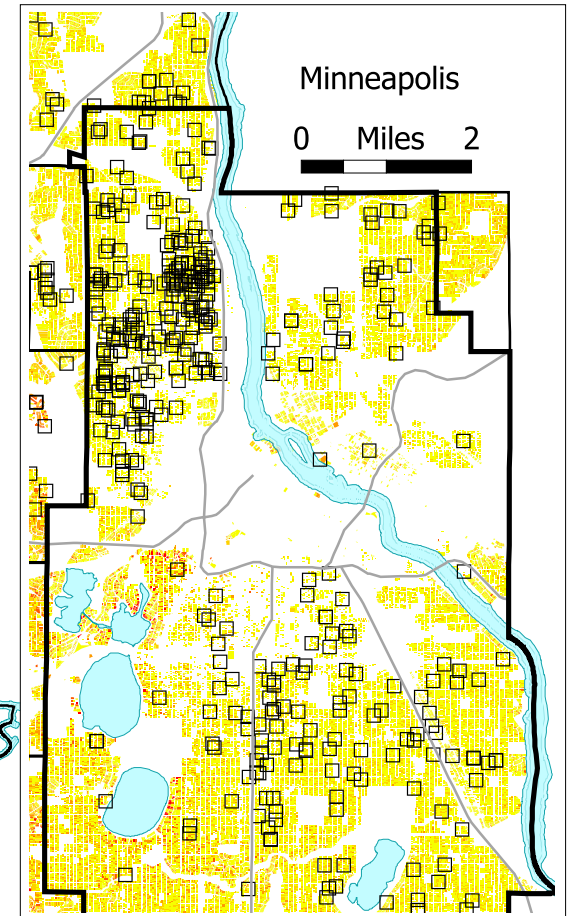
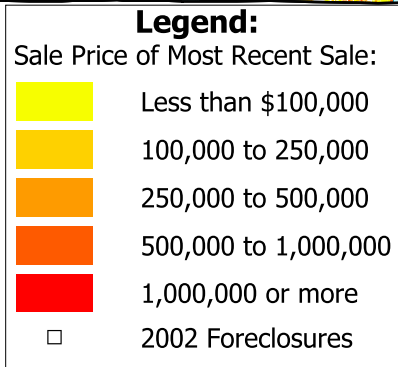
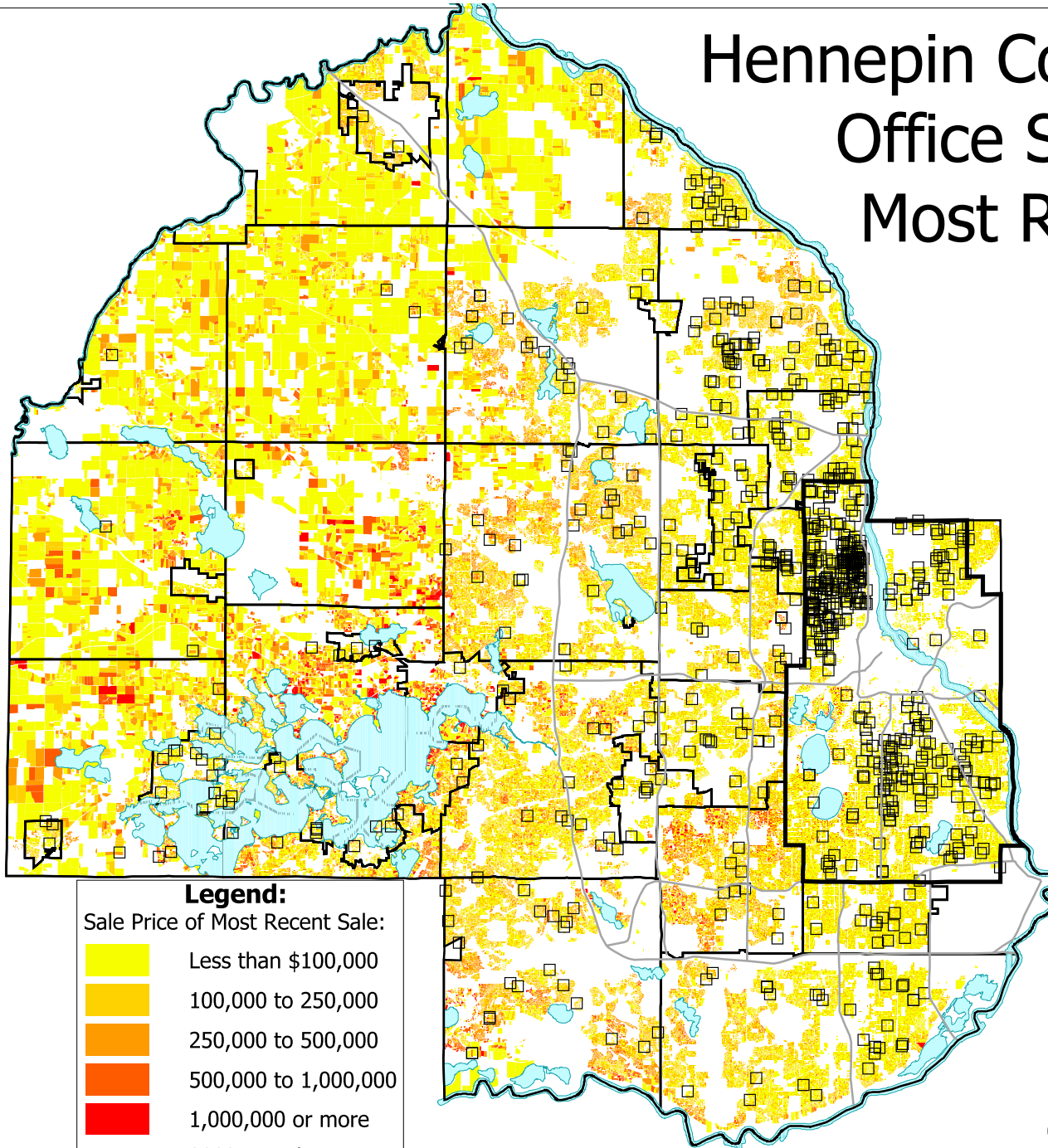
Legend

- Less than \$100,000
- \$100,000 - 250,000
- \$250,000 - 500,000
- \$500,000 - 1,000,000
- \$1,000,000 and over

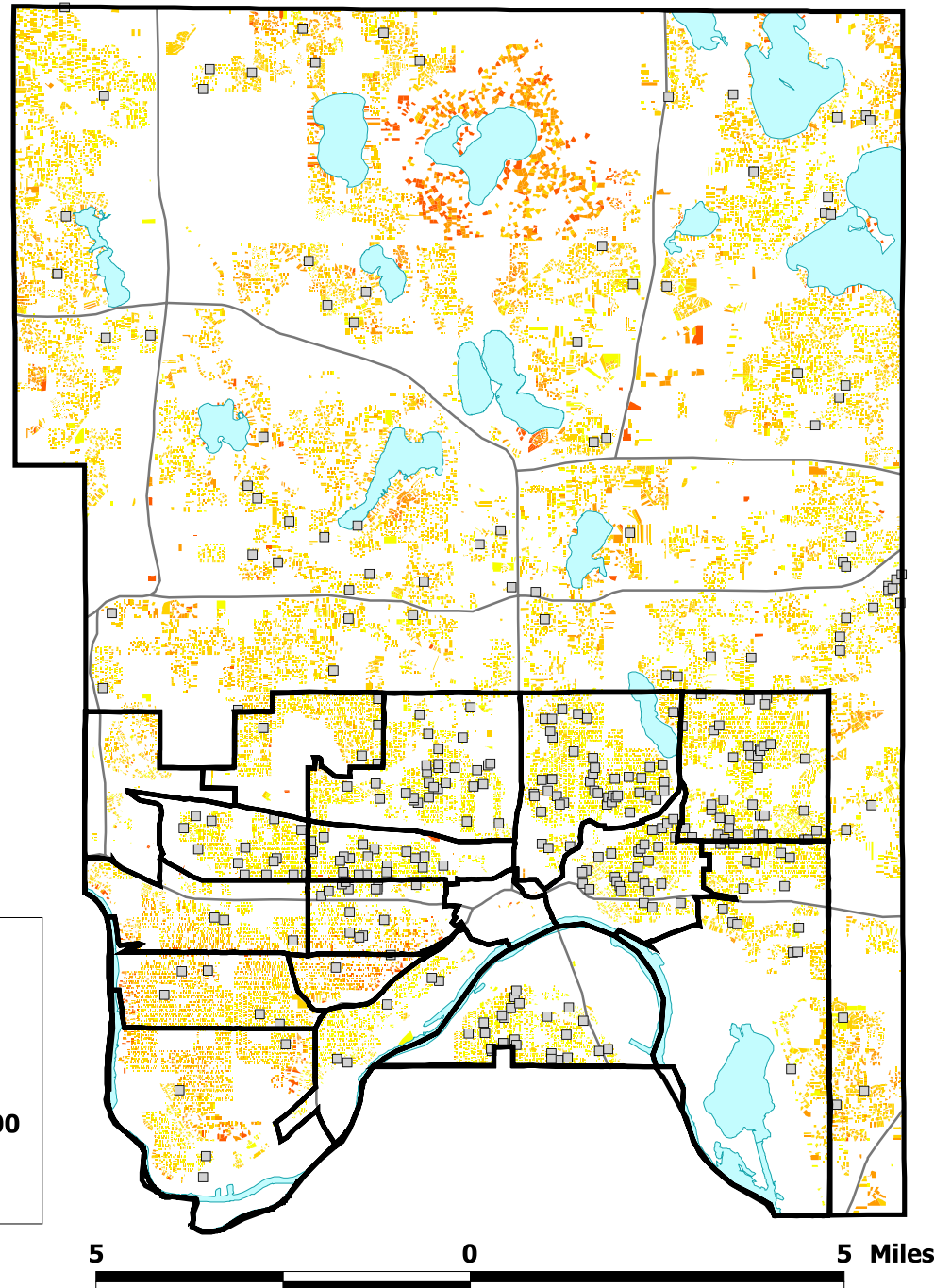
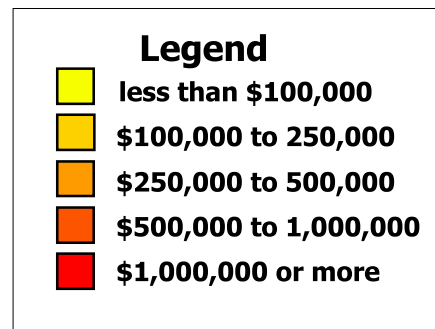


5 0 5 Miles

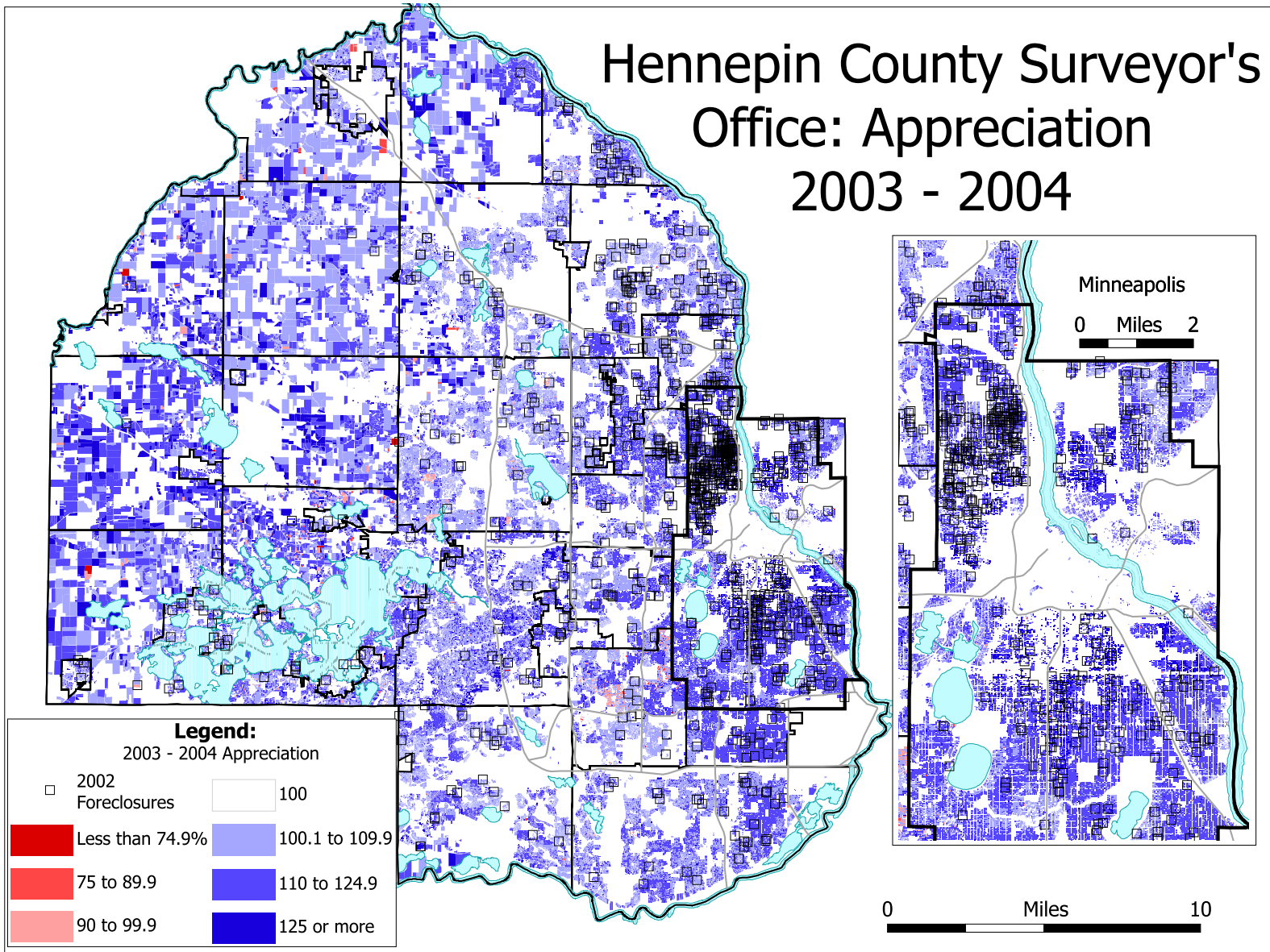
Hennepin County Surveyor's Office Sale Price of Most Recent Sale



Ramsey County Surveyor's Office Sale Price of Most Recent Sale



Hennepin County Surveyor's Office: Appreciation 2003 - 2004



In Hennepin County nearly all of the parcels showed some appreciation. Interestingly, there were not strong trends in appreciation. Although it does appear that there was greater appreciation in exurban areas, there was no real difference between the suburbs and city. This is a product of an overall housing boom in the Twin Cities, and 2003 was no exception, as the value of many parcels in the area increased by ten percent or more.

Ramesy County Surveyor's Office: Rate of Appreciation 2003 - 2004

Houses values appreciated across most of Ramsey County as well. Even neighborhoods with high proportions of foreclosures grew at rates comparable to suburban neighborhoods. There seems no obvious connection can be made between value appreciation and foreclosures, although this trend may change in years with less robust housing markets.

