



Housing Needs Analysis for Buffalo, Minnesota

Prepared for:

City of Buffalo

Prepared by:

Viewpoint Consulting Group, Inc.

Date:

March 3, 2025



March 3, 2025

To: David Kelly
City of Buffalo

From: Jay Thompson
Viewpoint Consulting Group, Inc.

RE: Housing Needs Analysis for Buffalo, Minnesota

Introduction

This study provides an analysis of the community-wide demand for housing in Buffalo, Minnesota. The depth of demand for rental, for-sale, and senior housing is calculated from 2025 to 2030. For-sale housing types analyzed include single-family homes and townhomes, from households with incomes above and below 120% of Area Median Income ("AMI"). Rental types analyzed are affordable and market rate general-occupancy housing and senior housing, including active adult (55+), independent, assisted living, and memory care.

Based on the analysis of demographic and employment trends and housing market conditions, recommendations are provided at the end of this analysis (starting on Page 71) on specific developments to meet Buffalo's housing needs through the end of the decade.

The data analyzed in this report includes both primary and secondary data. Primary data is data collected by Viewpoint Consulting Group, Inc. and includes information on specific rental properties and housing subdivisions. Secondary data is gathered from other sources and is accurate to the best of our knowledge. Secondary data utilized in this report is from the U.S. Census Bureau, Minnesota Department of Employment and Economic Development, Minnesota Demographic Center, Minnesota Department of Revenue (eCRV), and ESRI (a national demographics firm).

Table of Contents

	<u>Page</u>
Community Overview	1
Demographic and Employment Analysis.....	3
Owner-Occupied Housing Market Analysis.....	29
Rental Housing Market Analysis	42
Demand Analysis and Recommendations.....	56

Buffalo Overview

Buffalo is a community of 16,168 people (2020 census) in Wright County, which had a population of 141,337 in 2020. Wright County is in the 13-county Minneapolis-St. Paul Metropolitan Statistical Area (population of 3.6 million in 2020). Via Highway 55, Buffalo is about 35 miles from downtown Minneapolis, and about 24 miles from Interstate 494 in Plymouth. This proximity to the Twin Cities Metro Area has contributed to Buffalo's growth as data from the US Census Bureau's Center for Economic Studies indicates that about 58% of Buffalo residents work outside Wright County, mostly in the Twin Cities Metro Area. Population growth of Buffalo since 1960 is shown below.

Buffalo Population

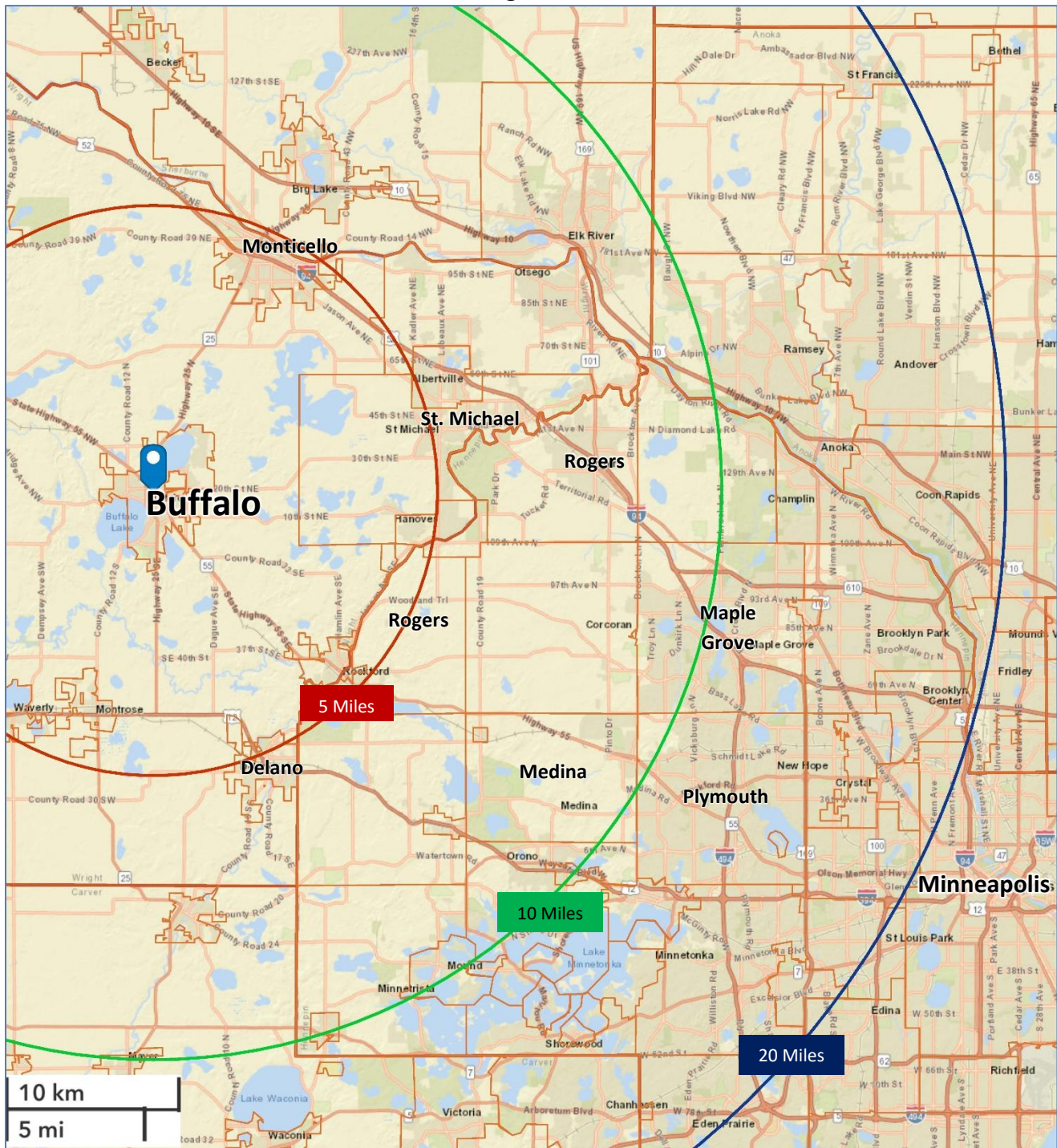
1960	2,322
1970	3,275
1980	4,560
1990	6,856
2000	10,097
2010	15,453
2020	16,168

While a sizeable portion of Buffalo's residents work in the Twin Cities Metro Area, Buffalo also contains about 8,275 jobs. These jobs are largely filled by Buffalo residents and by persons living across Wright County. There are several major employers in Buffalo which ultimately generate demand for housing from their employees. Among the largest employers are Buffalo Independent School District, Buffalo Hospital, and Wright County. Buffalo also has a large number of retail jobs, as it contains many major retail stores, such as Walmart, Target, Menards, Coborn's, and Cub Foods.

Close proximity to jobs makes Buffalo an attractive place to live, as does the school district, the presence of Buffalo Hospital and other health care clinics, an abundance of retail and restaurants, and natural amenities – namely two large lakes (Buffalo Lake and Lake Pulaski). Downtown Buffalo contains many retail businesses and restaurants and is situated on Buffalo Lake. Trails along the lake lead from downtown to Sturges Park. Among the many restaurants in Buffalo are Aloha, Applebee's, Arby's, Bamboo Village, BJ's Deli, Buffalo Pizza, Bugambillas Cocina Latina, Chipotle, Culver's, Dairy Queen, Forget Me Not Café, Haye's Public House Brewery, House of Lo, Jersey Mikes, Jimmy John's, KFC, McDonald's, Moon Donuts & Café, Perkins, Rancho Grande, Taco John's, and Thirsty Saloon.

Overall, Buffalo is an appealing community to live in. It has a sizeable employment base and is also a short drive to employment in the western Twin Cities Metro Area. The community has an excellent school district, many retail and service businesses, restaurants, a hospital, and two large lakes that offer recreational amenities.

Buffalo Regional Location



Demographic and Employment Analysis

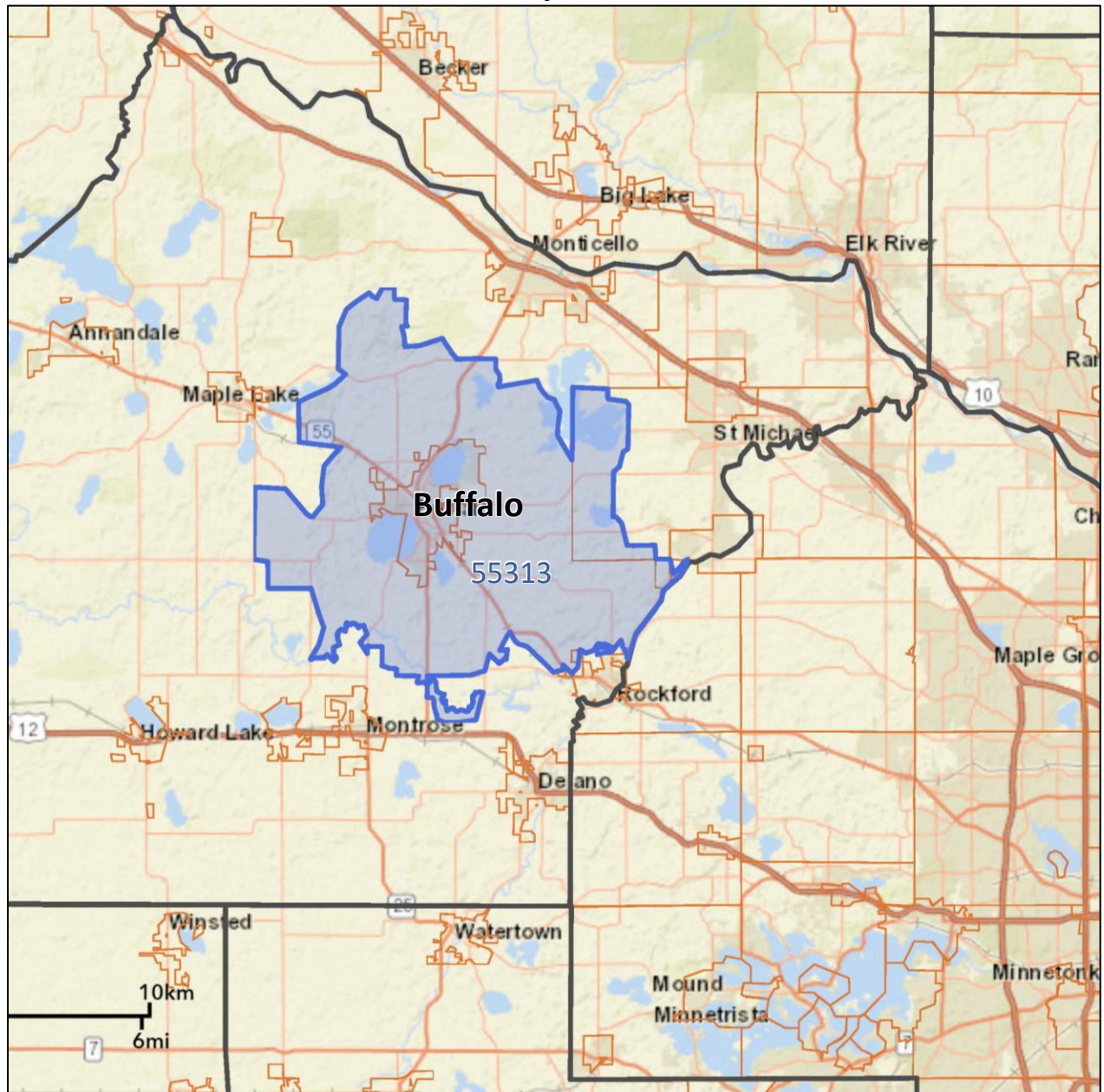
This section of the report examines demographic and economic factors related to the current and future demand for housing in Buffalo. Demographic factors examined include population and household growth trends, population age distribution, and households by income, tenure, and size. Economic factors include employment growth trends and commuting patterns. A review of these characteristics provides insight into the demand for various types of housing in the community.

Study Area Definition

The geographic area examined for determining current and future housing demand in Buffalo is defined as Zip Code 55313, referred to as the “Study Area.” Demographic growth trends and characteristics in the Study Area are analyzed to help determine future housing demand, while considering that many potential buyers/renters will cross-shop with housing in surrounding communities before choosing where to live. In particular, many of Buffalo’s future residents will likely work in the seven-county Twin Cities Metro Area, which has a much larger employment base. In addition, for senior housing in Buffalo, most of the demand will be generated from seniors currently living in other housing in the Study Area.

A map of the Study Area – is shown on the following page.

Study Area



Demographic Highlights

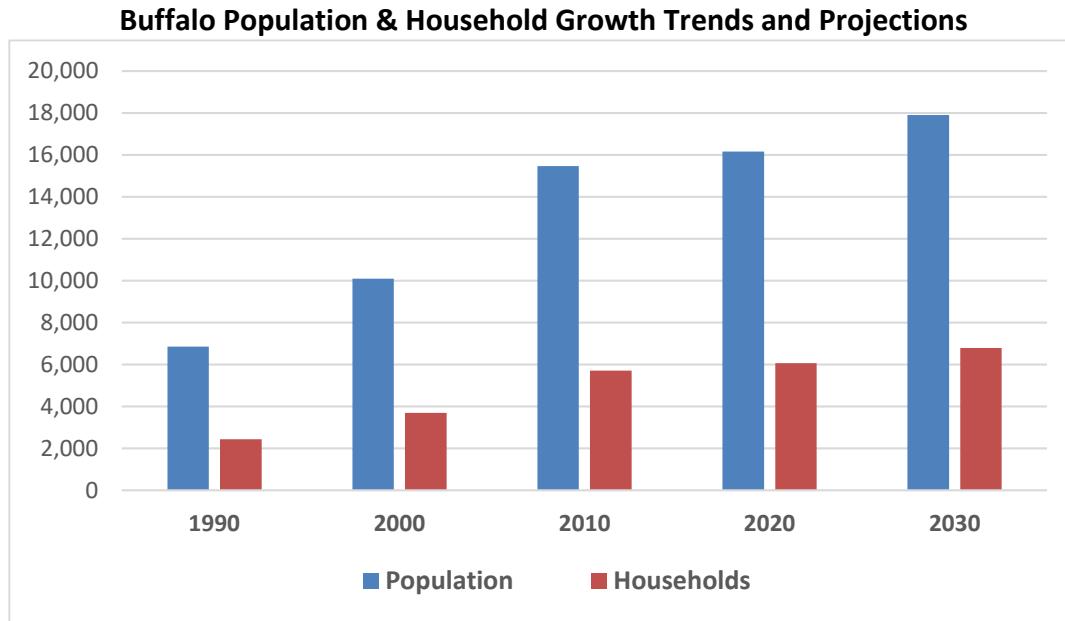
The following are key demographic highlights from Tables 1 through 9. Demographic data was obtained from the U.S. Census Bureau, from both the decennial census and the American Community Survey. Population and household projections were made by Viewpoint Consulting Group, Inc. based on data provided by the Census Bureau, ESRI, and the Minnesota Demographic Center, along with local building trends and employment growth trends.

Population and Household Growth Trends and Projections

- ▶ The total population in the Study Area was 24,406 in 2020. The population experienced growth of 5.6% last decade, on top of growth of 27.1% the previous decade (2000 to 2010).
- ▶ Buffalo grew from 15,471 people in 2010 to 16,168 in 2020 (+4.5%). The remainder of the Study Area grew at a faster pace during the decade (+7.8%), despite Buffalo adding twice as many households. This was because Buffalo's average household size declined during the decade while the remainder of the Study Area's increased.
- ▶ Buffalo's population of 16,168 in 2020 accounted for 66% of the Study Area's population. While Buffalo is the only community in the Study Area, there are a sizeable number of homes in the rural portion of the Study Area.
- ▶ Population growth in Buffalo last decade was the result of 363 households being added to the community from new housing developments. Through the first half of this decade (2020 through 2024), building permit data from the Census Bureau estimates that 435 housing units have been added in Buffalo. With new housing being added at this pace, Buffalo's population is projected to reach 17,900 in 2030.
- ▶ The Study Area is projected to add 914 households this decade of which 731 are projected to be added in Buffalo. This equates to an annual average increase in Buffalo of 73 new households.
- ▶ Household growth is a better indicator of overall housing demand since households, by definition, are occupied housing units. With growth of 731 households projected this decade in Buffalo, there would essentially need to be 731 new housing units added to accommodate this growth. Additional housing units would be needed to accommodate pent-up demand, replacement demand, and senior housing demand.

Table 1
Population and Household Growth Trends and Projections
Buffalo Study Area
2000 to 2030

	2000	-- Census -- 2010	2020	Projection 2030	---- Change ----			
					2010 - 2020		2020 - 2030	
					No.	Pct.	No.	Pct.
POPULATION								
Buffalo	10,097	15,471	16,168	17,900	697	4.5%	1,732	10.7%
Remainder of Study Area	8,078	7,643	8,238	8,850	595	7.8%	612	7.4%
Study Area	18,175	23,114	24,406	26,750	1,292	5.6%	2,344	9.6%
<i>Wright County</i>	<i>89,986</i>	<i>124,700</i>	<i>141,337</i>	<i>160,000</i>	<i>16,637</i>	<i>13.3%</i>	<i>18,663</i>	<i>13.2%</i>
<i>Twin Cities Metro Area</i>	<i>2,642,056</i>	<i>2,849,567</i>	<i>3,163,104</i>	<i>3,451,000</i>	<i>313,537</i>	<i>11.0%</i>	<i>287,896</i>	<i>9.1%</i>
<i>Greater Minnesota</i>	<i>2,277,417</i>	<i>2,454,358</i>	<i>2,543,390</i>	<i>2,608,000</i>	<i>89,032</i>	<i>3.6%</i>	<i>64,610</i>	<i>2.5%</i>
HOUSEHOLDS								
Buffalo	3,702	5,706	6,069	6,800	363	6.4%	731	12.0%
Remainder of Study Area	2,652	2,659	2,817	3,000	158	5.9%	183	6.5%
Study Area	6,354	8,365	8,886	9,800	521	6.2%	914	10.3%
<i>Wright County</i>	<i>31,465</i>	<i>44,473</i>	<i>50,509</i>	<i>58,000</i>	<i>6,036</i>	<i>13.6%</i>	<i>7,491</i>	<i>14.8%</i>
<i>Twin Cities Metro Area</i>	<i>1,021,454</i>	<i>1,117,749</i>	<i>1,239,526</i>	<i>1,351,000</i>	<i>121,777</i>	<i>10.9%</i>	<i>111,474</i>	<i>9.0%</i>
<i>Greater Minnesota</i>	<i>873,671</i>	<i>969,478</i>	<i>1,014,464</i>	<i>1,045,000</i>	<i>44,986</i>	<i>4.6%</i>	<i>30,536</i>	<i>3.0%</i>
Sources: US Census, Minnesota Demographic Center, Metropolitan Council, Viewpoint Consulting Group, Inc.								



- Wright County's and Minnesota's average household size declined from 1990 to 2010. However, between 2010 and 2020, their average household sizes stabilized (at 2.78 people per household in Wright County). Buffalo's average household size increased slightly during the 2000s, but this past decade it declined – to 2.60 people per household in 2020. This was opposite of what happened in the remainder of Wright County and Minnesota.

	Average Household Size (People per Household)			
	<u>1990</u>	<u>2000</u>	<u>2010</u>	<u>2020</u>
Buffalo	2.68	2.63	2.64	2.60
Wright County	2.95	2.83	2.78	2.78
Minnesota	2.58	2.52	2.48	2.49

Residential Construction Trends

- ▶ As shown in Table 2, permits were issued for 523 new housing units in Buffalo during the 2010s. This corresponded with growth of 363 households during the decade (see Table 1). During the first half of this decade (2000 through 2024), permits have been issued for 435 housing units. This is a faster pace than last decade (average of 87 units annually versus an annual average of 52 units last decade).
- ▶ During the first five years of the 2020s, 437 permits have been issued for new housing in Buffalo. This includes 335 permits for single-family homes and 102 permits for multifamily housing. The multifamily housing includes Crossings at Willems Way (market rate apartments) and Creekside Manor (senior apartments).
- ▶ So far this decade, the 335 permits for single-family homes equates to an average of 85 homes each year. This is ahead of last decade's average of 36 permits for single-family homes annually.
- ▶ If the current pace of construction in Buffalo continues through the remainder of the decade, about 870 new housing units will be added. This would likely lead to double the number of households added in Buffalo during the 2010s.

Table 2
Building Permit Trends
City of Buffalo
2010 to 2024

Housing Units				Housing Units			
Year	SF	MF	Total	Year	SF	MF	Total
2010	28	0	28	2020	82	0	82
2011	5	0	5	2021	80	62	142
2012	30	0	30	2022	34	0	34
2013	33	0	33	2023	68	40	108
2014	47	0	47	2024	71	0	71
2015	38	0	38	2025	--	--	--
2016	41	0	41	2026	--	--	--
2017	42	0	42	2027	--	--	--
2018	43	16	59	2028	--	--	--
2019	50	150	200	2029	--	--	--
Total	357	166	523	Total	335	102	437
Average	36	17	52	Average	67	20	87

Source: US Census Bureau; Viewpoint Consulting Group, Inc.

Population Age Distribution

- ▶ Table 3 shows the population of the Study Area by age group. In 2000, 45% of the Study Area's population was aged 25 to 54 and 17% was aged 55+. In 2010, these percentages shifted to 42% for 25-to-54-year-olds and 23% for 55+ persons. This shift is continuing as baby boomers age into their older adult and senior years (the youngest baby boomers turned 56 in 2020). In 2020, 36% of the Study Area's population was aged 25 to 54 and 30% was over age 55. By 2030, it is projected that 37% of the Study Area's population will be aged 25 to 54 and 32% will be ages 55 and over.
- ▶ Seniors ages 75+ are the primary target market for senior housing. This age group grew from 858 in the Study Area in 2000 to 1,208 in 2010 and 1,744 in 2020. Growth will continue this decade as the first baby boomers reached age 75 in 2021. By 2030, there are projected to be 2,585 aged 75+ seniors in the Study Area, for a growth rate of 48% during the 2020s.

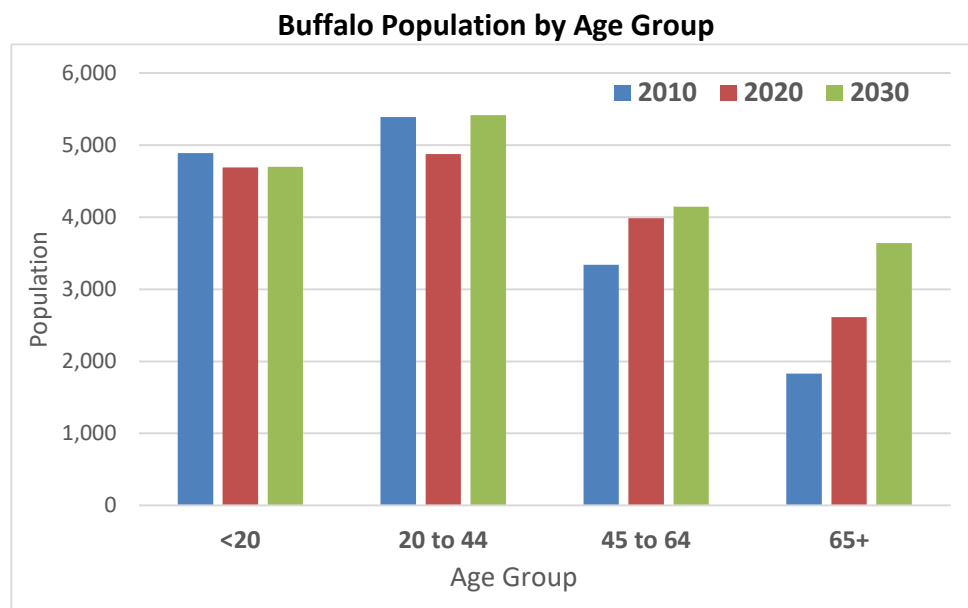


Table 3
Projected Population Growth by Age
Buffalo Study Area
2000 to 2030

	2000	2010	2020	2030	---- Change ----			
					2010 - 2020		2020 - 2030	
					No.	Pct.	No.	Pct.
Buffalo								
<20	3,217	4,891	4,692	4,700	-199	-4.1%	8	0.2%
20-24	609	702	811	920	109	15.5%	109	13.4%
25-34	1,706	2,311	1,791	2,075	-520	-22.5%	284	15.9%
35-44	1,607	2,378	2,274	2,420	-104	-4.4%	146	6.4%
45-54	1,147	2,034	2,084	2,385	50	2.5%	301	14.4%
55-64	669	1,307	1,903	1,760	596	45.6%	-143	-7.5%
65-74	473	917	1,420	1,800	503	54.9%	380	26.8%
75 - 84	424	575	869	1,360	294	51.1%	491	56.5%
85+	245	338	324	480	-14	-4.1%	156	48.1%
Total	10,097	15,453	16,168	17,900	715	4.6%	1,732	10.7%
Study Area Total								
<20	5,916	7,073	7,021	7,090	-52	-0.7%	69	1.0%
20-24	933	1,066	1,196	1,310	130	12.2%	114	9.5%
25-34	2,513	2,874	2,476	2,990	-398	-13.8%	514	20.8%
35-44	3,211	3,345	3,149	3,335	-196	-5.9%	186	5.9%
45-54	2,425	3,662	3,174	3,460	-488	-13.3%	286	9.0%
55-64	1,478	2,479	3,329	3,090	850	34.3%	-239	-7.2%
65-74	841	1,548	2,317	2,890	769	49.7%	573	24.7%
75 - 84	576	815	1,340	1,970	525	64.4%	630	47.0%
85+	282	393	404	615	11	2.8%	211	52.2%
Total	18,175	23,255	24,406	26,750	1,151	4.9%	2,344	9.6%
Sources: US Census; Viewpoint Consulting Group, Inc.								

Household Sizes

- ▶ Table 4 shows that in 2020, Buffalo had 4,463 households that owned their housing and 1,606 households that rented their housing. Among the owner households, the majority had two people (35%). Among renter households, the majority were singles (43%).
- ▶ Overall, 46% of owner-occupied homes and 30% of renter-occupied homes were occupied by households with three or more people.
- ▶ Families with children typically prefer to own single-family homes. Hence, 84% of Buffalo's households with four or more people lived in owned housing.
- ▶ A larger percentage of young single people rent their housing before purchasing a home. In addition, many single seniors choose rental housing as they age and no longer desire the responsibilities of maintaining a single-family home. Hence, the greatest number of renters in Buffalo are singles.

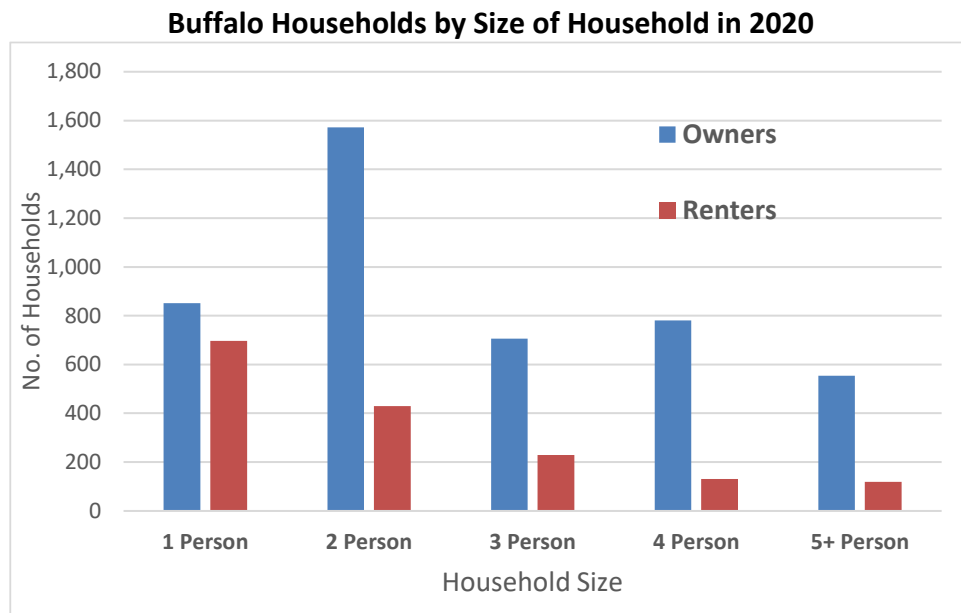


Table 4
Households by Size and Tenure
Study Area
2020

Household Size	Buffalo	Remainder of Study Area	Study Area
Owner Households			
1 Person	851	367	1,218
2 Person	1,572	1,121	2,693
3 Person	706	413	1,119
4 Person	780	406	1,186
5+ Person	554	331	885
Total	4,463	2,638	7,101
Renter Households			
1 Person	697	59	756
2 Person	430	29	459
3 Person	229	33	262
4 Person	131	28	159
5+ Person	119	30	149
Total	1,606	179	1,785
Total Households			
1 Person	1,548	426	1,974
2 Person	2,002	1,150	3,152
3 Person	935	446	1,381
4 Person	911	434	1,345
5+ Person	673	361	1,034
Total	6,069	2,817	8,886
Source: 2020 Census; Viewpoint Consulting Group, Inc.			

Tenure by Age of Householder

- ▶ As shown in Table 5, 73% percent of Buffalo's households in 2010 were owners. Between 2010 and 2020, Buffalo added 286 owner households and 84 renter households. The result was the homeownership rate increased slightly, to 74% in 2020. This was opposite the trend in Minnesota and the Twin Cities Metro Area. In Minnesota, the homeownership rate declined from 73% in 2010 to 70.6% in 2020, while in the seven-county Twin Cities Metro Area it declined from 70% to 66.8%.
- ▶ The youngest households have the greatest propensity to rent. Table 5 shows that 76% of households under age 25 in Buffalo rented their housing in 2020. This decreased to 39% of 25-to-54-year-olds and to 24% among age 35-to-44 households. The rental rate increased to 41% among age 85+ households as many seniors are no longer able or willing to maintain their single-family homes.
- ▶ Although the propensity for households under age 25 to rent their housing is higher, there are more renters in each of the next three older age groups. Renters in the youngest age groups are often people who choose to rent until they become established in their jobs and the community before making the long-term commitment of purchasing a home. In addition, for many younger people, the high cost of homes can prolong their stay in rental housing, even if their desire is to purchase.

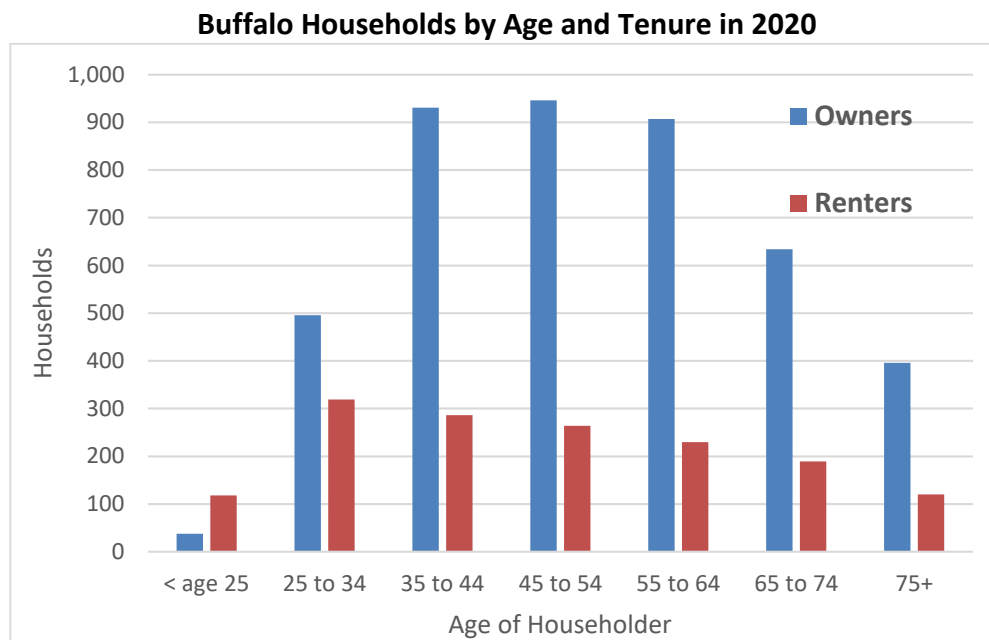


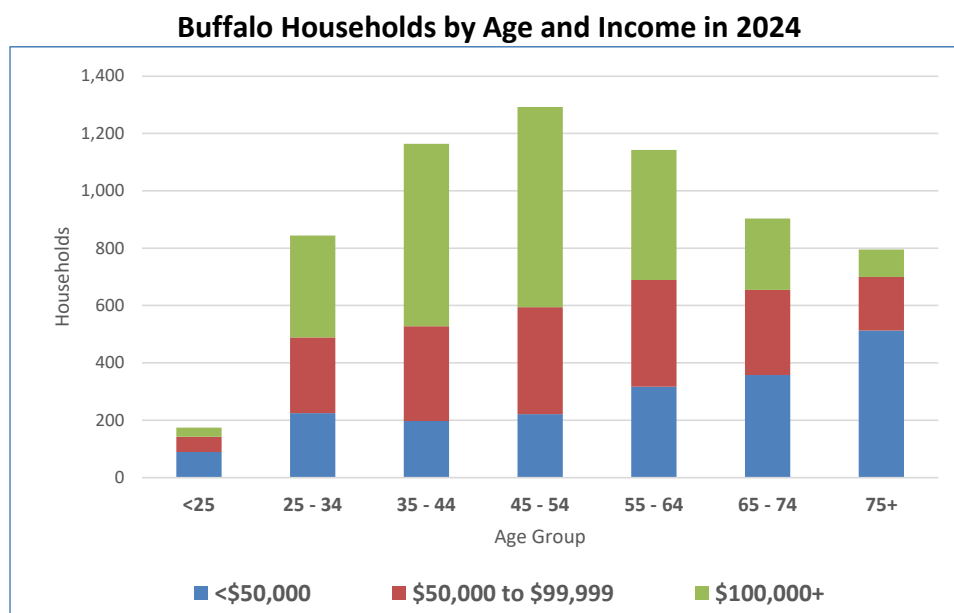
Table 5
Households by Age and Tenure
Study Area
2000, 2010, & 2020

	Buffalo			Study Area		
	2000	2010	2020	2000	2010	2020
Households	3,702	5,699	6,069	6,354	8,421	8,886
Owner Households	2,668	4,177	4,463	5,179	6,719	7,101
< age 25	81	66	38	96	83	61
25 to 34	592	772	496	870	938	716
35 to 44	717	998	931	1,499	1,396	1,327
45 to 54	563	931	946	1,229	1,743	1,464
55 to 64	320	636	907	747	1,267	1,632
65 to 74	206	451	634	429	791	1,112
75 to 84	138	249	396	233	396	626
85+	51	74	115	76	105	163
Renter Households	1,034	1,522	1,606	1,175	1,702	1,785
< age 25	133	143	118	143	148	131
25 to 34	262	350	319	311	387	354
35 to 44	174	300	286	213	343	328
45 to 54	120	248	264	137	296	298
55 to 64	80	140	230	90	160	264
65 to 74	84	118	189	88	133	198
75 to 84	117	114	120	124	122	130
85+	64	109	80	69	113	82
Homeownership Rate	72%	73%	74%	82%	80%	80%
Sources: US Census; Viewpoint Consulting Group, Inc.						

Household Income by Age of Householder

Income by age of householder data helps determine the demand for different housing products based on the size of the market at specific cost levels. The Department of Housing and Urban Development defines affordable housing costs for families as 30% of a household's adjusted gross income. Younger households with greater living expenses often need to allocate a smaller portion toward housing (25% to 30%), while seniors can often spend 40% or more on housing since they generally have lower living expenses.

- ▶ Tables 6 and 7 show the estimated income distribution of households in Buffalo and the Study Area as a whole, respectively, in 2024 and 2029. The estimated median household income in Buffalo in 2024 (\$80,504) is higher than the median household income of Greater Minnesota, or Minnesota minus the seven-county Twin Cities Metro Area (\$77,752). However, it is lower than the Twin Cities Metro Area's median (\$96,905).
- ▶ Median incomes for households in the Study Area peaked at about \$112,000 in the 35 to 44 and the 45 to 54 age groups in 2025. Most households with incomes at or above this median could afford to purchase a home valued at more than \$330,000, provided they have an adequate down payment and with an interest rate of about 6.8% on a 30-year loan. About 53% of all non-senior households (under age 65) in the Buffalo had incomes of \$112,000 or more.
- ▶ Many of the new single-family homes in Buffalo have prices that begin at about \$400,000. To afford these homes, most households would need an income of about \$135,000, depending on the amount of debt they have, size of their down payment, and interest rates. As of 2024, 32% of the Buffalo's non-senior households had incomes of \$135,000 or more.



- ▶ In 2024, an estimated 29% of the non-senior (under age 65) households in Buffalo had incomes under \$60,000 (1,325 households). Most of these households would be eligible for affordable rental housing (in 2024, Wright County's income limits for the Housing Tax Credit Program at 60% AMI were \$52,200 for 1-person households and \$59,640 for 2-person households). Many households with incomes above \$60,000 could afford market rate rental housing in Buffalo. If housing costs absorb 30% of income, households with incomes of \$60,000 could afford \$1,500 per month in gross rent.
- ▶ The Wright County 2024 income-limits for the Low Income Housing Tax Credit program (LIHTC) from the Minnesota Housing Finance Agency are shown below at 50%, 60% and 80% of AMI. To be considered affordable, Minnesota Housing Finance Agency limits gross rents for units affordable at 60% AMI to \$1,398 for one-bedroom units, \$1,677 for two-bedroom units, and \$1,938 for three-bedroom units.

2024 Income Limits by Household Size for Wright County

	<u>1P</u>	<u>2P</u>	<u>3P</u>	<u>4P</u>	<u>5P</u>
50% AMI	\$43,500	\$49,700	\$55,900	\$62,100	\$67,100
60% AMI	\$52,200	\$59,640	\$67,080	\$74,520	\$80,520
80% AMI	\$69,600	\$79,520	\$89,440	\$99,360	\$107,360

Source: Minnesota Housing Finance Agency

2024 Maximum Gross Rents by Bedroom Size for Wright County

	<u>0BR</u>	<u>1BR</u>	<u>2BR</u>	<u>3BR</u>	<u>4BR</u>
50% AMI	\$1,087	\$1,165	\$1,397	\$1,615	\$1,801
60% AMI	\$1,305	\$1,398	\$1,677	\$1,938	\$2,161
80% AMI	\$1,740	\$1,864	\$2,236	\$2,584	\$2,882

Source: Minnesota Housing Finance Agency

- ▶ Senior households with incomes greater than \$50,000 can generally afford new market-rate senior housing. Based on a 40% allocation of income for housing (higher than the 30% threshold for younger households since seniors generally have more savings and fewer living expenses), this translates to gross rents of about \$1,600 (rent plus utilities). In 2024, an estimated 827 senior (age 65+) households in Buffalo had incomes above \$50,000, as did another 582 senior households in the remainder of the Study Area. Some seniors residing outside the Study Area would also consider new rental housing options in Buffalo as their care needs increase.
- ▶ A four-person household with an income at 80% AMI (\$99,360) could afford a home priced at about \$230,000 based on having a \$15,000 down payment, \$1,000 in monthly debt, and a 6.8% interest rate on a 30-year loan. A four-person household with an income at 100% AM (\$124,200) could afford a home priced at about \$310,000 based on having a \$15,000 down payment, \$1,000 in monthly debt, and a 5.97% interest rate on a 30-year loan.

Table 6
Household Income by Age of Householder
City of Buffalo
2024 and 2029

2024 Households by Age								
Income	Total	< 25	25 - 34	35 - 44	45 - 54	55 - 64	65 - 74	75 +
<\$25,000	688	26	60	63	62	116	132	229
\$25,000 to \$34,999	529	29	72	55	60	84	107	122
\$35,000 to \$49,999	703	34	93	79	99	117	119	162
\$50,000 to \$74,999	995	31	138	159	170	192	178	127
\$75,000 to \$99,999	881	22	126	172	203	180	118	60
\$100,000 to \$149,999	1,133	19	163	287	312	194	115	43
\$150,000 to \$199,999	871	12	118	227	233	167	84	30
\$200,000 or more	514	1	74	122	153	92	50	22
Total	6,315	174	844	1,164	1,292	1,142	903	795
Median HH Income	\$80,504	\$48,782	\$84,896	\$106,178	\$105,442	\$81,951	\$60,644	\$38,179
<i>Wright County Median</i>	<i>\$97,631</i>	<i>\$60,740</i>	<i>\$104,836</i>	<i>\$119,469</i>	<i>\$117,354</i>	<i>\$95,267</i>	<i>\$69,004</i>	<i>\$43,914</i>
<i>Twin Cities Metro Area</i>	<i>\$96,905</i>	<i>\$49,455</i>	<i>\$90,115</i>	<i>\$117,783</i>	<i>\$125,382</i>	<i>\$108,535</i>	<i>\$77,907</i>	<i>\$50,476</i>
<i>Greater MN Median</i>	<i>\$77,752</i>	<i>\$46,960</i>	<i>\$79,784</i>	<i>\$102,899</i>	<i>\$102,821</i>	<i>\$84,134</i>	<i>\$64,878</i>	<i>\$39,126</i>
2029 Households by Age								
Income	Total	< 25	25 - 34	35 - 44	45 - 54	55 - 64	65 - 74	75 +
<\$25,000	605	26	51	52	52	81	109	234
\$25,000 to \$34,999	482	23	69	45	48	67	95	134
\$35,000 to \$49,999	623	27	98	57	80	94	102	166
\$50,000 to \$74,999	928	30	136	133	134	174	177	143
\$75,000 to \$99,999	908	22	157	159	187	181	128	74
\$100,000 to \$149,999	1,313	23	226	291	340	227	148	57
\$150,000 to \$199,999	1,238	15	208	263	326	238	133	55
\$200,000 or more	628	0	111	128	178	116	64	31
Total	6,725	166	1,057	1,128	1,346	1,178	956	894
Median HH Income	\$92,962	\$54,556	\$102,358	\$114,899	\$119,573	\$98,562	\$74,001	\$40,789
<i>Wright County Median</i>	<i>\$108,079</i>	<i>\$66,786</i>	<i>\$116,577</i>	<i>\$129,773</i>	<i>\$130,121</i>	<i>\$110,653</i>	<i>\$81,488</i>	<i>\$50,905</i>
<i>Twin Cities Metro Area</i>	<i>\$109,109</i>	<i>\$53,525</i>	<i>\$104,385</i>	<i>\$128,969</i>	<i>\$140,835</i>	<i>\$125,798</i>	<i>\$92,546</i>	<i>\$59,550</i>
<i>Greater MN Median</i>	<i>\$88,187</i>	<i>\$51,459</i>	<i>\$91,438</i>	<i>\$110,053</i>	<i>\$111,798</i>	<i>\$99,438</i>	<i>\$77,342</i>	<i>\$46,374</i>
Change From 2024 - 2029								
Income	Total	< 25	25 - 34	35 - 44	45 - 54	55 - 64	65 - 74	75 +
<\$25,000	-83	0	-9	-11	-10	-35	-23	5
\$25,000 to \$34,999	-47	-6	-3	-10	-12	-17	-12	12
\$35,000 to \$49,999	-80	-7	5	-23	-19	-23	-17	4
\$50,000 to \$74,999	-67	-1	-2	-26	-36	-18	-1	16
\$75,000 to \$99,999	27	0	31	-13	-16	1	10	14
\$150,000 to \$199,999	180	4	63	4	28	33	33	14
\$200,000 or more	367	3	90	36	93	71	49	25
\$150,000+	114	-1	37	6	25	24	14	9
Total	410	-8	212	-36	53	36	53	99

Sources: ESRI; Viewpoint Consulting Group, Inc.

Table 7
Household Income by Age of Householder
Buffalo Study Area
2024 and 2029

2024 Households by Age								
Income	Total	< 25	25 - 34	35 - 44	45 - 54	55 - 64	65 - 74	75 +
<\$25,000	957	39	80	83	77	165	186	327
\$25,000 to \$34,999	635	30	78	59	73	102	129	164
\$35,000 to \$49,999	893	36	106	95	116	157	167	216
\$50,000 to \$74,999	1,463	35	157	209	230	297	325	210
\$75,000 to \$99,999	1,253	31	177	246	260	266	198	75
\$100,000 to \$149,999	1,645	25	220	421	422	316	179	62
\$150,000 to \$199,999	1,360	15	175	320	341	294	157	58
\$200,000+	1,035	1	137	250	287	215	107	38
Total	9,241	212	1,130	1,683	1,806	1,812	1,448	1,150
Median HH Income	\$86,677	\$50,483	\$94,150	\$112,737	\$112,634	\$90,809	\$66,494	\$39,559
<i>Wright County Median</i>	<i>\$97,631</i>	<i>\$60,740</i>	<i>\$104,836</i>	<i>\$119,469</i>	<i>\$117,354</i>	<i>\$95,267</i>	<i>\$69,004</i>	<i>\$43,914</i>
<i>Twin Cities Metro Area</i>	<i>\$96,905</i>	<i>\$49,455</i>	<i>\$90,115</i>	<i>\$117,783</i>	<i>\$125,382</i>	<i>\$108,535</i>	<i>\$77,907</i>	<i>\$50,476</i>
<i>Greater MN Median</i>	<i>\$77,752</i>	<i>\$46,960</i>	<i>\$79,784</i>	<i>\$102,899</i>	<i>\$102,821</i>	<i>\$84,134</i>	<i>\$64,878</i>	<i>\$39,126</i>
2029 Households by Age								
Income	Total	< 25	25 - 34	35 - 44	45 - 54	55 - 64	65 - 74	75 +
<\$25,000	854	31	73	65	60	115	161	349
\$25,000 to \$34,999	582	28	73	52	58	73	120	178
\$35,000 to \$49,999	784	30	106	67	91	115	146	229
\$50,000 to \$74,999	1,334	35	161	167	179	251	301	241
\$75,000 to \$99,999	1,247	30	203	217	235	244	220	98
\$100,000 to \$149,999	1,823	31	291	415	445	334	221	86
\$150,000 to \$199,999	1,829	21	279	362	453	376	244	95
\$200,000+	1,248	0	188	278	328	246	145	64
Total	9,700	205	1,374	1,622	1,848	1,752	1,558	1,340
Median HH Income	\$100,551	\$57,751	\$108,470	\$123,739	\$128,955	\$108,518	\$79,577	\$43,117
<i>Wright County Median</i>	<i>\$108,079</i>	<i>\$66,786</i>	<i>\$116,577</i>	<i>\$129,773</i>	<i>\$130,121</i>	<i>\$110,653</i>	<i>\$81,488</i>	<i>\$50,905</i>
<i>Twin Cities Metro Area</i>	<i>\$109,109</i>	<i>\$53,525</i>	<i>\$104,385</i>	<i>\$128,969</i>	<i>\$140,835</i>	<i>\$125,798</i>	<i>\$92,546</i>	<i>\$59,550</i>
<i>Greater MN Median</i>	<i>\$88,187</i>	<i>\$51,459</i>	<i>\$91,438</i>	<i>\$110,053</i>	<i>\$111,798</i>	<i>\$99,438</i>	<i>\$77,342</i>	<i>\$46,374</i>
Change From 2024 to 2029								
Income	Total	< 25	25 - 34	35 - 44	45 - 54	55 - 64	65 - 74	75 +
<\$25,000	-103	-8	-7	-18	-17	-50	-25	22
\$25,000 to \$34,999	-53	-2	-5	-7	-15	-29	-9	14
\$35,000 to \$49,999	-109	-6	0	-28	-25	-42	-21	13
\$50,000 to \$74,999	-129	0	4	-42	-51	-46	-24	31
\$75,000 to \$99,999	-6	-1	26	-29	-25	-22	22	23
\$100,000 to \$149,999	178	6	71	-6	23	18	42	24
\$150,000 to \$199,999	469	6	104	42	112	82	87	37
\$200,000+	213	-1	51	28	41	31	38	26
Total	459	-7	244	-61	42	-60	110	190

Sources: ESRI; Viewpoint Consulting Group, Inc.

Household Income by Tenure

- ▶ Data on household incomes by tenure for 2023 is obtained from the Census Bureau's American Community Survey. As is the case with most communities, the estimated percentage of renters steadily declines in Buffalo from the lower to higher income groups. Conversely, the percentage of owners steadily increases from the lower to higher income groups. In 2023, 59.9% of households with incomes below \$25,000 in Buffalo were renters, declining to 8.6% of households with incomes of \$100,000 to \$150,000.
- ▶ When applying the percentages in Table 8 to the 2024 households by income data in Table 6, 90% of households with incomes of \$75,000 or more in Buffalo are owners. The majority of households with incomes between \$35,000 and \$49,999 are also homeowners (63%). An estimated 40% of households with incomes below \$25,000 are homeowners. Many of these are likely seniors whose homes are paid off and whose primary income is Social Security benefits.
- ▶ When applying the percentages in Table 8 to the 2024 households by income data in Table 6, approximately 39% of the renters in Buffalo could afford market rate rental housing (incomes of \$50,000 or above). Most households with incomes below \$50,000 would be income-qualified for affordable, but some would also be able to afford rents at older market rate properties.

Table 8
Estimated Tenure by Household Income
Buffalo & Study Area
2023

Income Range	Buffalo		Study Area		Twin Cities Metro Area	Greater Minnesota
	Percent Owners	Percent Renters	Percent Owners	Percent Renters	Percent Renters	Percent Renters
<\$25,000	40.1%	59.9%	48.8%	51.2%	63.3%	52.1%
\$25,000 - \$34,999	53.4%	46.6%	65.2%	34.8%	57.0%	39.6%
\$35,000 - \$49,999	62.7%	37.3%	70.1%	29.9%	50.4%	34.3%
\$50,000 - \$74,999	73.6%	26.4%	73.7%	26.3%	43.2%	24.2%
\$75,000 - \$99,999	77.4%	22.6%	81.6%	18.4%	31.5%	17.0%
\$100,000 - \$149,999	91.4%	8.6%	92.2%	7.8%	24.1%	9.0%
\$150,000+	97.1%	2.9%	97.8%	2.2%	9.4%	5.1%
Median Household Income	\$100,991	\$45,082	\$105,391	\$47,270		

Sources: American Community Survey 2023; Viewpoint Consulting Group, Inc.

- ▶ The chart below highlights that the propensity to own increases as household incomes increase. Overall, 61% of the renter households in Buffalo had incomes below \$50,000 in 2024. Conversely, 79% of all owner households in Buffalo had incomes greater than \$50,000.

Estimated Distribution of Households in Buffalo by Income and Tenure in 2024



Housing Cost Burden

The generally accepted definition of affordability is for a household to pay no more than 30% of its annual income on housing. Households who pay more than 30% for housing are considered cost burdened and may have difficulty affording other necessities such as food, clothing, transportation, and medical care.

- ▶ Table 9 shows that as of 2023, an estimated 26% of owners and 46% of renters in Buffalo were cost burdened. These rates compare to statewide housing cost burdened rates of 16% of owners and 45% of renters.
- ▶ Overall, there were an estimated 1,956 cost burdened households in Buffalo in 2023, or 31% of Buffalo's total households.
- ▶ Lower-income households were the most likely to be cost burdened. Eighty-seven percent of the owners and 93% of the renters with incomes below \$35,000 were estimated to be cost burdened.
- ▶ Among households with incomes above \$75,000, about 8% of the owners and 4% of the renters were cost burdened.
- ▶ As highlighted in the chart below, the greatest share of households in Buffalo in 2023 were estimated to be owner households with incomes of \$75,000 or more who were not cost burdened.

**Estimated Distribution of Cost-Burdened Households in Buffalo
by Income and Tenure in 2023**

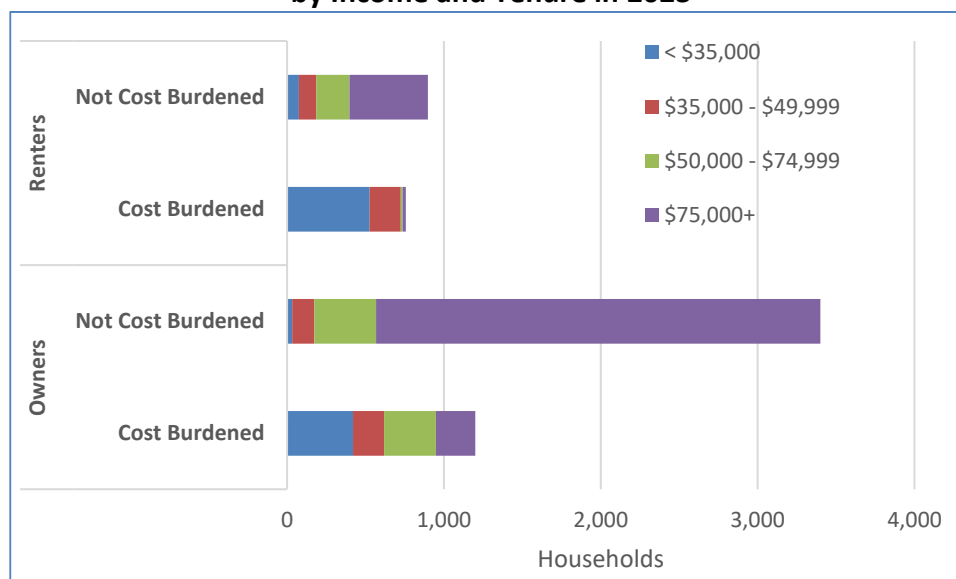


Table 9
Estimated Housing Costs as Percentage of Income by Tenure
City of Buffalo
2023

	Owners	Renters
< \$20,000	115	253
<20%	0	0
20%-29%	0	64
30%+	115	189
\$20,000 - \$34,999	338	349
<20%	0	0
20%-29%	34	12
30%+	304	337
\$35,000 - \$49,999	337	308
<20%	66	0
20%-29%	73	110
30%+	198	198
\$50,000 - \$74,999	727	223
<20%	174	47
20%-29%	221	164
30%+	332	12
\$75,000+	3,082	522
<20%	1,938	285
20%-29%	894	216
30%+	250	20
Total	4,600	1,655
<i>Number of Households paying 30%+</i>	1,200	757
<i>Percent of Households paying 30%+</i>	26%	46%
Sources: 2023 American Community Survey; Viewpoint Consulting Group, Inc.		

Employment Growth Trends

Employment growth is a predictor of housing demand since employment growth generally leads to household formation. If given a choice, many people prefer to live close to their place of employment. Rental housing demand has a particularly strong correlation with job growth since people recently hired and moving into a new community often choose to rent for a period of time before they invest in a home of their own.

Recent employment growth trends for Wright County are shown in Tables 10 and 11. Table 10 presents resident employment data in the county from 2014 through 2024. Resident employment data is an annual average of the work force and number of employed people living in the County. Not all these employed people work in the County. Table 11 is the number of jobs in Buffalo and Wright County from 2014 to 2024. It shows the number of jobs in the County which are covered by unemployment insurance. Most farm jobs, self-employed persons, and some other types of jobs are not covered by unemployment insurance and are not included in the table. The data in both tables is from the Minnesota Department of Employment and Economic Development. The following are key trends from the employment data:

- ▶ The unemployment rate in Wright County declined from 4.3% in 2014, to 3.1% in 2018. Due to the COVID-19 pandemic, it spiked at 5.6% in 2020. In 2024, the unemployment rate was 3.3%, or the same as the pre-pandemic rate in 2019.
- ▶ The number of employed people living in Wright County reached 74,502 in 2019, or a gain of 6,229 from 2014. Total employed persons declined by about 1,700 in the County from 2019 to 2020 due to the COVID-19 pandemic. In 2023, employment in the County had reached 74,968, surpassing the previous high in 2019. However, it declined by 614 between 2023 and 2024.

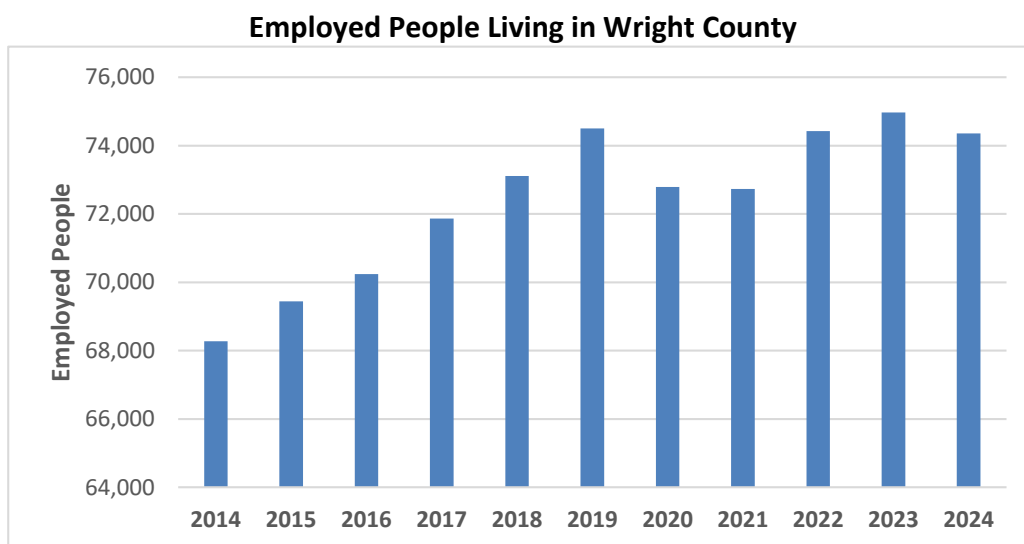


Table 10
Resident Employment Trends
Wright County
2014 to 2024

		--- Wright County ---		Twin Cities		
	Labor Force	Employment	% Unemploy.	Metro Area	MN	USA
2014	71,353	68,273	4.3%	3.9%	4.1%	6.2%
2015	72,151	69,443	3.8%	3.4%	3.7%	5.3%
2016	73,060	70,243	3.9%	3.4%	4.0%	4.7%
2017	74,512	71,863	3.6%	3.2%	3.5%	4.4%
2018	75,416	73,110	3.1%	2.6%	3.0%	3.9%
2019	77,030	74,502	3.3%	2.9%	3.3%	3.7%
2020	77,121	72,792	5.6%	6.5%	6.3%	8.1%
2021	75,284	72,728	3.4%	3.8%	3.8%	5.3%
2022	76,309	74,427	2.5%	2.5%	2.7%	3.6%
2023	77,233	74,968	2.9%	2.7%	3.0%	3.6%
2024	76,920	74,354	3.3%	3.0%	3.2%	4.0%

Source: MN Dept. of Employment and Economic Development - Local Area Unemployment Statistics; Viewpoint Consulting Group, Inc.

- ▶ Table 11 shows that between 2014 and 2024 (through 3rd Quarter), Wright County had added 9,744 jobs. This was a 25.1% increase, which exceeded the growth rates of the seven-county Twin Cities Metro Area (+6.9%) and Minnesota (+7.0%).
- ▶ About 48,540 jobs were located in Wright County in 2024. At the same time, there were nearly 74,350 employed people living in the County. This highlights that many Wright County residents, including those in Buffalo, are commuting to jobs located outside the county.
- ▶ Buffalo had 8,275 jobs in 2024 (through 3rd Quarter). This was second to Monticello (8,857 jobs) for the most jobs in Wright County. Following Buffalo were St. Michael (4,610 jobs), Otsego (4,283), Delano (3,439), and Albertville (3,431)
- ▶ While Wright County's 48,539 jobs in 2024 was sizeable, it was small in comparison to the 913,560 jobs in Hennepin County. Buffalo residents have relatively easy access to jobs in Hennepin County, as it is about a 23 mile drive to Plymouth (52,897 jobs in 2024). Overall, the seven-county Twin Cities Metro Area has 1.76 million jobs, many of which are within commuting distance that some current and future residents of Buffalo would consider.

Table 11
Employment Trends (Number of Jobs)
2014 to 2024

	<u>Buffalo</u>	<u>Wright County</u>	<u>Hennepin County</u>	<u>Twin Cities Metro Area</u>	<u>Minnesota</u>
2014	7,307	38,795	866,057	1,643,371	2,729,613
2015	7,398	41,003	883,511	1,675,292	2,774,450
2016	7,682	42,279	901,132	1,704,890	2,813,648
2017	7,695	43,251	919,399	1,739,556	2,853,895
2018	7,836	44,012	931,132	1,762,242	2,882,004
2019	7,875	45,051	937,768	1,776,439	2,901,365
2020	7,444	43,311	862,927	1,644,852	2,707,821
2021	7,694	45,034	878,574	1,679,342	2,774,288
2022	7,902	46,171	903,600	1,730,056	2,856,018
2023	8,195	47,316	915,420	1,757,185	2,907,360
2024*	8,275	48,539	913,560	1,757,315	2,921,700
<i>Change, 2014 to 2024</i>					
Number	968	9,744	47,503	113,944	192,087
Percent	13.2%	25.1%	5.5%	6.9%	7.0%
* Through 3rd Quarter 2024					
Source: MN Dept. of Employment and Economic Development - Quarterly Census of Employment and Wages; Viewpoint Consulting Group, Inc.					

Commuting Patterns

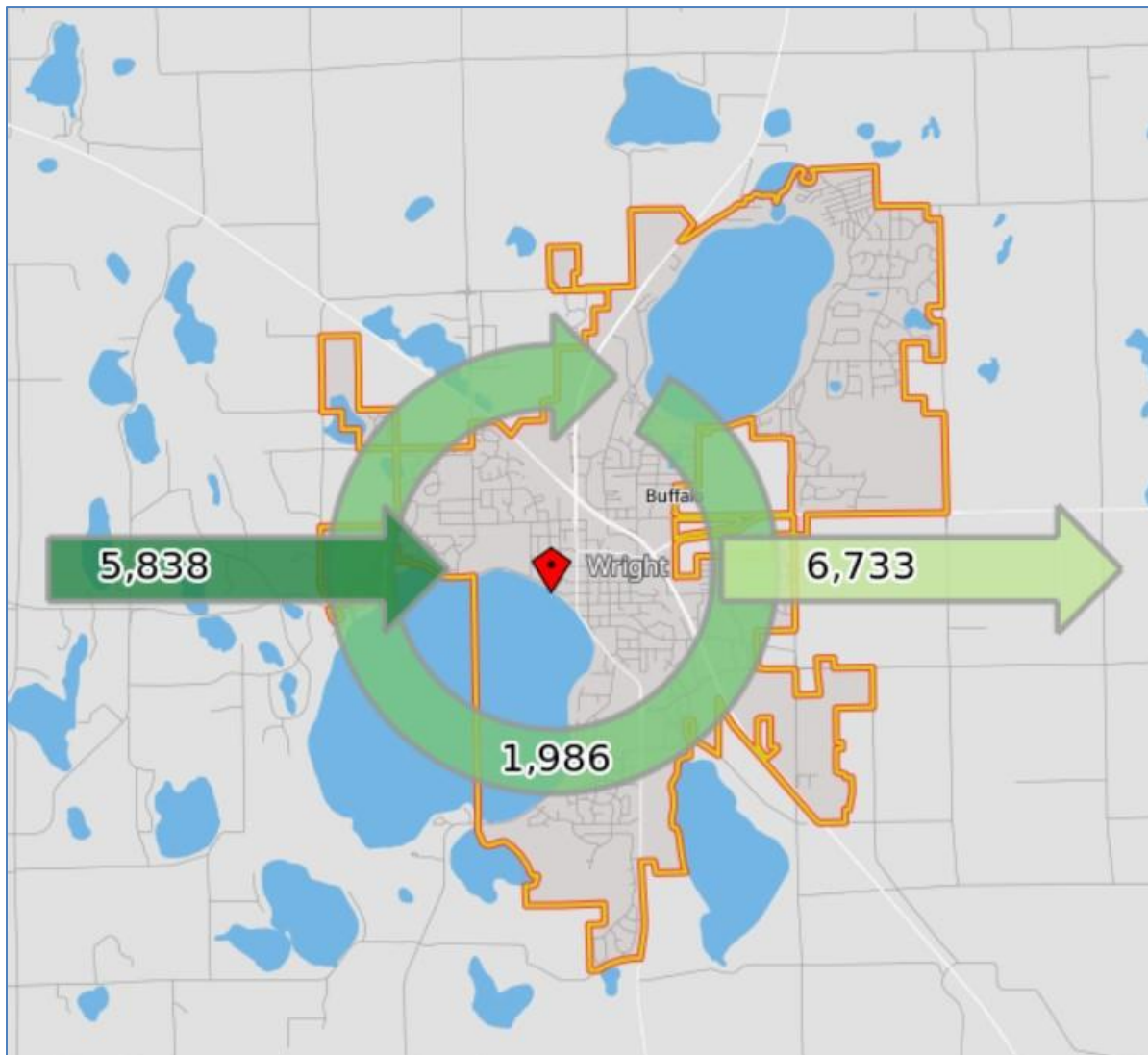
Not all residents of Buffalo work in Buffalo and vice versa – some workers in Buffalo commute from elsewhere. Data on commuting trends as of 2022 is shown in Table 12. The data is from Census Bureau – Center for Economic Studies (Longitudinal Employer-Household Dynamics). Table 12 identifies the top counties in which Buffalo residents are employed and counties in which Buffalo workers reside. The following are key highlights from Table 12.

- ▶ A large number of people commute to Buffalo for work, and a large number of Buffalo residents commute to jobs outside the community. Only an estimated 1,986 of Buffalo's residents live and work in the community (22.8%).
- ▶ As of 2022, an estimated 5,838 people commuted to jobs in Buffalo (inflow). These commuters filled about 75% of Buffalo's total of 7,824 jobs (the other 1,986 jobs were filled by people who lived and worked in Buffalo (interior flow). The top counties where Buffalo draws its workers are Wright County (excluding Buffalo), followed by Hennepin County, Sherburne County, and Stearns County. The top communities where Buffalo workers lived, in order, were Buffalo, Monticello, St. Michael, Montrose, Rockford, Big Lake, Maple Lake, and Annandale.
- ▶ While 1,986 Buffalo residents also worked in Buffalo in 2022, another 6,733 Buffalo residents commuted to jobs elsewhere (outflow). Table 12 shows that the top destinations are Hennepin County (where 33.9% of Buffalo residents work), elsewhere in Wright County, Ramsey County, and Anoka County. The top communities where Buffalo residents work, in order, were Buffalo, Minneapolis, Plymouth, Monticello, Maple Grove, Eden Prairie, Minnetonka, and St. Paul.

Top Cities where Buffalo Residents Work	Top Cities where Buffalo Workers Live
Buffalo	Buffalo
Minneapolis	Monticello
Plymouth	St. Michael
Monticello	Montrose
Maple Grove	Rockford
Eden Prairie	Big Lake
Minnetonka	Maple Lake
St. Paul	Annandale

Table 12
Worker Commuting Patterns
Buffalo
2022

Place of Employment	Place of Residence	--- Workers ---	
		Number	Pct.
Hennepin County	Buffalo	2,954	33.9%
Buffalo	Buffalo	1,986	22.8%
Remainder of Wright County*	Buffalo	1,703	19.5%
Ramsey County	Buffalo	384	4.4%
Anoka County	Buffalo	269	3.1%
Stearns County	Buffalo	221	2.5%
Other	Buffalo	1,202	13.8%
Total		8,719	100.0%
Buffalo	Remainder of Wright County*	3,219	41.1%
Buffalo	Buffalo	1,986	25.4%
Buffalo	Hennepin County	612	7.8%
Buffalo	Sherburne County	511	6.5%
Buffalo	Stearns County	266	3.4%
Buffalo	Carver County	135	1.7%
Buffalo	Anoka County	108	1.4%
Buffalo	Other	987	12.6%
Total		7,824	100.0%
* Wright County excluding Buffalo			
Sources: US Census Bureau - Center for Economic Studies; Viewpoint Consulting Group, Inc.			

Buffalo Workforce Inflow/Outflow in 2022

Source: US Census – OnTheMap

Owner-Occupied Housing Market Analysis

This section analyzes Buffalo's owner-occupied housing market. Analyzed are single-family home resale trends, subdivisions being actively marketed, and pending subdivisions. The Minnesota Department of Revenue – eCRV provided the data on resale trends. Only qualified sales were analyzed.

Home Resale Trends

Single-Family

- ▶ From 2019 through 2024, an average of 189 existing homes have been sold in Buffalo annually with 2019 and 2020 being the peak years for sales. The average sale price continually increased each year from 2019 to 2024. The median sale price fell slightly in 2025. Higher interest rates this past year likely contributed to the slight decline, but the median sale price of single-family homes in 2024 (\$341,000) was still up considerably from 2019 (\$240,000). The average sale price increased from \$290,000 in 2019 to \$413,128 in 2024 (a 42% increase in five years).

Table 13
Resale Trends of Existing Single-Family Homes
City of Buffalo
2019 through 2024

Year	No. Sold	Avg Sales Price	Median Price	Change in Median
2019	227	\$290,000	\$240,000	--
2020	253	\$292,977	\$260,000	8.3%
2021	207	\$337,946	\$305,000	17.3%
2022	190	\$361,543	\$321,000	5.2%
2023	144	\$407,592	\$345,000	7.5%
2024	110	\$413,128	\$341,250	-1.1%

Sources: MN Dept. of Revenue - eCRV; Viewpoint Consulting Group,

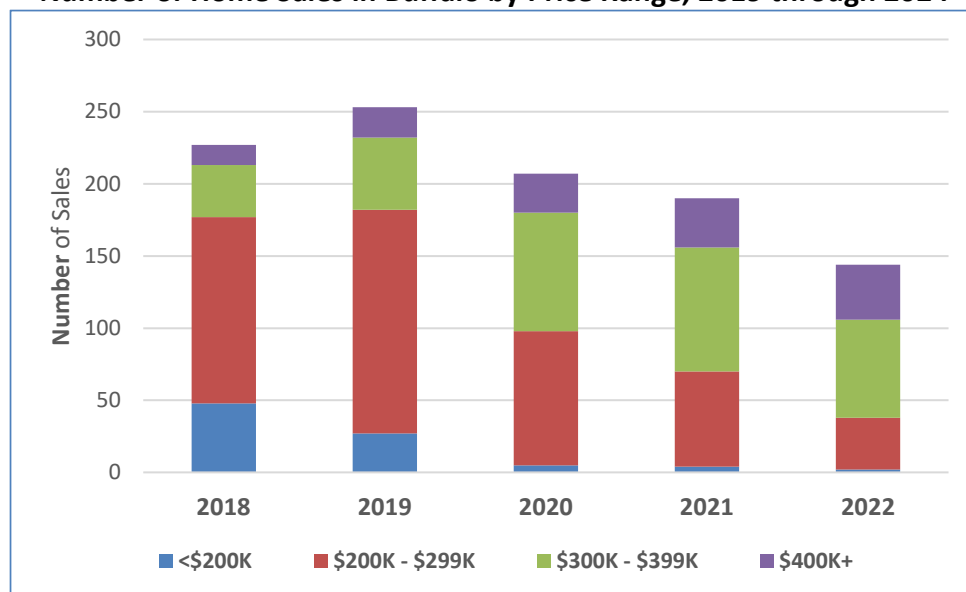
- ▶ In 2019, 78% of the sales of existing single-family homes in Buffalo were priced under \$300,000, while only 6% were priced above \$400,000. By 2024, the price distribution of sales shifted such that only 20% of the sales of existing single-family homes were priced under \$300,000 while 30% were priced above \$400,000.

Table 14
Existing Single-Family Home Resales by Price Range
City of Buffalo
2019 through 2024

Sale Price	2019	2020	2021	2022	2023	2024
< \$200,000	48	27	5	4	2	1
\$200,000 - \$299,999	129	155	93	66	36	21
\$300,000 - \$399,999	36	50	82	86	68	55
\$400,000 - \$499,999	4	17	19	27	24	24
\$500,000 +	10	4	8	7	14	9
Total Sales	227	253	207	190	144	110
Percent under \$300K	78%	72%	47%	37%	26%	20%
Percent over \$400K	6%	8%	13%	18%	26%	30%
Median Sale Price	\$240,000	\$260,000	\$305,000	\$321,000	\$345,000	\$341,250

Sources: MN Dept. of Revenue - eCRV; Viewpoint Consulting Group, Inc.

Number of Home Sales in Buffalo by Price Range, 2019 through 2024



Townhomes

- ▶ There is a smaller pool of townhomes in Buffalo. While Buffalo averaged 189 sales of existing single-family homes annually between 2019 and 2024, it averaged only 26 existing townhome sales annually. This equates to townhomes representing only 12% of total sales from 2019 through 2024).
- ▶ The median resale price of existing townhomes in Buffalo was \$275,000, in 2024. This was about 19% less than the median resale price of existing single-family homes in Buffalo in 2024 (\$341,250).
- ▶ As with single-family homes, the prices of existing townhomes in Buffalo increased substantially between 2019 and 2024. The median resale price was \$200,000 in 2019 and in 2024 it was \$275,000, for a 38% increase in five years.

Table 15
Resale Trends of Existing Townhomes
Buffalo
2019 through 2024

Year	No. Sold	Avg Sales Price	Median Price	Change in Median
2019	27	\$215,915	\$200,000	--
2020	20	\$213,188	\$218,000	9.0%
2021	31	\$261,542	\$240,000	10.1%
2022	33	\$278,258	\$255,000	6.3%
2023	33	\$264,697	\$255,000	0.0%
2024	14	\$283,636	\$275,000	7.8%

Sources: MN Dept. of Revenue - eCRV; Viewpoint Consulting Group,

Resale Trends of Buffalo's Zip Code and Selected Neighboring Communities

Table 16 on the following page presents data from Minneapolis Area Realtors' Local Market Updates and are for the years from 2021 through 2024. The data is for communities' zip codes, and includes sales of both single-family homes, townhomes, and condominiums. The following are key points from Table 16.

- ▶ For Buffalo's zip code, there were 277 closed sales in 2024, with a median sale price of \$355,000. This is higher than the median in the City of Buffalo and reflects a combination of higher home values in the surrounding countryside and fewer townhomes.
- ▶ Buffalo's zip codes' median sale prices during each of the four years was higher than Monticello's, but less than all the other communities, which are east of Buffalo, closer to the core of the Twin Cities Metro Area. While the median sale price in Buffalo's zip code was \$355,000 in 2024, it was \$449,900 in St. Michael, \$426,495 in Rogers, and \$500,500 in Plymouth.
- ▶ In Plymouth the median resale price of homes was \$500,500 and in Maple Grove it was 403,700. While these are higher than Buffalo's zip code, a comparison of homes of similar size and age would likely show a greater price disparity, as Plymouth and Maple Grove's sales likely contain a greater proportion of townhomes to single-family homes, which are generally more affordable.
- ▶ The median sale price in the Twin Cities Metro Area increased by 11.8% from 2011 to 2024. Wright County's increase was similar – at 11.0%. Of the Wright County communities in Table 16, Buffalo's zip code was the lowest – at 8.7%, while Delano's was the highest, at 19.5%. Monticello's increase was 11.6% and St. Michael's was 10.4%.
- ▶ The average resale price per square foot was \$184 in Buffalo's zip code during 2024. This was lower than the averages of the other communities. Monticello's average price per square foot was \$192, St. Michael's was \$194, and Roger's was \$197. The highest was Plymouth (\$220/sf) followed by Maple Grove (\$201/sf). The resale data in Table 16 highlights how prices generally increase from Buffalo to the more urban area east toward the Twin Cities Metro Area.
- ▶ Table 16 shows the average days on market until homes are sold. In Buffalo's zip code, the average was 43 days during 2024. This was up from 24 days in 2021. The average number of days on market increased in all other communities as well. This is likely a reflection of the impact of rising mortgage rates on the housing market, which also impacted closed sales and sale prices. While the median sale price increased in Wright County, as well as the overall Twin Cities Market this past year, the increase (2.7% in the Twin Cities) was less than the previous two years (13.7% and 7.4% increases, respectively).

Table 16
Home Resale Trends
Buffalo Zip Code and Zip Codes of Surrounding Communities
2021 through 2024

	Buffalo	Monticello	Delano	St. Michael	Rogers	Maple Grove	Plymouth	Wright County	Twin Cities MSA
Miles from Buffalo	--	10 North	12 South	10 East	18 East	22 East	24 East	--	--
Closed Sales									
2021	390	365	224	500	284	1,553	1,531	3,208	65,216
2022	356	325	204	440	299	1,263	1,210	2,763	52,771
2023	277	208	209	388	341	974	1,054	2,295	43,545
2024	277	194	153	380	384	1,030	1,094	2,150	44,409
+ / -	-29.0%	-46.8%	-31.7%	-24.0%	35.2%	-33.7%	-28.5%	-33.0%	-31.9%
Median Sale Price									
2021	\$326,450	\$307,000	\$375,000	\$407,350	\$430,000	\$371,000	\$440,000	\$347,000	\$340,000
2022	\$349,900	\$319,500	\$444,825	\$434,620	\$458,450	\$400,000	\$469,900	\$379,900	\$365,000
2023	\$355,000	\$339,000	\$425,000	\$433,652	\$430,440	\$389,600	\$486,750	\$381,000	\$370,000
2024	\$355,000	\$342,500	\$447,940	\$449,900	\$426,495	\$403,700	\$500,500	\$385,000	\$380,000
+ / -	8.7%	11.6%	19.5%	10.4%	-0.8%	8.8%	13.8%	11.0%	11.8%
Average Sale Price									
2021	\$360,277	\$329,611	\$408,468	\$418,937	\$430,750	\$422,512	\$486,511	\$366,149	\$395,716
2022	\$393,672	\$356,001	\$507,858	\$450,596	\$476,311	\$473,056	\$521,280	\$406,200	\$427,185
2023	\$395,322	\$365,886	\$465,780	\$455,781	\$442,266	\$458,845	\$589,928	\$409,002	\$437,511
2024	\$393,957	\$360,328	\$490,127	\$462,443	\$448,068	\$474,881	\$601,700	\$421,914	\$452,336
+ / -	9.3%	9.3%	20.0%	10.4%	4.0%	12.4%	23.7%	15.2%	14.3%
Price Per Square Foot									
2021	\$175	\$175	\$185	\$171	\$179	\$179	\$190	\$176	\$190
2022	\$181	\$184	\$207	\$184	\$201	\$195	\$205	\$191	\$204
2023	\$182	\$190	\$194	\$188	\$196	\$195	\$215	\$195	\$208
2024	\$184	\$192	\$201	\$194	\$197	\$201	\$220	\$202	\$211
+ / -	5.1%	9.7%	8.6%	13.5%	10.1%	12.3%	15.8%	14.8%	11.1%
Pct. Of Original List Price Received									
2021	102.4%	102.4%	101.8%	102.0%	102.0%	103.0%	101.8%	101.8%	101.9%
2022	99.8%	100.7%	99.9%	100.0%	100.2%	101.5%	100.8%	100.1%	100.9%
2023	98.2%	99.7%	97.8%	97.8%	96.5%	99.8%	99.9%	98.3%	99.3%
2024	98.5%	98.5%	97.3%	98.0%	98.1%	99.1%	98.8%	97.9%	98.7%
+ / -	-3.8%	-3.8%	-4.4%	-3.9%	-3.8%	-3.8%	-2.9%	-3.8%	-3.1%
Days on Market Until Sale									
2021	24	21	36	26	20	17	22	28	28
2022	30	24	38	31	27	24	24	35	31
2023	46	49	61	53	43	35	34	48	40
2024	43	50	59	53	37	39	44	54	45
+ / -	79.2%	138.1%	63.9%	103.8%	85.0%	129.4%	100.0%	92.9%	60.7%
Note: + / - is the percent change from 2021 to 2024									
Source: Minneapolis Area Realtors: Local Market Update									

Current Supply of Homes on the Market

- ▶ As of February 2025, there were 22 single-family homes listed for sale in Buffalo. However, nine had pending offers. Table 17 shows that of the 22 homes listed for sale in Buffalo, the median list price was \$346,950, which was similar to the median of \$341,250 for single-family homes sold in 2024. The listings are for existing homes and exclude new construction homes listed for sale.
- ▶ The median year built of the homes listed for sale in Buffalo was 2001 (although not shown in Table 17, the oldest home listed for sale was 1915 and the newest was 2023).
- ▶ Table 14 showed that 78% of the single-family homes sold in Buffalo in 2019 were priced under \$300,000. That percentage declined to 20% of homes sold in 2024. As Table 17 shows, only three of the homes listed for sale in Buffalo in February 2025 had a price below \$300,000. For the lowest priced home listed for sale - \$295,000 – it is estimated that a household would need an income of about \$100,000 for it to be affordable, assuming a 10% downpayment, minimal monthly debts, and a 6.7% interest rate on a 30-year loan.

Table 17
Active Single-Family Home Listings
City of Buffalo
February 2025

List Price	Listings*
< \$300,000	3
\$300,000 - \$399,999	11
\$400,000 - \$499,999	7
\$500,000 +	1
Total	22
Average List Price	\$377,764
Median List Price	\$346,950
Median Year Built	2001
Median Sq. Ft.	1,963
* Nine of the listings had pending offers.	
Source: Realtor.Com; Viewpoint Consulting Group, Inc.	

Active Subdivisions

The supply of lots in Buffalo available for new housing construction is mostly concentrated in four subdivisions. They are displayed in Table 18. Combined, they have a total of 388 lots, all for single-family homes. All have come on-line since 2020. As of February 2025, 91 lots remained available for the construction of new homes, with most of these in Settlers Brook. The following are key highlights of Buffalo's active subdivisions.

- ▶ The largest subdivision in Buffalo is Greenbriar Hills, which is about a mile north of Buffalo High School, west of Dague Avenue. It has seven additions totaling 180 lots. The first addition opened in 2020 and the last in 2023. Capstone is the sole home builder in Greenbriar Hills 7th Addition with some other builders present in the earlier additions, such as Mark Elliot Homes. About 160 homes have been built, with 20 lots remaining vacant. This equates to close to 30 homes being built annually.
- ▶ The lots in Greenbriar Hills are generally about 8,500 to 10,500 square feet in size with 28 lots in Greenbriar Hills 7th being smaller – at less than 5,000 square feet. Homes built in 2024 on the smaller lots (the “Liberty” series) cost an average of about \$340,000 while the homes on the larger lots averaged about \$415,000. Home types currently being marketed have prices beginning at \$404,900 for a five-bedroom, split-level homes with 2,285 square feet to \$539,900 for a five-bedroom, two-story home with 3,401 square feet.
- ▶ Arbor Meadow is located north of Greenbriar Hills. It has 52 lots that came on-line in 2023 and only six lots remain vacant. The lots average about 10,000 square feet in size. The average price of homes built in Arbor Meadow in 2024 was about \$470,000. JP Brooks is the exclusive home builder in Arbor Meadow. Home types currently being marketed have prices beginning at \$414,900 for a three-bedroom, split-level home with 1,995 square feet to \$599,900 for a four-bedroom, one-story home with 3,025 square feet.
- ▶ Settlers Brook came on-line in 2024 with 66 lots. Twenty-three homes have been built and about 10 others are under construction. The lots are exclusive to Lennar. The lots in Settlers Brook average about 8,700 square feet and the average price of homes sold in 2024 was about \$355,000. Home types currently being marketed have prices beginning at \$372,785 for a four-bedroom, split-level home with 1,691 square feet to \$379,185 for a three-bedroom, split-level home with 1,151 square feet.
- ▶ Misty Meadows is located northeast of Calder Avenue and 20th Street Northeast. The third and final addition has 30 lots that were platted in 2022. Twenty-five lots remain available. The five homes built so far had an average price of about \$460,000.

Table 18
Actively Marketing Subdivisions
City of Buffalo
February 2025

Subdivision	Primary Builders	Year Platted	Total Lots	Avail. Lots	Avg. Lot Size	List Price / Home Type
Arbor Meadow	JP Brooks	2023	52	6	10,000	\$439,900 2BR / 1-story, 1,740sf \$414,900 3BR / 1-story, 1,740sf \$389,900 3BR / Split, 1,995sf \$599,900 4BR / 1-story, 3,025sf \$484,900 5BR / 1-story / 2,775sf
Greenbriar Hills 7th Addition	Capstone	2023	33 28 61	1 4	10,900 4,800	\$424,900 5BR / 1-story, 2,578sf \$414,900 5BR / Split, 2,579sf \$409,900 5BR / Split, 2,691sf \$404,900 5BR / Split, 2,285sf
Greenbriar Hills 3rd - 6th Additions	Capstone	2021	66	15	8,500	\$539,900 5BR / 2-story, 3,401sf \$499,900 4BR, 2-story, 2,607sf \$424,900 5BR / Split, 2,654sf
Greenbriar Hills 1st & 2nd Additions	Capstone	2020	53	7	9,500	\$424,900 5BR / 1-story, 2,578sf \$414,900 5BR / Split, 2,579sf \$409,900 5BR / Split, 2,691sf \$404,900 5BR / Split, 2,285sf
Misty Meadows 3rd	Craftsman	2022	30	25	13,800	\$416,876 3BR / 1-story, 1,500sf
Settlers Brook	Lennar	2024	66	33	8,700	\$379,185 3BR / Split, 1,151sf \$393,245 4BR / Split, 1,706sf \$372,785 4BR / Split, 1,691sf
Source: Viewpoint Consulting Group, Inc.						

- ▶ Table 18 showed that with the exception of Settlers Brook, most model homes being marketed in Buffalo's active subdivisions have base prices that begin above \$400,000. A review of new single-family homes sold in Buffalo from 2019 to 2024 is shown in Table 19. The table shows that among 58 new homes sold in Buffalo in 2024, 28 (48%) were priced below \$400,000, while 11 homes (19%) were priced above \$500,000. This was a change from five years earlier when 86% of the new homes sold in Buffalo were priced below \$400,000 and only one home (5%) was priced above \$500,000.
- ▶ Table 19 shows that the median sale price of new single-family homes in Buffalo increased from \$325,345 in 2019 to \$425,000 in 2022. This was an increase of about \$100,000 (+31%) in three years. Between 2022 and 2025, the median sales price declined, to \$403,500 in 2024.

- ▶ Contributing to the lower median sale price of new homes in 2023 and 2024 is a rise in interest rates, which have made homeownership more expensive. According to data from Freddie Mac, the average rate on a 30-year fixed-rate loan declined from 3.94% in 2019 to an all-time low of 2.96% in 2021. Since then, the average rose to 6.81% in 2023 and 6.72% in 2024. These are the highest they have been since 2001, when it was 6.97%.
- ▶ Besides interest rates, the opening of Settlers Brook has contributed to the lower median sale price of new homes in Buffalo in 2024. Settlers Brook has more modestly priced homes than the Greenbriar Hills and Arbor Meadow subdivisions. In 2024, the homes sold in Settlers Brook has a median price of \$356,990. Excluding homes in Settlers Brook, new homes built elsewhere in Buffalo had a median sale price of \$413,250.

Table 19
Sales Price of New Single-Family Homes
City of Buffalo
2019 to 2024

Sale Price	2019	2020	2021	2022	2023	2024
< \$400,000	19	31	40	11	17	28
\$400,000 - \$499,999	2	1	20	23	19	19
\$500,000 +	1	0	0	3	3	11
Total Sales	22	32	60	37	39	58
Percent under \$400K	86%	97%	67%	30%	44%	48%
Percent over \$500K	5%	0%	0%	8%	8%	19%
Median Sale Price	\$325,345	\$305,805	\$385,743	\$425,000	\$403,030	\$403,500
Sources: MN Dept. of Revenue - eCRV; Viewpoint Consulting Group, Inc.						

- ▶ Over the past five years, only a few new for-sale townhomes have been built. Most recently, six twinhome units in Misty Meadows 2nd Addition were built in 2021. Each of the single-level homes sold for about \$300,000. Prior to these twinhomes, 14 single-level, detached villas were built in the Whispering Winds subdivision in 2018. Before these developments, there were several townhome communities built in Buffalo during the early 2000s. These include Willow Glen (168 homes), Willow Ridge (50 homes), Buffalo Run (48 homes), West Farm Townhomes (48 homes), Sunset Ridge (19 home), Golden Pond (24 homes), Cottage Bluffs (31 homes), Bison Meadows (39 homes), and Grandview (33 homes). Willow Glen contains two-story units in three-to eight-plex buildings and Willow Ridge also has two-story units. Most of the other townhomes communities in Buffalo consist of single-level units in twinhome buildings.

Selected Active Subdivisions in Neighboring Communities

Table 18 lists active subdivisions in Buffalo. Many potential buyers of new homes in Buffalo are likely to consider new homes being built in neighboring communities as well. Information on base home prices in a selection of active subdivisions in neighboring communities is shown on the following pages (first shown are selected single-family subdivisions followed by selected townhome subdivisions). The selected single-family subdivisions shown are all in Wright County and most are within about twelve miles from Buffalo. The following are key findings.

- ▶ Table 18 showed that in Buffalo, new homes being marketed generally begin in the upper-\$300,000s at Settlers Brook and in the lower-\$400,000s in the other active subdivisions. The only subdivisions with lower beginning base prices were in Annandale and Waverly, or smaller communities west or southwest of Buffalo (e.g., Summerfield in Waverly has homes being marketed for \$310,900 for three-bedroom, one-story homes and \$363,900 for three-bedroom, two-story homes. Lennar, which is the homebuilder in Settlers Brook, also has a subdivision in Monticello (Haven Ridge) which has home prices similar to Settlers Brook. Beyond these subdivisions, most subdivisions in Monticello, St. Micheal, Hanover, and Delano have homes prices that generally begin in the mid- to upper-\$400,000s.
- ▶ Among the surveyed subdivisions in neighboring communities, the average beginning base price for two-story, four-bedroom homes is about \$450,000. The average size of these homes is 2,315 finished square feet. Among the closest subdivisions to Buffalo are in St. Michael (about 10 miles to the east). Anton Village in St. Michael has two-story, four-bedroom homes beginning at \$464,990 while Fox Meadows has them beginning at \$496,400 and Lakeshore Park has them beginning at \$454,990.
- ▶ Excluding the subdivisions in Annandale and Waverly and Haven Ridge in Monticello, the average beginning base price for one-story homes with two- or three-bedrooms is about \$440,000. The average size of these homes is 1,730 finished square feet. At Foxtail Meadows in St. Michael, one-story, three-bedroom homes begin at \$409,900 while at Anton Village they begin at \$509,990.
- ▶ Most of the home plans being marketed at the inventoried subdivisions were for one- or two-story homes. Six subdivisions advertised split-level homes. They were also the most affordable. The average beginning base price of split-level homes being marketed was about \$405,000. The average size of these homes was 1,750 finished square feet.

Selected Single-Family Developments Surrounding Buffalo

Subdivision	City	Base Home Price	
Tripplett Farms (LGI)	Annandale	\$320,900 \$n.a.	1-story, 3BR, 1,157sf Split, 3BR, 1,987sf
Summerfield (LGI)	Waverly	\$310,900 \$363,900	1-story, 3BR, 1,157sf 2-story, 3BR, 1,795sf
Rivers Edge (JP Brooks)	Hanover	\$429,900 \$459,900 \$514,900 \$599,900	Split, 5BR, 2,270sf 1-story, 2BR, 1,948sf 2-story, 4BR, 2,295sf 2-story, 5BR, 3,426sf
Edmonson Ridge (JP Brooks)	Monticello	\$414,900 \$472,900	1-story, 3BR, 1,740sf 2-story, 5BR, 2,810sf
Haven Ridge (Lennar)	Monticello	\$349,900 \$369,990 \$459,990	1-story, 2BR, 986sf Split, 4BR, 1,712sf 2-story, 4BR, 2,185sf
Anton Village (Lennar)	St. Michael	\$509,990 \$464,990 \$549,990	1-story, 3BR, 1,968sf 2-story, 4BR, 2,185sf 2-story, 4BR, 2,692sf
Foxtail Meadows (Centra Homes)	St. Michael	\$390,900 \$409,900 \$496,400	Split, 3BR, 1,350sf 1-story, 3BR, 1,462sf 2-story, 4BR, 2,596sf
Lakeshore Park (M/I Homes)	St. Michael	\$454,990 \$473,990 \$498,990 \$512,990	2-story, 4BR, 2,214sf 1-story, 2BR, 1,773sf 2-story, 4BR, 2,792sf 1-story, 3BR, 2,114sf
Legacy Bay Farms (Capstone)	St. Michael	\$469,900 \$544,900 \$879,900	2-story, 5BR, 2,841sf 2-story, 5BR, 2,288sf 2-story, 6BR, 5,067sf
Greywood 4th (JP Brooks)	Delano	\$434,900 \$459,900 \$569,900 \$724,900	Split, 5BR, 2,273sf 2-story, 5BR, 2,263sf 1-story, 5BR, 2,785sf 2-story, 6BR, 4,410sf
Greywood Villa (3rd) (JP Brooks)	Delano	\$444,900	1-story, 3BR, 1,740sf
Legacy Woods (M/I Homes)	Delano	\$465,990 \$495,990 \$521,990	2-story, 3BR, 1,755sf 1-story, 2BR, 1,773sf 2-story, 4BR, 2,464sf
Parkwood (Lennar)	Rockford	\$390,035 \$449,990 \$496,800	Split, 3BR, 1,151sf 2-story, 4BR, 2,148sf 2-story, 4BR, 2,185sf

*Sources: Realtor.com; Viewpoint Consulting Group, Inc.

Selected Townhome Developments Surrounding Buffalo

Subdivision	City	Base Home Price	
Autumn Ridge Villas (SW Wold)	Monticello	\$453,689	Det. 1-story, 2BR, 1,673sf
The Towns at Lakeshore Park (M/I Homes)	St. Michael	\$317,990 \$332,990 \$333,990	2-story, 3BR, 1,722sf 2-story, 3BR, 1,667sf 3-story, 3BR, 2,070sf
Vista Pointe (M/I Homes)	St. Michael	\$361,990 \$416,990	Det. 1-story, 2BR, 1,245sf Det. 1-story, 2BR, 1,742sf
Grass Lake Preserve (DR Horton)	Rogers	\$372,990 \$398,990	2-story, 4BR, 1,658sf 2-story, 4BR, 1,989sf
Laurel Creek (Lennar)	Rogers	\$457,990 \$502,990	Det. 1-story, 1,487sf Det. 1-story, 1,585sf
Skye Meadows (Lennar)	Rogers	\$339,990 \$379,855 \$434,990	2-story, 3BR, 1,804sf 2-story, 3BR, 1,906sf 2-story, 4BR, 2,403sf
Towns at Fox Creek (M/I Homes)	Rogers	\$332,990 \$337,990	2-story, 3BR, 1,722sf 3-story, 3BR, 1,921sf
Tavera (Lennar)	Corcoran	\$443,990 \$476,990	2-story, 3BR, 1,719sf 2-story, 3BR, 1,831sf

*Sources: Realtor.com; Viewpoint Consulting Group, Inc.

- ▶ There are fewer for-sale townhomes under construction in communities near Buffalo than there are single-family homes, and most are in subdivisions located east of Buffalo. The eight comparable townhome subdivisions are in Monticello, St. Michael, Rogers, and Corcoran. Three are by Lennar, which has a single-family subdivision in Buffalo but not a townhome subdivision. At Sky Meadows in Rogers, Lennar's townhomes begin at \$339,990 for two-story units with three bedrooms. The units have 1,804 square feet and two-car garages. Lennar also has a neighborhood of detached villas in Rogers that are association maintained (Laurel Creek). One-story detached villas in Laurel Creek begin at \$457,990.
- ▶ The only townhome property under development in Monticello is Autumn Ridge Villas. The homes, by SW Wold, are one-story detached villas. The base starting price is \$453,689. M/I Homes has a neighborhood of one-story detached villas in St. Michael called Vista Pointe. Homes in this neighborhood have prices that begin at \$361,990.
- ▶ At The Towns at Lakeshore Park in St. Michael, Skye Meadows in Rogers, and Towns at Fox Creek in Rogers, the average beginning price for two-story townhome with three bedrooms is about \$330,000. The average size of these units, which all have two-car attached garages, is about 1,750 square feet.

Pending Subdivisions in Buffalo

There are two proposed developments in Buffalo that would potentially contain for-sale housing. The largest of the two is South Shore on Lake Pulaski. South Shore on Lake Pulaski covers approximately 200 acres and is situated south of Pulaski Drive and north of 20th Street Northeast and is west of Calder avenue. As proposed, the subdivision would contain multiple housing types, including for-sale housing (both single-family and townhomes), rental housing, and senior housing. South Shore on Lake Pulaski could contain over 300 lots for single-family homes and townhomes.

The second pending development in Buffalo is a redevelopment of the former Wright County Government Center west of Central Avenue. This potential development would consist mostly of rental housing and some commercial space, but concept plans show up to 16 for-sale villas. The villas would be situated between the rental housing on the site and single-family homes along 2nd Street Northwest.

Rental Housing Market Analysis

This section of the report analyzes the rental housing market in Buffalo. The analysis includes a survey of rental properties categorized as general occupancy and senior (age-restricted).

Overall Rental Housing Supply

There were an estimated 1,660 renter-occupied households in Buffalo in 2024. A review of housing data from the Census Bureau shows that about 41% of the renters live in single-family homes, duplexes, or mobile homes. The other 59% of renters (975 renters) lived in buildings with three or more units.

Estimated Buffalo Rental Housing Supply

	2024
Total Households	6,315
Renter Households	1,660
Single-family/Duplex	660
Multifamily	975
Mobile Home/Other	25

Sources: US Census - American Community Survey;
Viewpoint Consulting Group, Inc.

Table 20 on the following page shows the estimated number of rental units in Buffalo in 2023 by number of bedrooms and gross rent. The rental units include those in all housing types – from mobile homes to single-family homes and apartment buildings. The data is from the Census Bureau’s American Community Survey. The American Community Survey is conducted annually by the Census Bureau. The following are key points from Table 21.

- ▶ There were an estimated 1,560 occupied rental units in Buffalo in 2023. The unit mix of the occupied units was 24% one-bedroom units, 56% two-bedroom units, and 21% three-bedroom units.
- ▶ Most one-bedroom units had rents below \$1,000, while most two-bedroom units had rents above \$1,000 and most three-bedroom units had rents above \$1,500. The vast majority of three-bedroom units in Buffalo are in single-family homes or duplexes that are rented, versus in multifamily buildings.

Table 20
Estimated Gross Rent by Bedrooms in Unit
Buffalo
2023

	<u>Number</u>	<u>% of Total</u>
1 bedroom		
<\$500	92	5.9%
\$500 to \$749	69	4.4%
\$750 to \$999	132	8.5%
\$1,000 to \$1,499	41	2.6%
<u>\$1,500 or more</u>	<u>37</u>	<u>2.4%</u>
Subtotal	371	23.8%
2 bedrooms		
<\$500	0	0.0%
\$500 to \$749	77	4.9%
\$750 to \$999	209	13.4%
\$1,000 to \$1,499	408	26.2%
<u>\$1,500 or more</u>	<u>174</u>	<u>11.2%</u>
Subtotal	868	55.6%
3 or more bedrooms		
<\$500	0	0.0%
\$500 to \$749	0	0.0%
\$750 to \$999	60	3.8%
\$1,000 to \$1,499	113	7.2%
<u>\$1,500 or more</u>	<u>148</u>	<u>9.5%</u>
Subtotal	321	20.6%
Total*	1,560	100.0%
* Total excludes studio units and units for which there was no cash rent.		
Sources: 2023 American Community Survey; Viewpoint Consulting Group, Inc.		

Rental Housing Inventory

As shown in the demographic overview section, there were an estimated 1,660 renter households in Buffalo as of 2024, with some living in single-family homes and duplexes but most in multifamily housing. Information on Buffalo’s multifamily rental properties is summarized in Table 21 (market rate properties with 20 or more units) and Table 22 (subsidized/affordable). Market rate senior housing properties are listed in Table 24. The following types of properties were inventoried:

<u>Property Type</u>	<u>Total Units</u>
Market Rate	469
Subsidized/Affordable	246
Market Rate Senior	300
Subsidized Senior	114

The following are key highlights about Buffalo’s rental housing supply.

Market Rate Summary

- ▶ Eleven market rate rental properties with 20 or more units were identified in Buffalo. They combine for a total of 469 units in general-occupancy buildings (open to all ages) plus 48 units in one senior building (Village Place). The newest properties are 3rd Ave Apartments (22 units built in 2023) and The Crossings at Willems Way (62 units built in 2022). After these two properties, the bulk of Buffalo’s market rate rental housing supply is older than 30 years.
- ▶ Only one vacancy was identified among the existing market rate properties in Buffalo (for a communitywide vacancy rate of 0.2%. The industry standard for a healthy rental market is 5%. The lack of vacancies indicates that it is difficult for prospective renters to find a place to live in the community.
- ▶ The Crossings at Willems Way is the market leader in Buffalo. It consists of two three-story buildings with attached and detached garages. Rents are \$1,400 for one-bedroom units and \$1,680 to \$1,750 for two-bedroom units. These rents are considerably higher than other market rate properties in Buffalo, which again are mostly 30 years old or older.
- ▶ After 3rd Avenue Apartments and The Crossings at Willems Way, the combined average rent at these older multifamily buildings is about \$1,040 for one-bedroom units and \$1,190 for two-bedroom units. By Minnesota Housing Finance Agency’s standards, these rents are affordable to households earning 50% of area median income (“AMI”). Thus, while market rate, they are considered “naturally occurring affordable housing.”

Table 21
Buffalo Market Rate Rental Properties (20+ units)
February 2025

Property Name	Year Built	Occupancy Rate	Unit Mix	Unit Sizes (sf)	Rents	Comments
General-Occupancy						
3rd Ave Apts 1009 3rd Ave NE	2023	100%	22 - 1BR	636 - 808	\$1,100 - \$1,400	3-story building. Detached garages = \$75/mo.
The Crossings at Willems Way 915 Willems Way	2022	100%	2 - Stu 20 - 1BR 40 - 2BR <u>62</u>	526 - 526 718 - 718 960 - 960	\$1,000 - \$1,000 \$1,400 - \$1,400 \$1,680 - \$1,750	Three-story building. Rent includes heat & trash. Garages are available for \$65-\$85/mo.
Hidden Cove 1001 6th Ave NE	2001	100%	5 - Stu 26 - 1BR 44 - 2BR 9 - 3BR <u>84</u>	518 - 518 725 - 750 822 - 1,085 1,360 - 1,360	\$875 - \$875 \$1,030 - \$1,090 \$1,175 - \$1,295 \$1,450 - \$1,450	Rent includes all utilities except electricity. Det. Garages = \$60-\$70/mo.
Northridge 1001 3rd Ave NE	1992	100%	1 - 1BR 20 - 2BR 9 - 3BR <u>30</u>	650 850 - 875 1,100	\$1,025 \$1,100 - \$1,150 \$1,300	Former LIHTC building.
Evergreen Square 911 6th Ave NE	1990	100%	13 - 1BR 54 - 2BR 11 - 3BR <u>78</u>	800 - 800 944 - 955 1,175 - 1,175	\$990 - \$1,070 \$1,150 - \$1,309 \$1,475 - \$1,475	Rent includes all utilities except electricity. Det. Garages = \$50/mo.
Lake Point South 1506 Anderson Ave	1987	98%	24 - 1BR 24 - 2BR <u>48</u>	800 - 800 1,025 - 1,025	\$995 - \$1,045 \$1,200 - \$1,200	Rent includes water/sewer & trash.
Lone Oak 102 14th St. NE	1986	100%	12 - 1BR 12 - 2BR 30 - 3BR <u>54</u>	725 - 725 800 - 1,027 1,027 - 1,027	\$1,000 - \$1,000 \$1,100 - \$1,200 \$1,300 - \$1,300	Rent includes all utilities except electricity. Det. Garages = \$60/mo.
Maple Tree Villa 906 3rd Ave NE	1986	100%	n.a. 1BR 2BR <u>36</u>	850 - 850 960 - 1,100	\$1,070 - \$1,120 \$1,170 - \$1,220	Rent includes water/sewer & trash. Det. Garages = \$60/mo.
Meadowbrook 409/417 9th St NE	1975	100%	16 - 1BR 17 - 2BR 1 - 3BR <u>34</u>	n.a.	n.a.	Rent includes water/sewer & trash. Det. Garages = \$50/mo.
Midtown Hillcrest 410 1st St. S	1965	95%	21 - 2BR	n.a.	1,095	n.a.
Senior (55+)						
Village Place 119 1st Ave NE	2001	100%	20 1BR 28 2BR <u>48</u>	640 - 660 880 - 915	n.a. \$1,100 - \$1,325	Rent includes heat. UG parking = \$65/mo.
Source: Costar; Viewpoint Consulting Group, Inc.						

Affordable and Subsidized Properties

There are ten affordable and subsidized rental properties in Buffalo. Affordable housing typically refers to properties with low-to-moderate-income limits and below market rents, while subsidized properties are restricted to low-income households who pay 30% of their adjusted gross income for rent. Affordable housing developments are most often financed through the Low-Income Housing Tax Credit (LIHTC) program. Subsidized housing is generally financed through HUD or Rural Development, such as Lakeside and Barrington. Information on affordable and subsidized rental properties in Buffalo is summarized in Table 22. The following are key highlights.

- ▶ Seven of the affordable/subsidized properties are general-occupancy and three are senior properties. All the general-occupancy properties are all fully occupied and there is only one vacancy among the three senior properties. Creekside Manor opened in 2024 and is the newest subsidized senior property in Buffalo. Its 40 units leased very quickly, and it has a long waiting list.
- ▶ Alo is the newest affordable general-occupancy property in Buffalo. It is a 60-unit building that opened in 2020, utilizing the Low Income Housing Tax Credit (LIHTC) program. To be eligible, residents must have incomes below 50% of area median income for some units and 60% of area median income for others (the 60% income limit ranged from \$52,200 for a one-person household to \$86,460 for a six-person household in 2024). Rents at Alo for units income-restricted at 60% AMI are \$1,269 for one-bedroom units, \$1,523 for two-bedroom units, and \$1,758 for three-bedroom units. Alo is fully occupied.
- ▶ Before Alo, the three newest affordable properties in Buffalo were Buffalo Heights, Kestrel Woods, and Buffalo Ridge. They were built from 1995 to 2005 and like Alo, utilized the LIHTC program. To be eligible, residents at these properties must have incomes below 60% of area median income. Rents for two-bedroom units at these properties were below \$1,000.
- ▶ Lakeside is a Rural Development property that was built in 1982. It is a 61-unit, general-occupancy property that is fully occupied. Income-qualified residents pay 30% of their adjusted gross income (AGI) for rent with a minimum of \$595 for one-bedroom units and \$625 for two-bedroom units and a maximum of \$750 for one-bedroom units and \$780 for two-bedroom units. Rental Assistance is also available to residents in 35 of the 61 units. Rental assistance allows income-qualified residents pay 30% of their AGI for rent, even if it is below the minimum.
- ▶ Besides Creekside Manor, the other two subsidized senior properties in Buffalo are Barrington and Woodmere. Barrington is a 20-unit Rural Development property and Woodmere is a 54-unit Section 8 property. They are both over 40 years old.

Table 22
Buffalo Affordable/Subsidized Rental Properties
February 2025

Property Name	Year Built	Occupancy Rate	Unit Mix	Unit Sizes (sf)	Monthly Rents	Comments
General-Occupancy						
Alo 204 1st Ave NW Buffalo	2020	100%	15 - 1BR 28 - 2BR 17 - 3BR 60	802 995 1,336	\$1,036 - \$1,269 \$1,243 - \$1,523 \$1,435 - \$1,758	LIHTC. Income-limit = 50% & 60% AMI. Rent includes water/sewer & trash. UG parking is available for a fee.
Buffalo Heights 103 2nd Ave NE	2005	100%	2 - 1BR 7 - 2BR 2 - 3BR 11	640 825 1,289	\$775 \$825 \$995	LIHTC. Income-limit = 60% AMI. Rent includes water/sewer & trash.
Kestrel Woods 1604 Anderson Ave	1999	100%	29 - 3BR 1 - 4BR 30	904 1,260	n.a. \$1,700	LIHTC. Income-limit = 60% AMI. Rent includes water/sewer & trash.
Buffalo Ridge 1609 Anderson Ave	1995	100%	5 - 2BR 15 - 3BR 20	n.a.	\$797 - \$880 \$955 - \$990	LIHTC. Income-limit = 60% AMI. Rent includes water/sewer, trash, and garage.
Lakeside 400 Catlin St	1982	100%	38 - 1BR 15 - 2BR 8 - 3BR 61	600 778 1,026	\$595 - \$750 \$625 - \$780 \$655 - \$830	Rural Development. Residents pay 30% of AGI, with the minimum and maximum shown in this Table. Rental Assistance is available to residents in 35 units.
Maple Dell 1406 2nd Ave S	n.a.	100%	1 - 1BR 15 - 2BR 16	529 902	30% of AGI	HUD. Residents pay 30% of AGI up to \$777 for 1BR & \$970 for 2BR units.
Buffalo Court 1004 3rd Ave NE	1980	100%	30 - 2BR 18 - 3BR 48	827 992	30% of AGI	Income-limit = 50% of AMI. Rent includes heat, water/sewer, and trash.
Senior						
Barrington 103 14th St. NE	1983	100%	19 - 1BR 1 - 2BR 20	680 870	30% of AGI	Rural Development. 17 units have Rental Assistance.
Woodmere 33 2nd St. NE	1978	98%	53 - 1BR 1 - 2BR 54	575 700	30% of AGI	Section 8. Income-limit = 50% AMI. Rent includes water/sewer & trash.
Creekside Manor 604 Creekside Dr	2024	100%	38 - 1BR+D 2 - 2BR 40	950 - 950 1254 - 1254	\$601 - \$950 \$712 - \$1,110	Income-limit = 60% AMI. Rent includes water/sewer, trash, and UG parking.
Source: Costar; Viewpoint Consulting Group, Inc.						

Buffalo Rental Properties



Selected Comparable Rental Properties in Neighboring Communities

With the exception of 3rd Avenue Apartments and The Crossings at Willems Way, the existing market rate supply in Buffalo consists largely of older properties that do not have rents that would be comparable to a new property that could be built in Buffalo. To provide insight into monthly rents being achieved by newer developments in the surrounding area, information was collected on ten apartment properties in the nearby communities of Albertville, Delano, Monticello, St. Michael, and Maple Grove. Among these properties are seven that are market rate and three that are affordable (LIHTC). The following are key highlights regarding these comparable properties.

- ▶ The seven market rate properties were built between 2022 and 2024 and range in size from 70 units (Preserve at Albertville) to 200 units (Savanna Vista). The Preserve at Albertville consists of rented single-family homes and Olive Lane Townhomes consists of two-story townhomes with attached garages in 30 buildings with three to six units. The other properties are three- or four-story buildings with underground parking. Among the multi-story buildings, Savanna Vista in Monticello is among the closest and the newest (August 2024). Savanna Vista has 200 units in two building with rents of \$1,450 to \$1,520 for one-bedroom units and \$1,750 to \$1,995 for two-bedroom units. With its unit sizes, these rents equate to an average of \$1.74 per square foot.
- ▶ Savanna Vista's average rent of \$1.74 per square foot compares to an average of \$1.86 at Granite Works in Delano. Granite Works opened in phases in 2022 and 2024 and has rents of \$1,440 to \$1,600 for one-bedroom units and \$2,285 to \$2,555 for two-bedroom units.
- ▶ Granite Works and Block 52 are both located in their communities' downtown. Block 52 is a five-story building that opened in Monticello in 2024. It has rents of \$1,225 to \$1,245 for studios, \$1,420 to \$1,460 for one-bedroom, and \$1,725 to \$1,850 for two-bedroom units.
- ▶ Preserve at Albertville opened in 2022 with 70 single-family homes. The homes have two to five bedrooms and have attached garages. Rents begin at \$2,802 for two-bedroom homes, \$2,862 for three-bedroom homes, and \$3,542 for four-bedroom homes. The first units at Olive Lane Townhomes in Maple Grove opened in March 2024. Olive Lane Townhomes has rents that begin at \$2,795 for two-bedroom homes, \$2,960 for three-bedroom homes, and \$3,295 for four-bedroom homes.
- ▶ Amenities at the comparable market rate properties in Table 24 generally have many more common area amenities available to its residents than the older, smaller apartment properties in Buffalo. For example, Savanna Vista in Monticello has underground parking, a clubhouse, outdoor pool, fitness center, BBQ/picnic area, elevators, media room, pickleball court, business center, and pet washing station. Granite Works in Delano has underground parking, a rooftop sky lounge deck with a party room, fitness center with yoga room, and a community fire pit.

Table 23
Comparable Newer Market Rate & Affordable Rental Properties Near Buffalo
February 2025

Property Name	Year Built	Occupancy Rate	Unit Mix	Unit Sizes (sf)	Monthly Rents	Comments
Market Rate						
Block 52	April		19 - Stu	515 - 515	\$1,225 - \$1,245	Rent includes heat, water/sewer, trash, and internet. UG parking are included in rent.
101 W. Broadway St	2024		19 - 1BR	757 - 852	\$1,420 - \$1,460	
Monticello			42 - 2BR	1,137 - 1,675	\$1,725 - \$1,850	
			7 - 3BR	1,800 - 1,800	\$1,950 - \$1,970	
			87			
Savanna Vista	Aug.	19%	26 - Stu	579 - 644	\$1,295 - \$1,395	Two 3-story buildings. Rent includes heat, water/sewer, & trash. UG parking is available for a fee.
9277 NE Edmonson Ave	2024		72 - 1BR	782 - 782	\$1,450 - \$1,520	
Monticello			102 - 2BR	1,093 - 1,235	\$1,750 - \$1,995	
			200			
Kingston Crossings	2023	97%	2 - Stu	512 - 512	\$1,195 - \$1,199	Two 3-story apartment buildings plus 26 townhomes. Apartments include underground parking (included in rent). Residents pay water/sewer & electric.
5400 Kingston Ln NE			50 - 1BR	730 - 776	\$1,395 - \$1,495	
Albertville			96 - 2BR	1,049 - 1,116	\$1,845 - \$1,945	
			2 - 2BR TH	1,419 - 1,419	\$1,995 - \$1,995	
			24 - 3BR TH	1,778 - 1,778	\$2,295 - \$2,295	
			174			
The Dylan	2023	90%	9 - Stu	443 - 606	\$1,284 - \$1,504	Three-story building. Residents pay all utilities. UG parking is included in rent.
11910 Town Center Dr.			42 - 1BR	583 - 795	\$1,390 - \$1,615	
St. Michael			10 - 1BR+D	910 - 918	\$1,887 - \$1,887	
			13 - 2BR	949 - 1,155	\$1,830 - \$2,227	
			8 - 3BR	1,172 - 1,172	\$2,400 - \$2,400	
			82			
Preserve at Albertville	2022	97%	10 - 2BR	1,275 - 1,275	\$2,802 - \$2,802	Detached single-family homes with attached 2-car garages. Residents pay all utilities.
5055 Lander Ave NE			30 - 3BR	1,454 - 2,014	\$2,862 - \$3,392	
Albertville			24 - 4BR	2,136 - 2,612	\$3,542 - \$3,792	
			6 - 5BR	2,859 - 2,859	\$3,892 - \$3,982	
			70			
Granite Works	2022/	93%	81 - 1BR	771 - 771	\$1,440 - \$1,600	4-story buildings with enclosed parking on ground floor. Rent includes water/sewer & trash.
35 Granite Ln	Aug.		33 - 1BR+D	960 - 1,034	\$1,750 - \$1,850	
Delano	2024		31 - 2BR	1214 - 1,562	\$2,285 - \$2,555	
			145			
Olive Lane Townhomes	March	43%	48 - 2BR	1,438 - 1,886	\$2,795 - \$3,095	Two-story townhome units with attached garages. Residents pay all utilities.
17610 102nd Pl N	2024		80 - 3BR	1,663 - 2,046	\$2,960 - \$3,590	
Maple Grove			8 - 4BR	1,995 - 2,604	\$3,295 - \$4,040	
			136			

Sources: Costar; Viewpoint Consulting Group, Inc.

(Continued)

Table 23 (Continued)
Comparable Newer Market Rate & Affordable Rental Properties Near Buffalo
February 2025

Property Name	Year Built	Occupancy Rate	Unit Mix	Unit Sizes (sf)	Monthly Rents	Comments
Affordable						
Connex	2021	100%	11 - 1BR	737 - 737	\$1,054 - \$1,282	Income limit = 50% & 60% AMI. Rent includes water/sewer, trash, & UG parking.
200 Hillcrest Dr SE			23 - 2BR	1,107 - 1,139	\$1,254 - \$1,534	
St. Michael			15 - 3BR	1,439 - 1,588	\$1,450 - \$1,767	
			49			
Cornerstone Village I	2011	90%	6 - 1BR	718 - 718	\$1,338 - \$1,338	Affordable at 60% AMI. Rent includes water/sewer, heat & trash. UG parking is included.
40 St. Michael Pkwy			26 - 2BR	1,065 - 1,072	\$1,599 - \$1,599	
st. Michael			10 - 3BR	1,435 - 1,582	\$1,842 - \$1,842	
			42			
Cornerstone Village II	2017	100%	8 - 1BR	718 - 718	\$1,044 - \$1,044	Affordable at 50% AMI. Rent includes water/sewer, heat & trash. UG parking is included
39 St. Michael Pkwy			24 - 2BR	1,099 - 1,099	\$1,254 - \$1,254	
St. Michael			15 - 3BR	1,441 - 1,441	\$1,450 - \$1,450	
			47			
Sources: Costar; Viewpoint Consulting Group, Inc.						

- ▶ The three affordable properties surveyed are all LIHTC properties, and all three are in St. Michael. Besides Alo in Buffalo (see Table 23), these are the newest LIHTC properties in Wright County. The newest property in St. Micheal is Connex, which opened in 2021. Cornerstone Village contains two buildings that opened in 2011 and 2017.
- ▶ Like Alo, Connex is a mixed-income building with some units restricted to households with incomes of 50% of area median income ("AMI") and some at 60% AMI. Rent for one-bedroom units are \$1,254 for units restricted to households at 50% AMI are \$1,534 for units restricted to households at 60% AMI. Connex is fully occupied.
- ▶ Cornerstone Village I (which opened in 2011) is income-restricted at 60% AMI. Its rents are are \$1,338 for one-bedroom units, \$1,599 for two-bedroom units, and \$1,842 for three-bedroom units. Cornerstone Village I is 90% occupied as four two-bedroom units are vacant. The building is offering a rent concession of the second month free on a 12-month lease. While it is affordable, Cornertone Village I is competing with some of the newer market rate apartments in the area, and some potential residents are choosing those buildings because they offer more common area amenities.
- ▶ Cornerstone Village II is restricted at 50% AMI, and its rents are \$300 to \$400 less than at Cornerstone I. Cornerstone II is fully occupied.

Senior Housing Summary

Senior housing encompasses a wide variety of product types. The least service-intensive properties are **adult** properties, which offer virtually no support services or health care, but restrict tenancy to those ages 55 and over. Adult properties can be rental or owner-occupied (attached or detached townhomes, condominiums, and cooperatives). Congregate independent or **independent** properties, offer support services such as meals and housekeeping, sometimes included in rent and sometimes a-la-carte. Independent projects attract an older and frailer senior population than adult projects (generally seniors age 75 and over).

The most service-intensive housing types, **assisted living** and **memory care**, offer the highest level of services short of a nursing home. Typical services provided are meals, housekeeping, linen changes, personal laundry, 24-hour emergency response, and a wide range of personal-care and therapeutic services. The meals and services are either built into the monthly fee, charged through a tiered service package, or charged a-la-carte.

Table 24 shows the inventory of senior housing properties in the Study Area, all of which are in Buffalo. Table 24 also includes properties in communities surrounding the Study Area. These properties would not be directly competitive with a new property in Buffalo, but instead they represent alternative options if nothing is available locally. For each property, Table 25 provides information on location, year built, miles from Buffalo, and number of units. The following are key highlights about the supply of senior housing in the area.

- ▶ There are six market rate senior housing properties in the Study Area. They combine for 300 units with a service level mix of 48 senior rental units (“active adult,” or “55+” housing), 33 independent units, 167 assisted living units, and 52 memory care units.
- ▶ The 48 market rate senior rental units are all at one property – Village Place (it is also listed in Table 22). Village Place was built in 2001. Other senior rental housing properties in Buffalo are subsidized/affordable and are shown in Table 22. These include Barrington, Woodmere, and Creekside Manor, which has 40 units and opened in 2024.
- ▶ The newest market rate senior housing property in Buffalo is Havenwood of Buffalo. It is an 84-unit continuum of care building that opened in 2020. It has 66 units that can be occupied by residents at either an independent or assisted living level of care plus another 18 units in a secured memory care wing. It is the only property in Buffalo to contain all three of these levels of care.
- ▶ Before Havenwood of Buffalo, the newest property in Buffalo was Park View. It was built in 2008 and contains 36 assisted living units and 10 memory care units. It is on a campus with skilled nursing care. Lake Ridge Manor opened in 1987 and has 28 assisted living units. It is also on a campus with skilled nursing care.

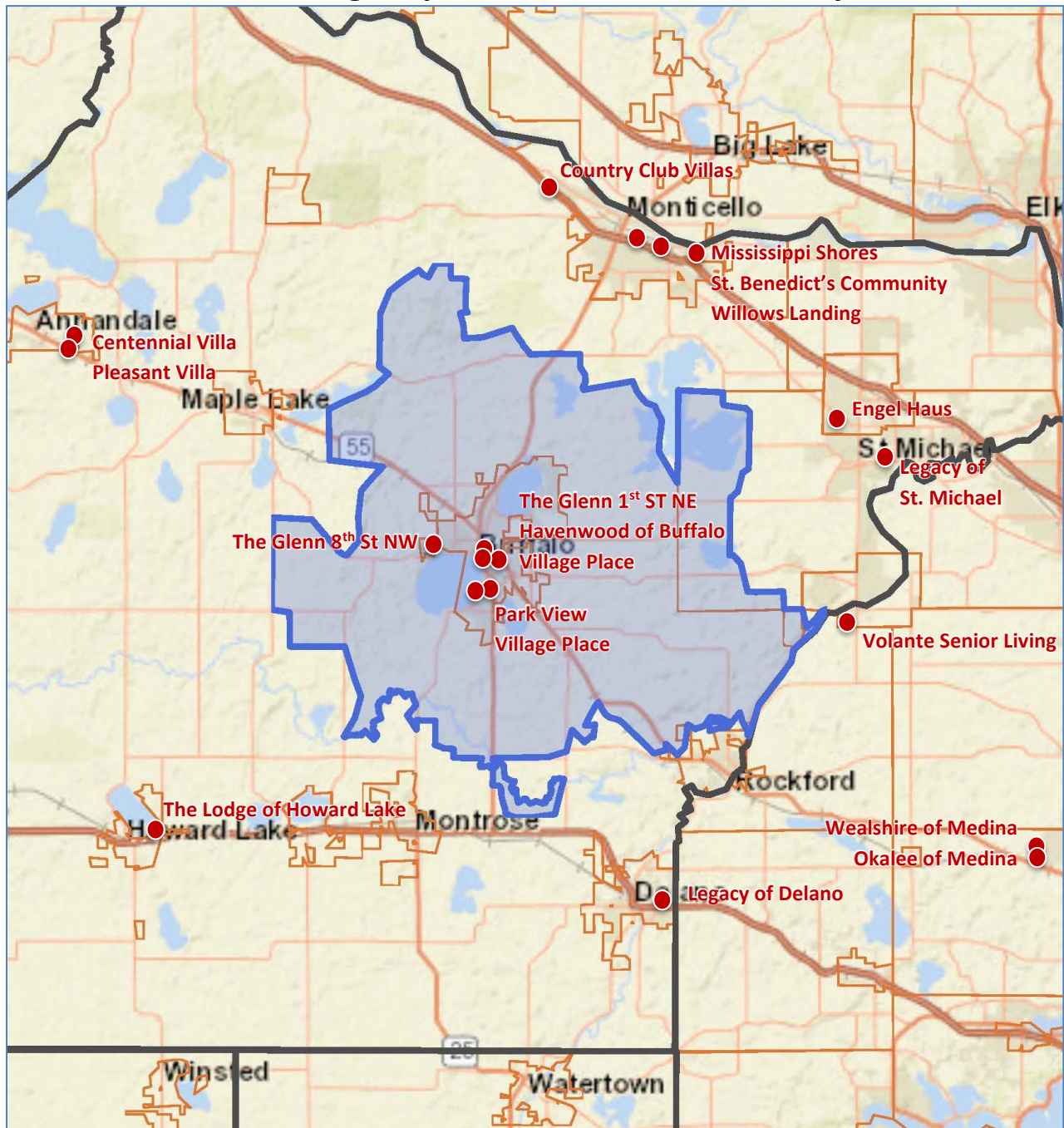
- ▶ The fourth assisted living property in Buffalo is The Glenn on 1st Street NE. It is an older building with 70 units/rooms. The Glenn has a high proportion of residents who are lower-income and utilize the Elderly Waiver program to pay for services.
- ▶ Besides Havenwood and Park View, there is one other property in Buffalo that provides memory care housing. It is The Glenn on 8th Street NW. This property was built in 1993 and contains two 12-unit buildings.

Table 24
Market Rate Senior Housing Supply
In and Near Buffalo
February 2025

Property Name	City	Year Built	Miles from Buffalo	55+ Rental	Number of Units ----- Indep- endent	Assisted Living	Memory Care
Competitive Properties in the Buffalo Study Area							
The Glenn (1st St NE)	Buffalo	n.a.	0	-	-	70	-
The Glenn (8th St NW)	Buffalo	n.a.	0	-	-	-	24
Park View	Buffalo	2008	0	-	-	36	10
Lake Ridge Manor	Buffalo	1987	0	-	-	28	-
Havenwood of Buffalo	Buffalo	2020	0	-	33	33	18
Village Place	Buffalo	2001	0	48	-	-	-
Total				48	33	167	52
Non-Competitive Properties Outside the Study Area							
Contry Club Villas	Monticello	2023	11	60	-	-	-
Mississippi Shores	Monticello	2000	11	49	-	-	-
St. Benedicts Community	Monticello	2000	11	-	59	61	30
Willows Landing	Monticello	2020	12	-	39	39	14
Volante Senior Living	Hanover	2017	12	-	-	22	-
Engel Haus	Albertville	2014	13	-	30	16	17
Legacy of St. Michael	St. Michael	2009	13	-	15	44	32
Legacy of Delano	Delano	2008	13	-	9	26	16
Centennial Villa	Annandale	1987	15	-	22	23	12
Pleasant Villa	Annandale	2021	15	-	42	-	-
The Lodge of Howard Lake	Howard Lake	n.a.	16	-	-	18	-
Okalee of Medina	Medina	2020	18	-	38	37	10
Wealshire of Medina	Medina	2017	19	-	-	-	150
Sources: Viewpoint Consulting Group, Inc.							

- ▶ Outside the Study Area, the closest senior housing properties are in Monticello, Hanover, Albertville, St. Michael, Delano, and Annandale. These properties are 11 to 15 miles from Buffalo. Because of their distance, none of these properties would be directly competitive with properties in Buffalo, but they represent alternative choices if there is no availability in Buffalo.

Senior Housing Properties in and near the Study Area



Planned and Proposed Rental Developments

Concept plans for two proposed housing developments have been submitted to the City of Buffalo for review. They are the same two developments as for for-sale housing shown on Page 41. South Shore on Lake Pulaski covers approximately 200 acres and is situated south of Pulaski Drive and north of 20th Street Northeast and is west of Calder avenue. As proposed, the subdivision would contain multiple housing types, including for-sale housing (both single-family and townhomes), rental housing, and senior housing.

A proposed redevelopment of the former Wright County Government Center west of Central Avenue would contain rental apartments along with commercial space and for-sale townhomes. This potential development would consist mostly of rental housing and some commercial space, but concept plans show up to 16 for-sale villas. The villas would be situated between the rental housing on the site and single-family homes along 2nd Street Northwest. The redevelopment is still conceptual, but it could contain over 175 rental units.

Demand Analysis and Recommendations

This section of the report utilizes data collected in the previous sections to calculate demand for owned and rented housing and senior housing in Buffalo through 2030. Recommendations on appropriate housing types to satisfy unmet demand through the end of the decade are also provided.

Rental and For-Sale Housing Demand Calculations

Table 25 calculates overall demand for owner-occupied (“owner”) and rental housing in Buffalo from 2024 to 2030. This is demand for general-occupancy housing, or housing open to households of all ages. Demand for age-restricted, or senior housing, is calculated in Tables 28 through 31.

Demand for additional general-occupancy housing in Buffalo will come from projected household growth as well as pent-up rental demand. Table 25 also takes into account that Buffalo can exceed its growth projections by capturing a portion of the people who currently commute into the community for employment as well as capturing some of the people working outside Buffalo, but in the general western Metro Area.

The following paragraphs summarize the demand methodology in Table 25.

Buffalo is projected to add 485 households between 2024 and 2030 (from 6,315 households in 2025 to 6,800 households in 2030). This correlates to the need for 485 housing units to accommodate the household growth. In 2023, approximately 5,800 people lived outside Buffalo and commuted into the community for employment. Most of these people will continue to live in their current home and commute to Buffalo for various reasons. However, some of these people would likely move to Buffalo if appropriate housing was available. It is conservatively estimated that Buffalo housing could capture approximately 2.5% of the current commuters over the next seven years, increasing housing demand in Buffalo by about 145 households. This could be doubled (to 290 households) by capturing some people employed in neighboring communities in Wright and Hennepin Counties (as of 2023, about three-quarters of Buffalo’s residents worked outside the community).

Table 25
Overall Rental and Owner Housing Demand
City of Buffalo
2024 to 2030

	2024 to 2030		
A Household growth	485		
B Demand from outside Buffalo*	290		
C Total housing demand (A + B)	775		
D Percent rental demand	25%	-	30%
E Rental housing demand (C x D)	194	-	233
F Pent-up rental demand	80	-	80
G Total rental housing demand (E + F)	274	-	313
H Percent owner demand	70%	-	75%
I Total owner housing demand (C x H)	543	-	581
* Buffalo has the potential to double its growth projections by capturing 2.5% of the approximately 5,800 employees who work in Buffalo but live elsewhere, as well as a small percentage of persons employed in the west Metro Area.			
Source: Viewpoint Consulting Group, Inc.			

A healthy rental market is expected to have a vacancy rate of about 5% to allow for sufficient consumer choice and unit turnover. With pent-up demand (a shortage of units), persons who would normally form their own rental households instead room with other persons in a housing unit, live with their parents, or live in housing outside of the area and commute to jobs. In Buffalo, almost no vacant rental units were identified – indicating pent-up demand. There are an estimated 1,675 rental housing units in Buffalo. With almost no current vacancies, there are not many choices for potential new renters. To reach a 5% vacancy rate, the industry standard for a healthy rental market, 80 units would need to be available immediately. Thus, pent-up demand is calculated for 80 additional rental units in Buffalo.

Based on demographic and market trends, it is estimated that 25% to 30% of the housing demand between 2024 and 2030 will be for rental housing. Combined with pent-up demand, there is total demand for approximately 275 to 315 rental units. This demand is for subsidized, affordable, and market rate housing open to residents of all ages. Demand for senior housing is calculated separately.

An estimated 70% to 75% of housing demand in Buffalo between 2024 and 2030 is projected to be for owner-occupied housing. This equates to demand for about 545 to 580 homes from 2024 to 2030 (about 95 homes annually). This demand is for single-family homes and townhomes.

Owner-Occupied Housing Demand

Based on demographic growth trends and metrowide building trends, an estimated 80% to 85% of the demand for owned housing units in Buffalo is for single-family homes. This includes demand for move-up homes and entry-level homes marketed to first-time homebuyers. The remainder of demand (15% to 20%) is for townhome units. Townhomes are appealing to several target markets including younger households, first time homebuyers, empty-nesters, households without children, and moderate income households. These percentages equate to a need for about 434 to 494 new single-family homes and 81 to 116 new townhomes in Buffalo between 2024 and 2030.

Table 26
Owner-Occupied Housing Demand
City of Buffalo
2025 to 2030

2023 to 2030

		Units						
A	Total owned housing demand from household growth	543 - 581						
B	Estimated percent of total demand ¹	<table><tr><th>Townhome</th><th>Single-Family</th></tr><tr><td>15% - 20%</td><td>80% - 85%</td></tr><tr><td>81 - 116</td><td>434 - 494</td></tr></table>	Townhome	Single-Family	15% - 20%	80% - 85%	81 - 116	434 - 494
Townhome	Single-Family							
15% - 20%	80% - 85%							
81 - 116	434 - 494							
C	Total demand between 2023 and 2030 (A x B)							
D	Est. % of demand for homes affordable to hhlds with incomes <100% AMI ²	55% - 65%						
E	Demand for homes priced below \$375,000 (C x D)³	45 - 76						
F	Est. % of demand for homes affordable to hhlds with incomes of 100%+ AMI ²	35% - 45%						
G	Demand for homes priced above \$375,000 (C x F)	29 - 52						
		369 - 444						

¹ Estimate based on construction trends in the Twin Cities Metro Area since 2000 by type of housing.

² Estimate based on household income data from the Census. Households at 100% of AMI have incomes of \$124,000 for 4-person households and \$99,000 for 2-person households.

³ \$365,000 in 2024 dollars. A \$375,000 house would be affordable to most households with incomes at 100% AMI (or about \$124,000), assuming an adequate down payment and minimal debt.

Source: Viewpoint Consulting Group, Inc.

The median household income in Wright County is \$124,200. Many households with incomes below the median would struggle to afford new construction homes in Buffalo given current prices. These households would primarily be potential buyers for existing homes. Most households with incomes above the median could afford a home priced at about \$365,000, assuming they have an adequate down payment, minimal debt, and with a 30-year loan at a 6.75% interest rate.

Based on household income data and recent sales trends, Table 26 estimates the proportion of single-family homes and townhome demand in Buffalo for homes priced above and below \$365,000 – or for homes affordable to households earning 100% of AMI, or median income. For single-family homes, it is estimated that 10% to 15% of demand is for homes affordable to households with incomes less than median income and 85% to 90% is for homes affordable to households with incomes greater than median income. This equates to demand for about 45 to 75 single-family homes priced below \$365,000 and about 370 to 445 single-family homes priced above \$365,000. As of 2024, the median price of new construction single-family homes in Buffalo was \$403,500.

For townhomes, it is estimated that 55% to 65% of demand is for homes affordable to households with median incomes and 35% to 45% is for homes affordable to households with incomes greater than median income. This equates to demand for about 45 to 75 townhomes priced below \$365,000 and about 30 to 50 townhomes priced above \$365,000.

Rental Housing Demand

Total demand for general-occupancy rental housing in Buffalo is calculated for 274 to 313 units from 2024 to 2030. The primary target market is people working in Buffalo and the surrounding western Metro Area. Based on household income trends, it is estimated that approximately 75% to 80% of the rental demand is from households with incomes sufficient to afford market rate housing, or those with incomes above 60% AMI (or about \$60,000 for two-person households). Based on income by tenure data (Table 8), most renters in Buffalo have incomes below 100% of AMI, or about \$100,000 for a two-person household. Thus, Table 27 combines “workforce housing” with market rate housing. While some rental demand would come from households earning greater than 100% of AMI, most of these higher-income households would likely seek units with rents similar to those affordable to households earning closer to 80% of Area Median Income. Multiplying demand for 274 to 313 rental units by 75% to 80% results in workforce/market rate demand for 206 to 250 units between 2024 and 2030.

An estimated 20% to 25% of the total rental demand will be from households who income-qualify for affordable housing at 60% of AMI. Multiplying this capture rate to total rental demand results in demand for 55 to 78 affordable units in Buffalo from 2024 to 2030.

Table 27
Rental Housing Demand
City of Buffalo
2024 to 2030

		Units
A	Total rental demand from household growth and pent-up demand	274 - 313
		Workforce/ Market Rate
B	Estimated percent of demand income qualified ¹	75% - 80%
C	Total Rental demand between 2024 and 2030 (A x B)	206 - 250
D	Units opened since 2024 or under construction	0
E	Unmet rental demand, 2024 to 2030 (C - D)	206 - 250
¹ Estimate based on household income and household size data from the Census. Affordable demand is from households with incomes under 60% AMI, or about \$60,000 for a 2-person household. Workforce/market rate demand is from households with incomes above 60% AMI. Workforce and market rate demand is combined as most rental demand comes from households with incomes below 100% AMI (below about \$99,000 for a 2-person household).		
Source: Viewpoint Consulting Group, Inc.		

Senior Housing Demand Calculations

Tables 28 through 31 provide demand calculations for the number of senior rental, independent living, assisted living, and memory care units that can be supported in Buffalo in 2024 and 2030.

Senior Rental (“Active Adult” or “55+”)

Table 28 provides a demand calculation of the number of market rate and affordable senior rental units that can be supported in Buffalo. As shown in Table 28, unmet demand in Buffalo is calculated for 113 market rate units and 96 affordable units in 2030. The following points summarize the demand methodology.

The target market for market rate senior rental housing is senior households age 55+ with incomes above \$55,000, plus homeowners with incomes between \$35,000 and \$55,000. A capture rate – or “penetration rate” – is applied to the income-qualified base of older adults and younger and older seniors. The penetration rates are based on the current capture rates being achieved in other markets in Minnesota.

The target market for affordable senior rental housing is senior households age 55+ with incomes that would qualify them for the LIHTC program at 60% AMI. These are incomes of about \$27,500 to \$55,000. Very low-income seniors (<\$27,500) are excluded as they generally would not be able to afford contract rents at affordable properties. Very low-income seniors are a market for deep subsidized housing where they pay 30% of their income for rent. Seniors in the qualifying band would be under the maximum income limit yet could afford gross rents allowable at 60% AMI (\$1,398 for one-bedroom units and \$1,677 for two-bedroom units).

The income-qualifying percentage and capture rate percentages are applied to the households in each age group. The estimated penetration rates of adult rental housing that can be achieved in the Study Area are based on the current capture rates being achieved in other markets in Minnesota. They are higher for affordable housing since these seniors generally have fewer housing choices than higher-income seniors. Applying these percentage to the senior housing equates to total potential demand for 129 market rate and 127 affordable units from seniors living in the Study Area (Buffalo’s zip code) in 2024. It is estimated that seniors currently residing outside the Study Area will generate 20% of the total demand. This demand from outside the Study Area increases total demand to 161 market rate units and 159 affordable units in 2024. Demand increases to 197 market rate and 201 affordable units in 2030.

The next step is to subtract the number of existing competitive units. There is one existing market rate property (Village Place). Subtracting its unit, minus a 5% vacancy factor, results in unmet for 115 units in the Study Area in 2024. There is one affordable property in the Study Area (Creekside Manor) plus two subsidized properties in which low-income seniors pay 30% of the AGI for rent (Barrington and Woodmere). Subtracting units at Creekside Manor plus half the

units at the two subsidized properties to account for market overlap between the two property types results in unmet demand for 86 affordable units in 2024.

There are no planned or proposed senior rental developments that would increase the supply by 2030. Unmet demand potential in the Study Area is for 151 market rate units and 128 affordable units in 2030.

No one location or development can capture all the demand in a study area. Since Buffalo is the only community in the Study Area and it has the infrastructure to support multifamily housing, it will capture most of the demand. It is estimated that a new development(s) in Buffalo can capture 75% demand – this takes into account some local seniors who would move outside the Study Area, such as to be near their adult children living elsewhere or to a property in a nearby community. Multiplying unmet demand in the Study Area by 75% results in demand in Buffalo for a new development(s) with 86 market rate units in 2024, growing to 113 units in 2030. It also results in demand in Buffalo for new development(s) with 64 affordable units in 2024, growing to 96 affordable units in 2030.

Table 28
Senior Rental Housing Demand Calculation
Primary Market Area
2024 and 2030

	Market Rate		Affordable	
	2024	2030	2024	2030
A 55 to 64 Households in the Study Area	1,812	1,684	1,812	1,684
B Percent income-qualified*	77%	78%	19%	18%
C Potential capture rate of 55+ rental housing	1.0%	1.0%	2.0%	2.0%
D Potential demand from 55-64 hhlds in the Study Area (A x B x C)	14	13	7	6
E 65 to 74 Households in the Study Area	1,448	1,628	1,448	1,628
F Percent income-qualified*	66%	67%	27%	27%
G Potential capture rate of 55+ rental housing	5.0%	5.0%	8.0%	8.0%
H Potential demand from 65-74 hhlds in the Study Area (E x F x G)	48	55	31	35
I 75+ Households in the Study Area	1,150	1,536	1,150	1,536
J Percent income-qualified*	41%	41%	43%	43%
K Potential capture rate of 55+ rental housing	14.0%	14.0%	18.0%	18.0%
L Potential demand from 75+ hhlds in the Study Area (I x J x K)	67	89	89	120
M Total potential market in the PMA (D + H + L)	129	157	127	161
N Estimated percent of demand from outside the Study Area	20%	20%	20%	20%
O Total demand for 55+ rental units in the Study Area (M / (1 - N))	161	197	159	201
P Competitive 55+ rental housing supply**	46	46	73	73
Q Unmet 55+ rental housing demand in the Study Area (O - P)	115	151	86	128
R Estimated percent of demand capturable by sites in Buffalo	75%	75%	75%	75%
S Senior rental demand in Buffalo (Q x R)	86	113	64	96
<p>* Income-qualified for market rate housing is households with incomes above \$55,000 plus homeowners with incomes between \$35,000 and \$55,000. Income-qualified for affordable housing is households with incomes below \$55,000, excluding very-low-income households (below \$27,500).</p> <p>** Competitive affordable supply includes Creekside Manor plus half the units at Barrington and Woodmere to account for market overlap with deep-subsidized housing, minus a 5% vacancy factor.</p>				
Source: Viewpoint Consulting Group, Inc.				

Independent Senior Living

As shown in Table 29, unmet demand for independent living housing in Buffalo is calculated for 81 units in 2030. The points below summarize the demand methodology.

The target market for independent living housing is senior households age 75+ with incomes of \$50,000 or more plus households with incomes between \$35,000 and \$50,000 who would qualify with the proceeds from a home sale. There would also be some limited demand from seniors under age 75. These seniors are the “age/income-qualified base.” A capture rate – or “penetration rate” – is applied to the income-qualified base of younger and older seniors. The penetration rates are based on the current penetration rates of independent senior housing in the Twin Cities Metro Area as well as outstate communities. Applying the penetration rates to the age/income-qualified base in the Study Area results in demand for 111 independent units in 2024, growing to 143 units in 2030.

It is estimated that seniors currently residing outside the Study Area will generate 20% of the total demand for independent senior housing. This demand from outside the Study Area increases total demand to 138 units in 2024 growing to 179 units in 2030. This demand from outside the Study Area will consist primarily of parents of adult children living in the local area.

The next step is to subtract the number of existing competitive units. The only existing property in the Study Area offering units available to residents at an independent level of care is Havenwood of Buffalo. Subtracting its independent units, minus a 5% vacancy factor, results in unmet demand for 107 units in the Study Area in 2024. There are no planned or proposed senior rental developments that would increase the supply by 2030. Subtracting existing units from 2030 demand results in unmet demand potential for 148 independent units in 2030.

It is estimated that a new development(s) in Buffalo can capture 75% demand in the Study Area. This takes into account some local seniors who would move outside the Study Area. Multiplying unmet demand in the Study Area by 75% results in demand in Buffalo for a new development(s) with 59 units in 2025, growing to 81 units in 2030.

Table 29
Independent Senior Housing Demand Calculation
Primary Market Area
2024 and 2030

	2024	2030
A 65 to 74 Households in the Study Area	1,448	1,628
B Percent income-qualified	72%	72%
C Potential penetration rate of independent living housing	0.5%	0.5%
D Income-qualified 65-74 households in the study Area (A x B x C)	5	6
E 75+ Households in the Study Area	1,150	1,536
F Percent income-qualified	46%	45%
G Potential penetration rate of independent living housing	20%	20%
H Income-qualified 75+ households in the Study Area (E x F x G)	106	137
I Total demand for independent housing from the Study Area (D + H)	111	143
J Estimated percent of demand from outside the Study Area	20%	20%
K Total demand for independent living units in the Study Area (I / (1- J))	138	179
L Competitive independent living supply*	31	31
M Unmet independent living demand in the Study Area (K - L)	107	148
N Estimated percent of unmet demand capturable by sites in Buffalo	55%	55%
O Independent living demand in Buffalo (M x N)	59	81
* Competitive units minus a 5% vacancy factor.		
Source: Viewpoint Consulting Group, Inc.		

Assisted Living

As shown in Table 30, unmet assisted living demand in Buffalo has been calculated for 48 units in 2030. This demand is for market rate (or “private pay”) units and does not include additional demand from lower-income seniors who could utilize the Elderly Waiver program to pay for services. The points listed below summarize the demand methodology.

The primary market for assisted living housing in the Study Area is seniors ages 75 and over needing assistance with Activities of Daily Living (ADLs). Based on data from the Health and Aging Chartbook that was conducted by the Centers for Disease Control and Prevention and the National Center for Health Statistics, the percentage of seniors unable to perform, or having difficulty with, ADLs ranges from 25.5% of seniors ages 75 to 79, 33.6% of seniors ages 80 to 84 and 51.6% of seniors ages 85 and over. Applying these percentages to the senior population in the Study Area results in the total age-qualified population needing assistance with ADLs.

To afford market rents, these seniors will generally need incomes of at least \$60,000 or have assets available through the proceeds received from the sale of their home. Overall, it is calculated that 57% of the senior population in the Study Area in 2024 was income-qualified for market rate assisted living housing.

An estimated 30% of the age/income-qualified seniors needing assistance will need/choose assisted living housing. The remaining 70% will be able to remain in their homes by receiving home health care services or will live in other less service-intensive senior housing. This percentage also takes into account that many seniors are not living alone and will be able to remain in their existing homes with assistance from their spouse/partner.

Seniors who currently reside outside the Study Area will generate an estimated 20% of the demand for assisted living senior housing – increasing total demand in the Study Area to 143 units in 2024 growing to 191 units in 2030.

The next step in calculating demand is to subtract existing supply from total Study Area demand. A total of 167 existing units were identified in Buffalo (See Table 24). Subtracting these units (minus 20% of the units estimated to be occupied by Elderly Waiver residents and a 5% vacancy factor) from total demand results in the unmet demand for 17 assisted living units in the Study Area in 2024. No pending developments that would come on-line in the Study Area and increase the competitive supply were identified. Unmet demand is calculated for 64 units in the Study Area in 2030.

Again, it is estimated that a new development(s) in Buffalo can capture 75% demand in the Study Area. Multiplying unmet demand in the Study Area by 75% results in demand in Buffalo for a new development(s) with 12 assisted living units in 2024, growing to 48 units in 2030.

Table 30
Assisted Living Demand Calculation
Primary Market Area
2024 and 2030

	2024	2030
A 75 to 79 Population in the Study Area	867	1,164
B Percent needing ADL assistance	25.5%	25.5%
C Estimated population needing ADL assistance (A x B)	221	297
D 80 to 84 Population in the Study Area	595	806
E Percent needing ADL assistance	33.6%	33.6%
F Estimated population needing ADL assistance (D x E)	200	271
G 85+ Population in the Study Area	479	615
H Percent needing ADL assistance	51.6%	51.6%
I Estimated population needing ADL assistance (G x H)	247	317
J Total 75+ population needing ADL assistance (C + F + I)	668	885
K Percent of PMA population income-qualified	57.2%	57.6%
L Total income-qualified population needing ADL assistance (J x K)	382	510
M Potential penetration rate of assisted living housing	30%	30%
N Total demand for assisted living units (L x M)	115	153
O Estimated percent of demand from outside the Study Area	20%	20%
P Total demand for assisted living units in the Study Area (N / (1-O))	143	191
Q Competitive assisted living supply	127	127
R Unmet assisted living demand in the Study Area (P - Q)	17	64
S Estimated percent of demand capturable by sites in Buffalo	75%	75%
T Assisted living demand in Buffalo (R x S)	12	48
* Competitive units minus 20% estimated to be occupied by Elderly Waiver units and a 5% vacancy factor.		
Source: Viewpoint Consulting Group, Inc.		

Memory Care

Table 31 calculates unmet memory care demand in Buffalo for 44 units in 2030. Like assisted living, this demand is for market rate units and does not include additional demand from lower-income seniors who could utilize the Elderly Waiver program to pay for services. The following points summarize the demand methodology.

Demand is calculated by multiplying the Study Area age 65+ population in 2024 and 2030 by the incidence rate of Alzheimer's/dementia (based on data from the Alzheimer's Association: Alzheimer's Disease Facts & Figures). An estimated 479 seniors living in the Study Area as of 2024 had memory impairment.

Due to the high cost of memory care housing, the income needed to afford market rate memory care is much higher than independent and assisted living housing. To afford memory care rents, seniors will generally need incomes of at least \$85,000 or have assets available, such as the proceeds received from the sale of a home. Overall, it is calculated that 42% of the senior population in the Study Area in 2024 was income-qualified for market rate memory care housing (with close to 65% of the income-qualified seniors being homeowners with incomes below \$85,000).

The majority of seniors with dementia are able to live independently with the assistance of a caregiver, while those in the latter stages of dementia require intensive medical care that is only available in skilled nursing facilities. Some also choose other types of housing like adult foster care. An estimated 30% of age/income-qualified people with memory impairment constitute the market for memory care housing.

An estimated 20% of the demand for memory care housing would come from seniors residing outside of the Study Area. This additional demand brings the total demand within the Study Area to 76 units in 2024, growing to 99 units in 2030.

The existing supply is then subtracted from the total demand to reveal unmet demand. A total of 52 units were identified in the Study Area. Subtracting these existing units (minus a 20% estimated to be occupied by Elderly Waiver residents and a 5% vacancy factor) results in unmet demand for 37 memory care units in the Study Area in 2024. No pending memory care developments that would increase the competitive supply were identified. Unmet demand is calculated for 59 units in the Study Area in 2030.

It is estimated that a new development(s) in Buffalo can capture 75% demand in the Study Area. Multiplying unmet demand in the Study Area by 75% results in demand in Buffalo for a new development(s) with 28 memory care units in 2025, growing to 44 units in 2030.

Table 31
Memory Care Housing Demand Calculation
Primary Market Area
2024 and 2030

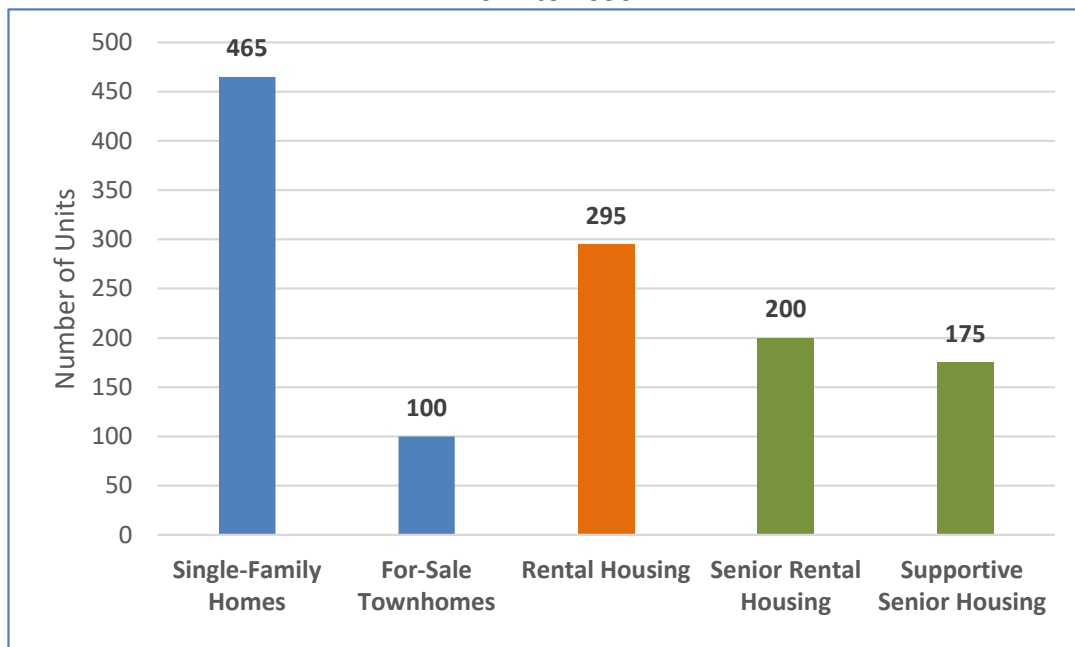
	2024	2030
A 65 to 74 Population in the Study Area	2,525	2,890
B Dementia incidence rate	5.0%	5.0%
C Estimated population with Dementia (A x B)	126	145
D 75 to 84 Population in the Study Area	1,462	1,970
E Dementia incidence rate	13.2%	13.2%
F Estimated population with Dementia (D x E)	193	260
G 85+ Population in the Study Area	479	615
H Dementia incidence rate	33.4%	33.4%
I Estimated population with Dementia (G x H)	160	205
J Total population with Dementia (C + F + I)	479	610
K Percent of population income-qualified	42.4%	43.1%
L Total income-qualified population needing assistance (J x K)	203	263
M Potential penetration rate of specialized memory care housing	30%	30%
N Total demand for memory care units (L x M)	61	79
O Estimated percent of demand from outside the Study Area	20%	20%
P Total demand for memory care units in the Study Area (N / (1 - O))	76	99
Q Competitive memory care supply*	40	40
R Unmet memory care demand in the Study Area (P - Q)	37	59
S Estimated % of unmet demand capturable by sites in Buffalo	75%	75%
T Memory care demand in Buffalo (R x S)	28	44
* Competitive units minus 20% estimated to be occupied by Elderly Waiver residents and a 5% vacancy factor.		
Source: Viewpoint Consulting Group, Inc.		

Demand Summary

There are many attributes to Buffalo that make it a very appealing place to live. It has a sizeable employment base and is also a short drive to employment in the western Twin Cities Metro Area. It also has retail and services, restaurants, health care, and a good public-school district. These attributes have drawn new residents that resulted in Buffalo's population increasing by about 60% over the past two decades (reaching 16,168 in 2020). Housing construction has accelerated this decade, and it is projected that Buffalo will reach a population of 17,900 in 2030 (+11% growth during the decade). To accommodate Buffalo's 2030 population projection, a variety of housing types that appeal to a broad range of households will be needed.

The chart below highlights overall demand by housing types in Buffalo from 2024 to 2030. All housing types combined equal demand for 1,235 units. The greatest share of demand is for single-family homes and for-sale townhomes, which combine for 595 units, or about 38% of the total housing demand. Rental housing, which includes affordable and workforce/market rate, accounts for 295 units of demand (24%). The first baby boomers will be entering their early-80s by the end of the decade, resulting in this population beginning to grow more rapidly. Senior housing accounts for 30% of Buffalo's housing demand. This includes 200 units for affordable and market rate senior rental housing without services and 175 units for housing that provides meals and personal care services (independent, assisted living, and memory care housing).

**Projected Unmet Housing Demand
City of Buffalo
2024 to 2030**



The demand for rental housing and single-family homes is driven by people working in Buffalo and even more so, people working in the surrounding western Metro Area but willing to commute to work from Buffalo. Senior housing in Buffalo is driven by existing residents who would move into a new property to remain living locally versus moving to senior housing properties in other surrounding communities.

Housing Recommendations

The following are summaries of the recommended developments in Buffalo through the remainder of the decade to meet demand for the various types of housing. These recommended developments are listed in Table 32.

Single-Family Home Recommendation

Demand is projected for about 400 single-family homes in Buffalo from 2025 to the end of the decade, for an average of about 80 homes annually. It is likely that most new homes constructed in Buffalo will be over \$350,000. To afford these homes, most households will need incomes of at least 90% of AMI (\$111,800 for a four-person household in 2024), given current interest rates and provided that they have an adequate down payment. Additionally, close to half the demand is from households earning less than 120% of AMI (\$149,000 for a four-person household) who could afford homes priced at about \$450,000 with current interest rates. Overall, to meet Buffalo's projected growth from 2025 to 2030, it is recommended that half the single-family homes be priced from \$350,000 to \$400,000 (180 to 200 homes). These homes are considered "entry level" in Table 32. Just over one-third of the homes added (135 to 145 homes) should be priced from \$400,000 to \$500,000 (considered "move-up" in Table 32). The remaining 65 to 75 homes should be priced at \$500,000 or more ("executive").

It is recommended that a three-year lot supply be maintained in Buffalo, which ensures adequate consumer choice without excessively prolonging developer carrying costs. Currently, Buffalo has an available lot supply of about 90 lots. At an average of 80 new single-family homes added each year, this is only a one-year supply. An additional subdivision(s) is needed within the next year with up to 240 lots. A similar number of lots will likely be needed within a couple years to provide adequate choices for potential new home buyers through the end of the decade. Lots will be needed to meet all three market segments – entry-level, move-up, and executive.

Table 32
Recommended Housing Types from 2025 to 2030
City of Buffalo

	<u>No. of Units</u>	<u>Base Price/Rent Range*</u>
Owner-Occupied Housing		
Single-Family Homes		
Entry-Level	180 - 200	\$350,000 - \$400,000
Move-Up	135 - 145	\$400,000 - \$500,000
Executive	65 - 75	\$500,000+
Total	380 - 420	
Townhomes		
Entry-Level	55 - 60	\$325,000 - \$400,000
Move-Up	20 - 25	\$400,000+
Total	75 - 85	
Rental Housing**		
Workforce/Market Rate	225 - 245	\$1,400/1BR, \$1,750/2BR, \$1,975/3BR
Affordable at 60% AMI	55 - 65	\$1,300/1BR, \$1,575/2BR, \$1,800/3BR
Total	280 - 310	
Senior (55+) Rental Housing		
Affordable at 60% AMI	55 - 65	\$1,300/1BR & \$1,575/2BR
Market Rate	75 - 85	\$1,600/1BR & \$2,100/2BR
Total	130 - 150	
Supportive Senior Housing		
Independent Living	70 - 80	\$3,000+
Assisted Living	35 - 45	\$4,500+
Memory Care	30 - 35	\$7,000+
Total	135 - 160	
* Prices/rents are in 2025 dollars.		
** At the recommended rents, the market rate apartments would still be affordable to households at about 60% AMI, and thus would be considered "workforce" housing.		
Source: Viewpoint Consulting Group, Inc.		

For-Sale Townhomes Recommendation

About 80 for-sale townhomes are recommended to meet projected demand in Buffalo through the remainder of the decade. These townhomes are generally a more affordable homeownership option for many households than single-family homes. Besides being more affordable, they are also more appealing to many households, largely for the reasons of less maintenance and no lawn care or snow removal. Primary target markets include younger households without children, singles, and empty nesters/retirees. With the primary exception of Willow Glen, the majority of townhomes in Buffalo are single-level homes geared towards empty nesters (such as Bison Meadows, Buffalo Run, and Sundance Ridge). It is recommended that about three-quarters of the townhomes in Buffalo be two-level units with two car garages and three bedrooms (55 to 60 homes). These homes should be priced from \$325,000 to \$400,000, which would make them affordable to many households with incomes of about 100% AMI (\$111,800 for a three-person household in 2024).

The remaining townhomes (20 to 25 homes) should be single-level homes geared towards young seniors. These townhomes should have based prices that begin at about \$400,000.

Workforce/Market Rate Rental Recommendation

So far this decade, rental housing added in Buffalo consists of The Crossings at Willems Way and 3rd Avenue Apartments, which total 84 market rate units. To meet additional demand in Buffalo through the remainder of the decade, 225 to 245 units are recommended. No income-limits are recommended, but for many of the market rate units, rents would still be affordable to households with incomes from about 60% to 80% of AMI (or incomes of about \$52,000 to \$70,000 for one-person households and \$70,000 to \$107,000 for five-person households). While market rate, these units would be considered workforce housing and would be affordable to many workers in Buffalo.

A multi-story apartment building(s) with underground parking is recommended in Buffalo to meet most of the demand. With almost no rental vacancies in Buffalo, this building could be added immediately. Rents should start at about \$1,400 for one-bedroom units, \$1,750 for two-bedroom units, and \$1,975 for three-bedroom units. While these rents would place the development as the market leader in Buffalo, they would still be affordable to renters with incomes of less than 80% of AMI. To appeal to renters, common areas should include underground/first-level parking, a community room/lounge, fitness room, gameroom, outdoor patio/grilling area, and on-site management. This is a greater number of common area amenities than is found at existing market rate properties in Buffalo.

In addition to a multi-story building, rental townhomes are recommended in Buffalo to meet demand from households who are unable or do not wish to purchase a home but do not want to live in a multi-story apartment building. As much as a quarter of the market rate rental units added in Buffalo to meet growth projections could be townhomes (about 65 units). These townhomes should have two- to four-bedrooms with rents that begin at about \$2,600 for two-

bedroom units. To increase the appeal of the rental townhome community, it should have a club house with a recreation room/lounge, fitness center, and an outdoor pool. To afford these units most households would need incomes of about 90% of AMI (\$111,800 for a three-person household in 2024).

Affordable Rental Recommendation

To meet the affordable rental housing demand identified in Buffalo, a new building with rents affordable to households at 60% of AMI is recommended. Low Income Housing Tax Credits (“LIHTC”) would likely be the primary funding source for such a building. A building with 55 to 65 units is recommended, which is similar in size to Alo, the last LIHTC property built in Buffalo (2020). It is also recommended that the building be three stories with underground parking. To be affordable at 60% of AMI, rents should be about \$1,300 for one-bedroom units, \$1,575 for two-bedroom units, and \$1,800 for three-bedroom units. The rents are below Wright County’s Payment Standard for the Housing Choice Voucher program (\$1,360/1BR units, \$1,663 for two-bedroom units, and \$2,243 for three-bedroom units, including utilities).

Senior (55+) Rental Recommendation

To meet housing needs of “active” seniors who do not need the level of care offered in an assisted living property but who wish to live in rental housing, largely to shed the maintenance responsibilities of homeownership and/or have more time for traveling, two senior rental developments are recommended – one market rate and one affordable. A 40-unit affordable property opened in Buffalo in 2024 (Creekside Manor) and it is fully occupied. Another property is recommended to meet unmet demand. It could have up to 65 units and like Creekside Manor, it should be income-restricted to senior households with incomes below 60% of AMI.

The only market rate senior rental property in Buffalo is Village Place, which was built in 2001. To meet current unmet demand plus growth through the end of the decade, a three-story building with 75 to 85 total units is recommended. The recommended monthly rents should begin at \$1,600 for one-bedroom units and \$2,100 for two-bedroom units. There should also be some one-bedroom plus den units and two-bedroom plus den units to appeal to seniors moving from single-family homes and desiring larger spaces. We recommend about two-thirds of the units be one-bedroom plus den or two-bedroom units. The recommended market rate development should contain large sized units along with common area amenities such as an entrance lobby, community room, activity room, golf simulator, lounge/library, and either underground or attached parking. Unit features should include washer/dryers, walk-in closets, kitchen islands, balconies, and contemporary finishes.

Senior Housing with Services Recommendation

Based on the level of unmet senior housing demand as calculated in Tables 29 through 31, it is recommended that a continuum of care development with 135 to 160 units be developed in Buffalo by the end of the decade. The recommended development would primarily serve an age 75+ population that has grown in Buffalo from 913 in 2010 to 1,193 in 2020 and is projected to grow to 1,840 in 2030. The service-level mix of the recommended development should be about 70 to 80 independent units, 35 to 45 assisted living units, and 30 to 35 memory care units. Beginning rents for these care levels in properties across the Twin Cities Metro Area, including meals and a base level of care, is about \$3,000 for independent units, \$4,500 for assisted living units, and \$7,000 for memory care units.