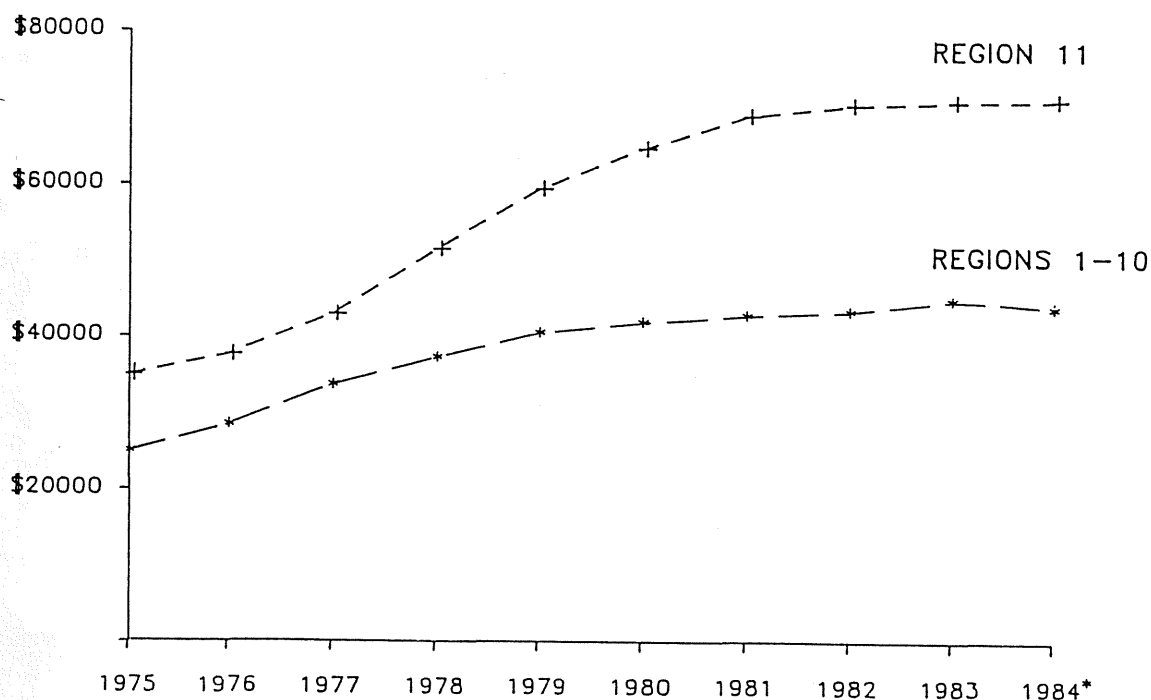


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AN ANALYSIS OF HOUSE SALE PRICES IN MINNESOTA

JANUARY, 1983 - SEPTEMBER, 1984

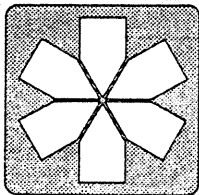
MEDIAN HOUSE SALE PRICES 1975-1984



* Through September 1984

MINNESOTA HOUSING FINANCE AGENCY

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MAJOR FINDINGS

- In 1984* median house sale prices exceeded those for 1983 in only 6 of Minnesota's 13 development regions. The greatest increase was in Region 9 (3.0%); the greatest decrease was in Region 3 (9.2%).
- From 1975 to 1984, median house sale prices rose by 60% or more in all but one region of the State. The median house sale price in Region 11 (Twin Cities Metropolitan Area) rose 103.4% during this period.
- In the first nine months of 1984, total house sales increased by 15.9% in Region 11 and 12.7% in Regions 1-10 from the same period in 1983.
- In Region 11, approximately 65% of all house sale prices were below \$83,000** in 1984. In Regions 1-10, approximately 75% of all house prices were below \$62,900*** in 1984.
- Of the selected areas of Region 11, the 1984 median house sale price was lowest in St. Paul (\$61,000) and highest in North Oaks (\$178,250). Of the selected areas of Regions 1-10, the 1984 median sale price was lowest in St. Louis County (\$34,500) and highest in Rochester (\$62,000).

	1983		1984	
	Regions 1-10	Region 11	Regions 1-10	Region 11
Number of Sales	16,630	22,590	12,350	18,561
Median House Sale Price	\$45,000	\$71,000	\$44,000	\$71,200

* 1984 Certificate of Real Estate Value data presently include all sales through September, 1984.

** The house price limit for new construction in Region 11 for the 1984 MHFA Home Mortgage Loan Program.

*** The house price limit for new construction in Regions 1-10 for the 1984 MHFA Home Mortgage Loan Program.

INTRODUCTION

Under the current provisions of Minnesota state law, county assessors are required to submit a Certificate of Real Estate Value to the Department of Revenue for each sale or transfer of residential property. Thus, accurate sales price information is available for any house sold through an "arm's length" transaction. The following analysis is based on the most recent data currently available during the period of January, 1983, to September, 1984.

DISCUSSION

Table 1 (p. 3) compares the 1982, 1983, and 1984, median house sale price for each of Minnesota's 13 development regions and the percent change in median price from 1982 to 1984 and from 1983 to 1984. The lowest median house sale price for all three years tended to be in the northern and western areas of the State, with the lowest median price in Region 6W (\$30,000 in 1984). Outside of the Region 11 Twin Cities Metropolitan Area, the highest median house sale price in 1984 was \$54,000 in Region 7W, which includes the St. Cloud Metropolitan Area.

From 1982 to 1984, nine regions had median house sale price increases, ranging from 0.3% in Region 1 to 5.9% in Region 8. Decreases during this period ranged from 1.7% in Region 6E to 9.5% in Region 3, the northeastern seven counties. The median house sale price did not change from 1982 to 1984 in Region 5.

Table 1

THE CHANGE IN THE MEDIAN SALE PRICE BY REGION
FROM 1982 TO 1984

REGION	MEDIAN PRICE 1982	MEDIAN PRICE 1983*	MEDIAN PRICE 1984**	PERCENT CHANGE 1982-84	PERCENT CHANGE 1983-84
1	\$31,900	\$35,000	\$32,000	+0.3%	-8.6%
2	32,000	34,500	32,500	+1.6	-5.8
3	37,000	36,900	33,500	-9.5	-9.2
4	40,500	41,400	41,700	+3.0	+0.7
5	35,000	37,500	35,000	+0.0	-6.7
6E	45,800	48,000	45,000	-1.7	-6.3
6W	32,500	30,400	30,000	-7.7	-1.3
7E	44,000	46,500	45,000	+2.3	-3.2
7W	51,900	53,000	54,000	+4.0	+1.9
8	34,000	35,500	36,000	+5.9	+1.4
9	46,000	46,100	47,500	+3.3	+3.0
10	49,300	50,100	51,000	+3.4	+1.8
11	70,500	71,000	71,200	+1.0	+0.3

SOURCE: Certificate of Real Estate Value, Department of Revenue,
January, 1985.

* Revised.

** 1984 Certificate of Real Estate Value data presently include all
sales through September, 1984.

Between 1983 and 1984, the median sale price increased in six regions, ranging from 0.3% in Region 11 to 3.0% in Region 9. The southernmost three regions all posted house price increases. The median sale price decreased in seven regions, ranging from 1.3% in Region 6W to 9.2% in Region 3. Most of these regions also had the lowest house sale prices.

Since changes in house sale prices from year to year may be less indicative of long-term trends, Table 2 (p. 5) compares median house sale prices in 1975 and the first nine months of 1984. In 1975, median sale prices ranged from a low of \$17,000 in Region 2 to a high of \$35,000 in Region 11; in 1984, the range of median house sale prices went from \$30,000 in Region 6W to \$71,200 in Region 11. By 1984, the median house sale price had increased by at least 60% since 1975 in all regions in the State except for Region 6W (53.8% increase). The greatest increase over the eight-year period was in Region 11 (103.4%), while five other regions had increases of more than 80% (Region 2, 91.2%; Region 5, 84.2%; Region 7E, 80.7%; Region 7W, 86.2%; and Region 9, 82.7%).

Table 2

THE CHANGE IN THE MEDIAN SALE PRICE BY REGION
FROM 1975 TO 1984*

REGION	MEDIAN PRICE 1975	MEDIAN PRICE 1984	PERCENT CHANGE 1975-84	ANNUAL PERCENT CHANGE**
1	\$20,000	\$32,000	+ 60.0%	+ 5.4%
2	17,000	32,500	+ 91.2	+ 7.5
3	20,500	33,500	+ 63.4	+ 5.6
4	25,500	41,700	+ 63.5	+ 5.6
5	19,000	35,000	+ 84.2	+ 7.0
6E	25,900	45,000	+ 73.7	+ 6.3
6W	19,500	30,000	+ 53.8	+ 4.9
7E	24,900	45,000	+ 80.7	+ 6.8
7W	29,000	54,000	+ 86.2	+ 7.2
8	21,500	36,000	+ 67.4	+ 5.9
9	26,000	47,500	+ 82.7	+ 6.9
10	30,000	51,000	+ 70.0	+ 6.1
11	35,000	71,200	+103.4	+ 8.2

SOURCE: Certificate of Real Estate Value, Department of Revenue, December, 1975, and January, 1985.

* 1984 Certificate of Real Estate Value data presently include all sales through September, 1984.

** Effective rate of change.

Tables 3-6 illustrate the distribution of house sale prices in Region 11 (Twin Cities Metropolitan Area) and in Regions 1-10 in 1983 and the first nine months of 1984. Tables 3 and 4 (pp. 7-8) demonstrate that for Region 11, there was an increased percentage of homes sold in the under \$50,000 and over \$80,000 price ranges. The percentage of homes in the \$50,000 to \$80,000 price range fell from 54.5% in 1983 to 52.2% in 1984. The median price interval for both years was \$70,000-\$79,999. Total sales in Region 11 for the first nine months of 1984 (18,561) were up almost 16% from the same period in 1983 (16,012).

Table 3

FREQUENCY DISTRIBUTION OF HOUSE PRICES
IN REGION 11 IN 1983*

House Price	Number	Percent of Total	Cumulative Percent
\$0-\$9,999	17	0.1%	0.1%
\$10,000-\$19,999	72	0.3	0.4
\$20,000-\$29,999	191	0.8	1.2
\$30,000-\$39,999	638	2.8	4.1
\$40,000-\$49,999	1,584	7.0	11.1
\$50,000-\$59,999	3,447	15.3	26.3
\$60,000-\$69,999	4,794	21.2	47.6
\$70,000-\$79,999	4,050	17.9	65.5
\$80,000-\$89,999	2,590	11.5	76.9
\$90,000-\$99,999	1,367	6.1	83.0
\$100,000+	3,840	17.0	100.0
TOTAL	22,590	100.0%	

SOURCE: Certificate of Real Estate Value, Department of Revenue,
January, 1985.

* Revised.

Table 4

FREQUENCY DISTRIBUTION OF HOUSE PRICES
IN REGION 11 IN 1984*

House Price	Number	Percent of Total	Cumulative Percent
\$0-\$9,999	58	0.3%	0.3%
\$10,000-\$19,999	181	1.0	1.3
\$20,000-\$29,999	263	1.4	2.7
\$30,000-\$39,999	533	2.9	5.6
\$40,000-\$49,999	1,284	6.9	12.5
\$50,000-\$59,999	2,577	13.9	26.4
\$60,000-\$69,999	3,881	20.9	47.3
\$70,000-\$79,999	3,239	17.5	64.7
\$80,000-\$89,999	2,164	11.7	76.4
\$90,000-\$99,999	1,098	5.9	82.3
\$100,000+	3,283	17.7	100.0
TOTAL	18,561	100.0%	

SOURCE: Certificate of Real Estate Value, Department of Revenue, January, 1985.

* 1984 Certificate of Real Estate Value data presently include all sales through September, 1984.

In Regions 1-10, shown in Tables 5 and 6 (pp. 10-11), the distribution of prices shifted similar to Region 11. The percentage of homes in the \$30,000 to \$70,000 price range fell from 61.6% to 58.3%, a 5.4% change. The percentage of homes priced under \$30,000 increased by 11.3% (from 24.8% to 27.6%), and the percentage priced over \$70,000 increased by 2.9% (from 13.7% to 14.1%). The median interval for both years remained at \$40,000-\$49,999. As in the case of Region 11, total house sales increased during 1984; through September of 1984, total house sales in Regions 1-10 (12,350) were more than 12% above the level for the same period in 1983 (10,962).

Table 5

FREQUENCY DISTRIBUTION OF HOUSE PRICES
IN REGIONS 1-10 IN 1983*

House Price	Number	Percent of Total	Cumulative Percent
\$0-\$9,999	471	2.8%	2.8%
\$10,000-\$19,999	1,496	9.0	11.8
\$20,000-\$29,999	2,156	13.0	24.8
\$30,000-\$39,999	2,715	16.3	41.1
\$40,000-\$49,999	3,025	18.2	59.3
\$50,000-\$59,999	2,595	15.6	74.9
\$60,000-\$69,999	1,902	11.4	86.3
\$70,000-\$79,999	1,019	6.1	92.5
\$80,000-\$89,999	509	3.1	95.5
\$90,000-\$99,999	264	1.6	97.1
\$100,000+	478	2.9	100.0
TOTAL	16,630	100.0%	

SOURCE: Certificate of Real Estate Value, Department of Revenue,
January, 1985.

* Revised.

Table 6

FREQUENCY DISTRIBUTION OF HOUSE PRICES
IN REGIONS 1-10 IN 1984*

House Price	Number	Percent of Total	Cumulative Percent
\$0-\$9,999	470	3.8%	3.8%
\$10,000-\$19,999	1,317	10.7	14.5
\$20,000-\$29,999	1,619	13.1	27.6
\$30,000-\$39,999	1,827	14.8	42.4
\$40,000-\$49,999	2,120	17.2	59.5
\$50,000-\$59,999	1,889	15.3	74.8
\$60,000-\$69,999	1,366	11.1	85.9
\$70,000-\$79,999	766	6.2	92.1
\$80,000-\$89,999	394	3.2	95.3
\$90,000-\$99,999	197	1.6	96.9
\$100,000+	385	3.1	100.0
TOTAL	12,350	100.0%	

SOURCE: Certificate of Real Estate Value, Department of Revenue, January, 1985.

* 1984 Certificate of Real Estate Value data presently include all sales through September, 1984.

The 1983 and 1984 median house sale prices for selected areas of Region 11 are shown in Table 7 (p. 13). The lowest 1984 median house sale price was in St. Paul (\$61,000); the highest was in North Oaks (\$178,250).

While the median sale price for each of the seven Region 11 counties increased from 1983 to 1984, only twelve of the 34 selected Region 11 cities reported median price increases. Eighteen cities showed decreases and four showed no change. The largest increases were in Stillwater (8.7%) and Prior Lake (8.0%). The largest decreases in median house sale price were in Arden Hills (5.2%) and Mendota Heights (4.8%).

Table 7

MEDIAN HOUSE SALE PRICE IN SELECTED AREAS OF REGION 11
IN 1983* and 1984**

Area	1983 Median Price	1984 Median Price
ANOKA COUNTY	\$ 65,500	\$ 65,900
Blaine	66,500	66,000
Coon Rapids	63,000	64,100
Fridley	69,500	69,400
CARVER COUNTY	\$ 72,500	\$ 72,900
Chaska	65,500	66,450
Chanhassen	90,000	95,050
DAKOTA COUNTY	\$ 75,000	\$ 76,000
Apple Valley	81,000	80,000
Burnsville	86,000	85,000
Eagan	71,000	75,400
Inver Grove Heights	71,500	69,800
Lakeville	73,500	74,500
Mendota Heights	126,100	120,100
South St. Paul	61,000	63,050
HENNEPIN COUNTY	\$ 71,000	\$ 71,250
Bloomington	82,000	81,000
Brooklyn Park	71,900	72,000
Crystal	66,500	65,000
Edina	115,500	113,000
Eden Prairie	95,000	95,000
Maple Grove	77,500	77,000
Minneapolis	64,000	63,900
Minnetonka	92,400	90,000
Plymouth	94,000	90,000
Richfield	69,900	70,000
Wayzata	103,600	111,400
RAMSEY COUNTY	\$ 66,900	\$ 67,400
Arden Hills	96,000	91,050
New Brighton	87,400	84,950
North Oaks	185,000	178,250
Roseville	76,000	76,000
St. Paul	61,000	61,000
White Bear Lake	70,000	70,900
SCOTT COUNTY	\$ 71,450	\$ 72,900
Prior Lake	75,000	81,000
Shakopee	70,000	72,900
WASHINGTON COUNTY	\$ 71,850	\$ 71,900
Cottage Grove	71,300	71,000
Stillwater	68,050	74,000
Woodbury	84,000	82,600

SOURCE: Certificate of Real Estate Value, Department of Revenue, January, 1985.

* Revised.

** 1984 Certificate of Real Estate Value data presently include all sales through September, 1984.

The 1983 and 1984 median house sale prices for selected areas of Regions 1-10 are shown in Table 8. The lowest 1984 median house sale price was in St. Louis County (\$34,500), and the highest was in Rochester (\$62,000). In six of the eleven selected areas, house sale prices increased from 1983 to 1984. The greatest increases were in Isanti County (8.6%) and in Moorhead (5.8%). The greatest decreases were in Itasca County (13.6%) and in Duluth (7.1%).

Table 8

MEDIAN HOUSE SALE PRICE IN SELECTED AREAS OF REGIONS 1-10
IN 1983* and 1984**

Area	1983 Median Price	1984 Median Price
<u>Region 1</u>		
East Grand Forks	\$46,000	\$48,050
<u>Region 3</u>		
Itasca County	40,500	35,000
St. Louis County	36,500	34,500
Duluth	37,400	34,750
<u>Region 4</u>		
Moorhead	51,500	54,500
<u>Region 7E</u>		
Isanti County	46,500	50,500
Chisago County	58,500	54,000
<u>Region 7W</u>		
St. Cloud	50,000	49,750
Wright County	56,550	58,000
<u>Region 10</u>		
Olmsted County	60,000	60,500
Rochester	60,000	62,000

SOURCE: Certificate of Real Estate Value, Department of Revenue, January, 1985.

* Revised

** 1984 Certificate of Real Estate Value data presently include all sales through September, 1984.

CONTRACT-FOR-DEED HOUSE SALES

Tables 9-12 provide the basis for an analysis of contract-for-deed house sales during 1983 and 1984 in Minnesota. Table 9 (p. 16) lists the number of house sales by type of transaction in Regions 1-10 and Region 11 in 1983. Table 10 (p. 16) provides the same data for the first nine months of 1984. There was a statewide increase in the percentage of house sales that were contract-for-deed transactions from 1983 (26.5%) to 1984 (28.3%). However, this was still well below the 41.6% of sales that were contract-for-deed in 1982.

In Table 11A (p. 18), 1983 contract-for-deed sales are listed by month within each region while Table 11B (p. 19) provides the same information for all other 1983 house sales. The largest percentage of contract-for-deed sales was in Region 5 (40.1%); the smallest was in Region 11 (23.1%). While contract-for-deed sales accounted for 26.5% of total house sales in Minnesota in 1983, the contract-for-deed sales share of the State's total 1983 monthly sales ranged from a low of 19.3% in February to a high of 44.6% in October.

Table 12A (p. 20) presents the number of contract-for-deed sales in the first nine months of 1984 by region and month, and Table 12B (p. 21) provides the same breakdown for all other 1984 transactions. In three of the thirteen regions contract-for-deed sales comprised more than 40% of all house sales in 1984 (Region 5, 43.2%; Region 6E, 40.2%; and Region 7E, 45.5%).

Table 9

HOUSE SALES BY TYPE OF TRANSACTION IN REGIONS 1-10 AND
REGION 11 IN 1983*

Area	Type of Transaction					
	Contract-for-Deed		Other		Total	
Regions 1-10	5,180	31.1%	11,450	68.9%	16,630	100.0%
Region 11	5,229	23.1%	17,361	76.9%	22,590	100.0%
State Total	10,409	26.5%	28,811	73.5%	39,220	100.0%

Table 10

HOUSE SALES BY TYPE OF TRANSACTION IN REGIONS 1-10 AND
REGION 11 IN 1984**

Area	Type of Transaction					
	Contract-for-Deed		Other		Total	
Regions 1-10	4,150	33.6%	8,200	66.4%	12,350	100.0%
Region 11	4,589	24.7%	13,972	75.3%	18,561	100.0%
State Total	8,739	28.3%	22,172	71.7%	30,911	100.0%

SOURCE: Certificate of Real Estate Value, Department of Revenue, January, 1985.

* Revised.

** 1984 Certificate of Real Estate Value data presently include all sales through September, 1984.

Contract-for-deed sales accounted for the smallest portion of all sales in Region 11 (24.7%). Contract-for-deed sales represented a larger share of all sales in 1984 than in 1983, and the range over the months was greater in 1984. The share of all house sales in 1984 that were contract-for-deed transactions went from a low of 20.6% in February to a high of 48.8% in September, gradually increasing through the year.

By comparing the monthly breakdowns of 1983 and 1984 contract-for-deed house sales, a cyclical trend appears to exist in which contract-for-deed sales bottom out in February and gradually rise until they peak towards the latter part of the year, then decline during the final months. This pattern was also evident during the January 1982 to September 1983 period.

1983* HOUSE SALES BY TYPE OF TRANSACTION, MONTH, AND REGION

REGION	TYPE OF TRANSACTION: CONTRACT-FOR-DEED												TOTAL
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	
1	5	6	9	18	12	9	13	15	20	14	6	11	138
2	3	7	10	12	28	11	21	19	18	13	9	5	156
3	34	39	52	63	88	93	78	94	114	74	80	75	884
4	14	20	30	47	52	55	41	73	62	46	26	20	486
5	11	18	20	36	43	45	47	37	42	34	26	30	389
6E	9	7	12	6	14	12	10	8	14	19	10	10	131
6W	18	7	20	22	25	26	22	34	40	57	25	28	304
7E	6	8	18	27	28	27	26	32	27	32	26	18	275
7W	22	21	38	48	51	51	56	55	65	52	51	36	546
8	9	5	23	21	29	24	26	32	33	25	21	18	266
9	15	29	29	46	57	42	52	72	53	45	53	48	541
10	37	45	87	80	106	89	90	102	112	117	101	98	1,064
11	323	244	330	392	469	460	439	607	571	498	438	458	5,229
STATE TOTAL	506	456	678	818	1,002	944	921	1,180	1,171	1,006	872	855	10,409
% OF ALL SALES	29.6	19.3	20.6	22.9	25.5	24.7	27.2	27.9	31.2	44.6	30.5	33.5	26.5

SOURCE: Certificate of Real Estate Value, Department of Revenue, January, 1985.

* Revised

1983* HOUSE SALES BY TYPE OF TRANSACTION, MONTH, AND REGION

REGION	TYPE OF TRANSACTION: NOT CONTRACT-FOR-DEED												TOTAL
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	
1	25	14	19	37	45	34	43	51	46	40	40	25	419
2	8	19	19	30	24	31	37	42	29	31	17	15	302
3	79	87	107	136	138	159	144	212	176	135	118	115	1,606
4	46	51	102	93	109	99	117	129	87	87	70	47	1,037
5	24	21	31	46	56	72	75	61	62	54	33	29	564
6E	9	11	18	14	19	14	24	30	28	25	17	18	227
6W	30	27	49	57	56	52	52	51	56	52	44	26	552
7E	26	21	30	36	62	32	47	41	41	36	40	33	445
7W	85	77	135	120	152	129	121	105	128	89	78	62	1,281
8	33	43	47	64	55	69	43	70	66	47	50	40	627
9	73	67	94	116	128	146	105	137	114	120	74	70	1,244
10	183	166	265	295	323	336	251	323	259	278	237	230	3,146
11	1,086	1,300	1,693	1,710	1,766	1,710	1,403	1,799	1,489	1,248	1,170	987	17,361
STATE TOTAL	1,707	1,904	2,609	2,754	2,933	2,883	2,462	3,051	2,581	2,242	1,988	1,697	28,811
% OF ALL SALES	70.4	80.7	79.4	77.1	74.5	75.3	72.8	72.1	68.8	55.4	69.5	66.5	73.5

SOURCE: Certificate of Real Estate Value, Department of Revenue, January, 1985.

* Revised

Table 12A

1984* HOUSE SALES BY TYPE OF TRANSACTION, MONTH, AND REGION

REGION	TYPE OF TRANSACTION: CONTRACT-FOR-DEED									TOTAL
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	
1	6	8	12	18	18	12	18	23	9	124
2	6	6	10	14	23	22	12	12	5	110
3	38	62	57	82	118	105	115	124	71	772
4	14	21	24	39	51	42	34	44	28	297
5	11	22	30	34	49	55	34	45	16	296
6E	6	4	11	11	26	11	11	19	4	103
6W	13	16	33	37	42	34	33	47	19	274
7E	16	16	27	30	38	44	41	37	15	264
7W	24	33	40	52	66	52	69	54	23	413
8	20	17	16	15	34	28	27	30	25	212
9	30	30	34	35	61	58	48	62	41	399
10	66	60	83	113	115	129	108	145	67	886
11	354	348	481	565	678	677	659	587	240	4,589
STATE TOTAL	604	643	853	1,045	1,319	1,269	1,209	1,229	563	8,739
% OF ALL SALES	21.8	20.6	22.2	23.6	28.3	28.6	33.8	42.2	48.8	28.3

SOURCE: Certificate of Real Estate Value, Department of Revenue, January, 1985.

* 1984 Certificate of Real Estate Value data presently include all sales through September, 1984.

Table 12B

1984* HOUSE SALES BY TYPE OF TRANSACTION, MONTH, AND REGION

REGION	TYPE OF TRANSACTION: NOT CONTRACT-FOR-DEED									TOTAL
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	
1	24	31	34	45	45	49	35	50	20	333
2	16	22	25	22	37	25	26	21	5	199
3	103	120	163	186	202	195	146	120	63	1,298
4	45	49	58	90	110	100	88	86	32	658
5	26	26	38	44	81	56	56	46	16	389
6E	10	11	23	20	26	28	17	18	0	153
6W	36	42	36	65	74	57	49	39	23	421
7E	26	35	37	45	36	52	30	37	18	316
7W	72	97	138	150	150	119	80	63	13	882
8	45	37	47	52	63	63	51	39	17	414
9	71	70	83	128	147	135	124	102	36	896
10	212	193	295	331	346	292	206	257	109	2,241
11	1,475	1,739	2,021	2,208	2,029	1,990	1,464	808	238	13,972
STATE TOTAL	2,161	2,472	2,998	3,386	3,346	3,161	2,372	1,686	590	22,172
% OF ALL SALES	78.2	79.4	77.8	76.4	71.7	71.4	66.2	57.8	51.2	71.7

SOURCE: Certificate of Real Estate Value, Department of Revenue,
January, 1985.

* 1984 Certificate of Real Estate Value data presently include all
sales through September, 1984.

Iron Range House Prices

This section focuses on house sale prices in seventeen cities in the three Region 3 counties comprising Minnesota's Iron Range (see Table 13, p. 24). Since 1980, the Iron Range's taconite industry has been in a depression, resulting in high unemployment in these communities. Many residents have left the area in search of jobs elsewhere.

The median house sale prices in these cities were among the lowest in the State in both 1983 and 1984. Among the Iron Range cities, only Mountain Iron reported a 1984 median sale price over \$40,000, while the median 1984 house sale price for Regions 1-10 was \$44,000. Thirteen of the seventeen communities reported 1984 median house sale prices under \$30,000. In 1983, only eight of the communities reported median sale prices under \$30,000.

Median house sale prices decreased from 1983 to 1984 in eleven cities. The largest decrease was in Nashwauk (42.5%), and three other cities experienced decreases over 30% (Ely, Eveleth and Gilbert). House sale prices in the two Lake County cities remained stable, while price increases were reported in four St. Louis County communities. The largest increases were in Babbitt (86.0%) and in Mountain Iron (55.1%). It should be noted that the 1983 median house sale price in Babbitt was based upon only two house sales, providing an unreliable median price. The increase in Mountain Iron resulted from the sale of

seven houses priced over \$60,000 in 1984, compared to only two houses in that price category sold during 1983. Owners of these more expensive homes may have decided to sell their homes during 1984 rather than risk taking a lower price in a subsequent year.

The number of house sales during the first nine months of 1984 was 30% greater than the number of sales during the entire previous year (489 and 375 sales, respectively). Apparently, house prices dropped low enough that more people staying in the Iron Range were able to buy homes.

Table 13

MEDIAN SALE PRICE AND NUMBER OF HOUSE SALES IN IRON RANGE CITIES
DURING 1983 and 1984*

Area	1983		1984	
	Median Price	Number Of Sales	Median Price	Number Of Sales
LAKE COUNTY				
Silver Bay	\$15,000	5	\$15,000	29
Two Harbors	26,500	21	26,500	25
ST. LOUIS COUNTY				
Aurora	\$37,700	6	\$27,200	14
Babbitt	12,900	2	24,000	5
Biwabik	14,000	3	17,000	7
Buhl	14,500	8	19,000	5
Chisholm	30,100	35	28,800	34
Ely	30,200	20	20,000	13
Eveleth	31,900	21	20,300	20
Gilbert	37,000	6	25,000	5
Hibbing	38,000	99	34,500	147
Hoyt Lakes	27,300	8	24,900	5
Mountain Iron	35,000	14	54,300	25
Virginia	39,500	56	35,100	64
ITASCA COUNTY				
Grand Rapids	\$44,300	62	\$39,000	75
Keewatin	25,000	5	18,000	11
Nashwauk	22,600	4	13,000	5

SOURCE: Certificate of Real Estate Value, Department of Revenue, January, 1985.

* 1984 Certificate of Real Estate Value data presently include all sales through September, 1984.