

# Second Homes in Minnesota: A Profile of Seasonal Residents and their Impacts in Central and West Central Minnesota

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## Introduction & Purpose

The purpose of this research (conducted in 2013 in Central and West Central Minnesota) was to profile seasonal residents and measure their impacts on local communities, including their use of their second home, their plans for the future, and their local spending.

The eight counties in the study area host a large number of second homes (30% of all housing units across all eight counties are seasonal). Seasonal residents impact local communities through their spending and involvement. The extent to which they carry out plans to move permanently to their second homes will have significant impact on future development.



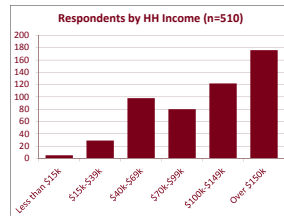
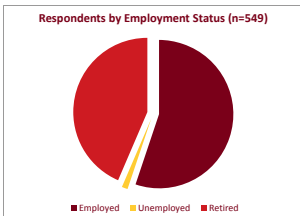
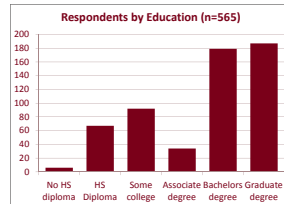
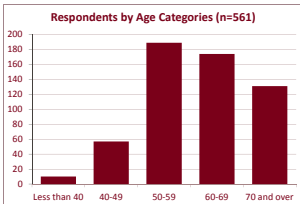
Study Area: Aitkin, Becker, Cass, Crow Wing, Douglas, Hubbard, Otter Tail, and Pope Counties

## Methods

The authors mailed a four-page survey instrument to a randomly-selected sample of 1,200 seasonal-recreational property owners in proportion to the number of seasonal properties per county. We acquired mailing addresses from property tax records gained from each county's assessor and provided a \$5 as an incentive to each participant. We received 573 responses for a 48% response rate.

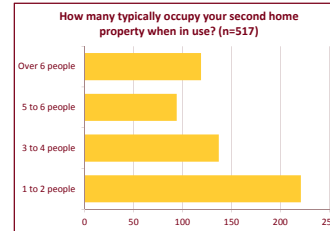
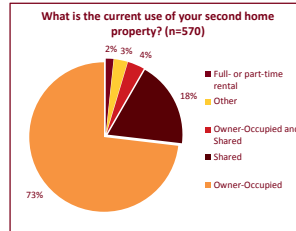
## Seasonal Resident Demographics

Respondents are predominately well-educated, employed, and middle-aged (in their 50s and 60s) and take home a healthy household income.



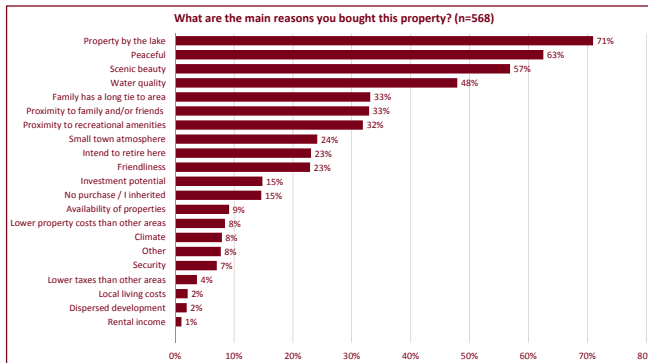
## Second Home Use

Respondents report using their second homes an average of 93 days per year by an average of four people when in use. These homes are primarily owner-occupied, although properties shared between families and individuals are common.



## Reasons for Second Home Purchase

Although seasonal residents purchased their second homes for a mix of reasons, the most important attractants relate to natural amenities.



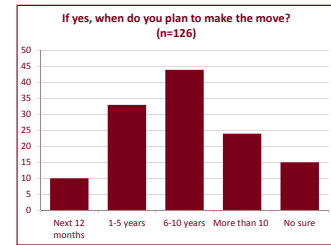
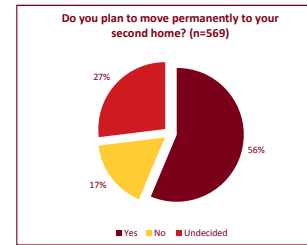
## Seasonal Resident Spending

The survey asked participants about both their household spending in select categories and the proportion which they spend in the county where their second home resides.

Spending category	N	Range	Median	Average	% of HH spending in second-home comm
Grocery/Liquor	451	2,000	\$ 64	\$ 120	89%
Dining/Bars	442	2,000	\$ 40	\$ 74	85%
Gas/Auto service	447	1,500	\$ 50	\$ 74	84%
Pharmacy	383	900	\$ -	\$ 11	18%
Home maintenance	420	3,597	\$ 50	\$ 95	81%
Entertainment/Rec	429	1,500	\$ 34	\$ 75	81%
Building/Remodeling	491	200,000	\$ 400	\$ 12,794	59%

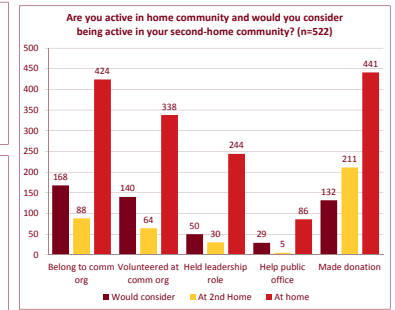
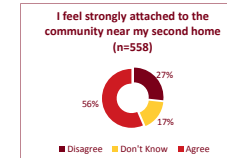
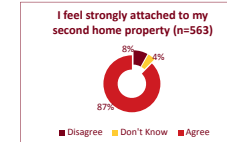
## Plans for Second Homes

A bulk of seasonal residents (56%) plan to transition permanently to their second homes and over a quarter (27%) are undecided. Considering that seasonal properties account for 30% of all housing units in the eight-county study area (U.S. Census Bureau, 2008-2012 American Community Survey), this will significantly impact the population and character of these rural communities. This shift could bring up to 43,000 permanent households to the study area, primarily over the next 10 years.



## Attachment to Second-home Community

The survey asked participants about their attachment to their second home community as well as their level of community involvement.



## Application of Results

Communities in the study area should undertake strategies to learn about and integrate seasonal residents. It is clear that respondents feel very attached to their second homes, but less attached to the communities near their second homes. Respondents are civically active in their home communities; second-home communities would benefit from their talents and leadership. Communities have an incentive to better integrate seasonal residents due to the importance of their spending in local economies. More importantly, their transition from seasonal to permanent residence will have significant social and economic impacts on local communities.