



COMMUNITY PROFILE

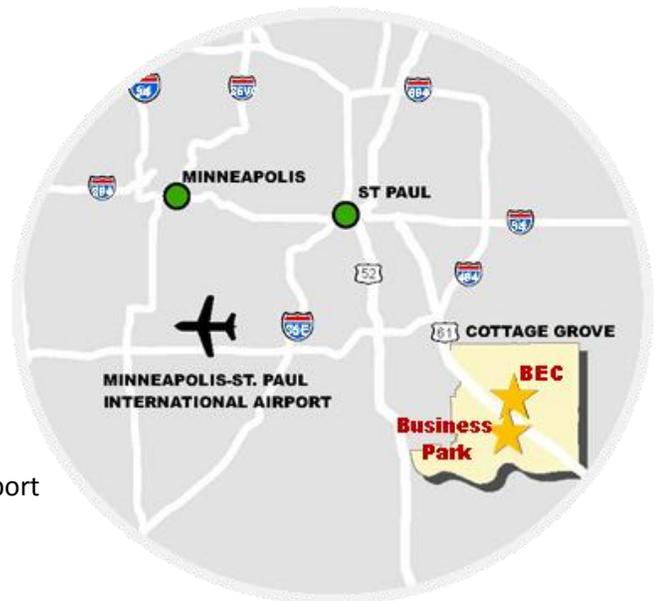
Cottage Grove is a growing community in the Southeast Twin Cities metropolitan area. Situated close to St. Paul, our residents and businesses can take advantage of convenient access to urban opportunities while enjoying the recreational amenities, open spaces, high-quality schools, and close-knit community that Cottage Grove offers.

LIVING WELL

With beautiful rolling hills, a wide range of housing options, two golf courses, 30 parks, over 45 miles of trails, and a culture of neighbors helping neighbors, Cottage Grove offers its residents far more than the average Twin Cities suburb.

CONVENIENT LOCATION

- ◆ Our Gateway Commercial district is 4 miles south of Interstate 494 on Highway 61, and 9 miles south of Interstate 94.
- ◆ Our business park is just 6 miles south of Interstate 494, and 11 miles south of Interstate 94.
- ◆ Rail-served sites in our business park (CP line, with BNSF intersection nearby) provide easy access to global markets.
- ◆ 20 minutes away from the Minneapolis-St. Paul International Airport
- ◆ Over 350,000 workers within a 25 minute commuting range¹
- ◆ Over 338,000 potential customers within a 10 mile radius¹



A GREAT PLACE FOR BUSINESS

With easy access to a recently upgraded freeway system, 2 Class-1 rail lines, and within a 25 minute drive of over 238,000 workers, Cottage Grove has proven to be a successful location for companies such as 3M, Renewal by Andersen, and Up North Plastics.

Whether you'd like to locate in our 600 acre business park, in a retail space, or any other commercial property, Cottage Grove City staff will work with you to make it easy to locate here in Cottage Grove. **Fast-tracked administrative approval and business assistance are available to eligible businesses.**



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¹Applied Graphic Solutions, 2012; Accessed via greatermsp.org



CONSUMER PROFILE

3, 5, 10 Mile Radius

Cottage Grove attracts consumers from the Twin Cities metropolitan area as well as more rural areas outside the metro.

Below are detailed consumer profiles of two of Cottage Grove's 6 commercial districts: Gateway North and Cottage View (highlighted in red on map to the right).

HIGHLIGHTS:

- ◇ High Household Income Levels
 \$82,469 Median Household Income
- ◇ Strong Projected Population Growth
- ◇ Larger Average Household Size

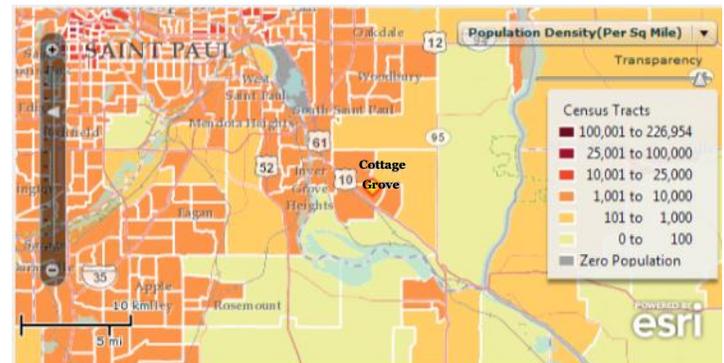
Cottage Grove Commercial Districts



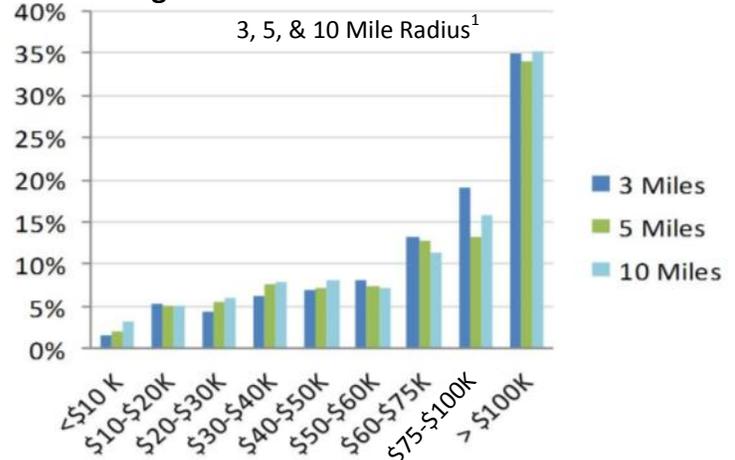
Gateway North:	<u>3 Miles</u>	<u>5 Miles</u>	<u>10 Miles</u>
Population (2013) ¹	41,017	84,090	333,103
Projected Population (2018) ¹	43,637	89,061	351,041
Households ¹	14,212	30,230	125,997
Average Household Size ¹	2.89	2.78	2.64
Employees ¹	9,276	17,718	157,061
Bachelor's Degree or Higher ¹	28.8%	31.7%	36.3%

Cottage View:	<u>3 Miles</u>	<u>5 Miles</u>	<u>10 Miles</u>
Population (2013) ¹	29,022	48,174	224,980
Projected Population (2018) ¹	30,908	51,174	237,005
Households ¹	10,011	16,850	83,602
Average Household Size ¹	2.9	2.86	2.69
Employees ¹	5,980	13,409	87,339
Bachelor's Degree or Higher ¹	29.1%	30.2%	37.7%

Population Density Per Square Mile²



Cottage View District Household Incomes:



¹Applied Graphic Solutions, 2013; Accessed via greatermsp.org

²ESRI 2012, based on U.S. Census Bureau data.



Cottage Grove Demographics

Cottage Grove is a growing community, with the population expected to rise to nearly 38,000 by 2018.¹

Population ²	34,689 (3 yr estimate)
Households ²	11,542 (3 yr estimate)
Average Household Size ²	3.0
Median Age ¹	33.77

Large number of young families

44.9% of households in Cottage Grove have one or more people under age 18, compared to 31.8% statewide.²

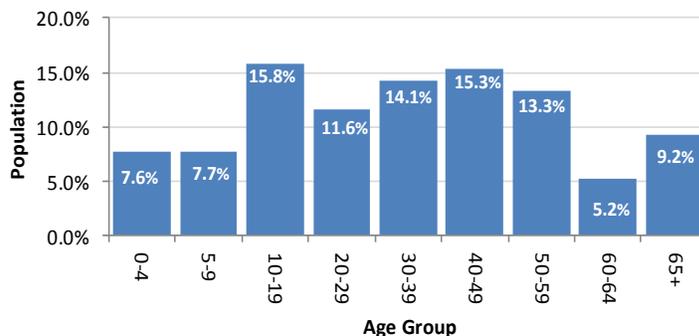
Highly Educated Population

Cottage Grove residents are more highly educated than the state and nation, with 32.7% of adults having earned a Bachelor's Degree or higher.²

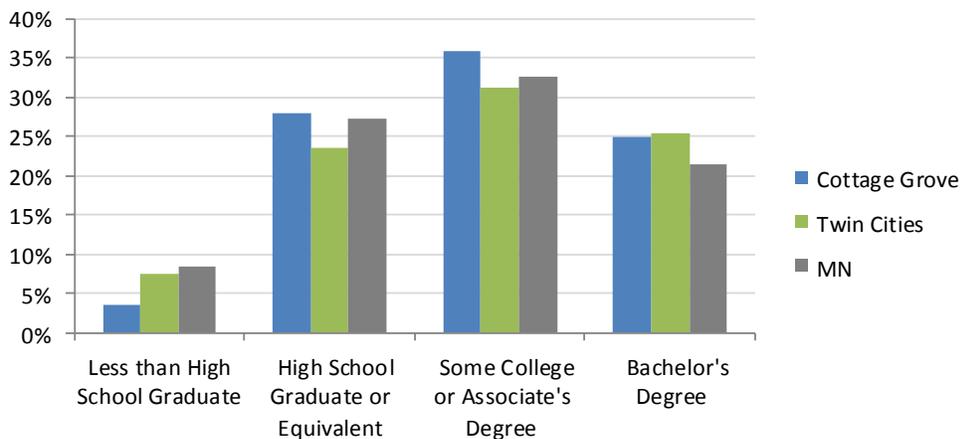
Racial Composition

Hispanic Population ³	5.1%
Non-Hispanic ³	94.9%

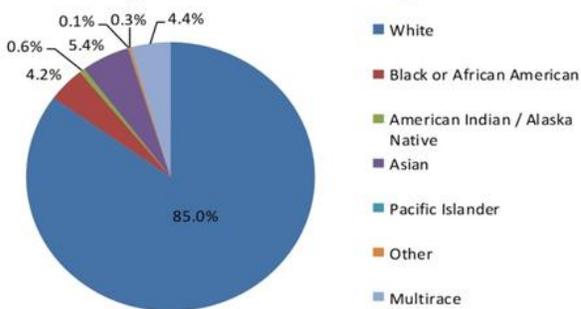
Cottage Grove Age Distribution (2013)¹



Educational Attainment²



Cottage Grove Racial Composition³



¹Applied Graphic Solutions, 2013; Accessed via greatermsp.org

²U.S. Census Bureau, American Community Survey 3-Year Estimates, 2009-2011.

³U.S. Census Bureau, Census 2010.



Cottage Grove

Where Pride and Prosperity Meet



Economic Profile

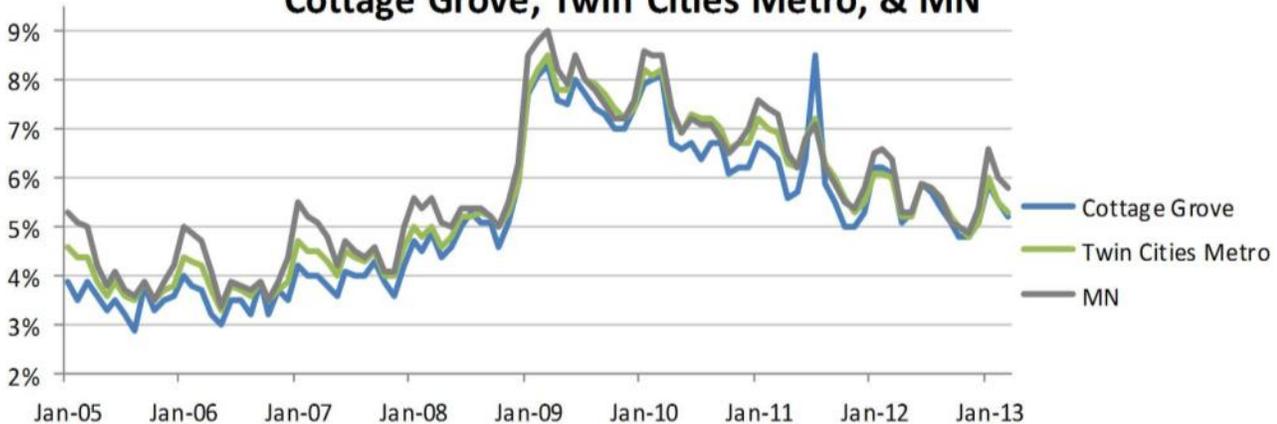
Cottage Grove residents and businesses have weathered the economic storm better than the Twin Cities metropolitan area and the state of Minnesota. Cottage Grove has continued to grow jobs at a rate of 14.4%¹, our unemployment rate has consistently been lower than the state and Twin Cities metropolitan area levels, and our household incomes continue to be strong.

Job Growth Rate ¹	14.44%
Unemployment Rate ²	5.0% (October 2012)
Median Household Income ³	\$82,469
White Collar Workers ¹	60%
Blue Collar Workers ¹	40%

Median Household Income ¹



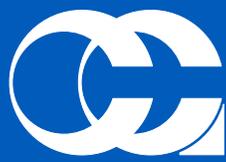
Unemployment Rate Comparison, 2005-2013: Cottage Grove, Twin Cities Metro, & MN ²



¹Applied Graphic Solutions, 2012; Accessed via greatermsp.org

²Bureau of Labor Statistics, Unemployment Rate Not Seasonally Adjusted.

³U.S. Census Bureau, American Community Survey, 5 Year Estimate, 2007-2011.



**Cottage
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Consumer Spending

Cottage Grove average annual household expenditures: \$63,174

Consumer Expenditures (2012)	Average Household	%	Total Household Spending (Million)
Transportation	\$12,749	20.2%	\$152.9
New Vehicle Purchase	\$3,487		\$41.8
Used Vehicle Purchase	\$1,919		\$23.0
Motorcycles (New & Used)	\$93		\$1.1
Vehicle Finance Charges	\$607		\$7.3
Gasoline & Oil	\$2,771		\$33.2
Vehicle Repair And Maintenance	\$972		\$11.7
Vehicle Insurance	\$1,409		\$16.9
Public Transportation	\$748		\$9.0
Other Transportation Costs	\$738		\$8.9
Shelter	\$12,257	19.4%	\$147.0
Mortgage Interest	\$5,291		\$63.5
Property Taxes	\$2,239		\$26.9
Misc. Owned Dwelling Costs	\$1,702		\$20.4
Rental Costs	\$2,242		\$26.9
Other Lodging	\$782		\$9.4
Food and Beverages	\$9,457	15.0%	\$113.4
Food At Home	\$4,768		\$57.2
Food Away From Home	\$3,945		\$47.3
Alcoholic Beverages	\$743		\$8.9
Utilities	\$4,203	6.7%	\$50.4
Health Care	\$3,662	5.8%	\$43.9
Health Care Insurance	\$1,767		\$21.2
Health Care Services	\$883		\$10.6
Supplies & Equipment	\$1,010		\$12.1
Entertainment	\$3,576	5.7%	\$42.9
Fees And Admissions	\$977		\$11.7
Video And Audio Equipment	\$1,198		\$14.4
Recreational Equipment & Supplies	\$1,400		\$16.8
Apparel	\$3,020	4.8%	\$36.2
Men's Apparel	\$576		\$6.9
Boys' Apparel	\$146		\$1.8
Women's Apparel	\$996		\$12.0
Girls' Apparel	\$204		\$2.4
Infants Apparel	\$136		\$1.6
Footwear	\$461		\$5.5
Apparel Services & Accessories	\$498		\$6.0

Consumer Expenditures (Continued)	Average Household	%	Total Household Spending (Million)
Household Furnishings	\$2,905	4.6%	\$34.8
Household Textiles	\$201		\$2.4
Furniture	\$801		\$9.6
Floor Coverings	\$106		\$1.3
Major Appliances	\$324		\$3.9
Housewares & Small Appliances	\$1,471		\$17.6
Contributions	\$2,412	3.8%	\$28.9
Household Operations	\$2,387	3.8%	\$28.6
Babysitting & Elderly Care	\$559		\$6.7
Household Services	\$428		\$5.1
Alimony & Child Support	\$342		\$4.1
Household Supplies	\$1,057		\$12.7
Gifts	\$1,738	2.8%	\$20.9
Gifts Of Apparel	\$346		\$4.2
Gifts Of Apparel Accessories	\$43		\$0.5
Gifts Of Education	\$348		\$4.2
Gifts Of Recreation	\$118		\$1.4
Gifts Of Food And Beverages	\$162		\$2.0
Home Furnishings & Equipment	\$284		\$3.4
Gifts Of Household	\$73		\$0.9
Gifts Of Transportation	\$95		\$1.1
Gifts Elsewhere Unspecified	\$267		\$3.2
Education & Related Supplies	\$1,616	2.6%	\$19.4
Books And Supplies	\$226		\$2.7
Tuition	\$1,389		\$16.7
Misc. Expenses	\$1,029	1.6%	\$12.3
Personal Care	\$910	1.4%	\$10.9
Hair Care	\$70		\$0.8
Electric Personal Care Appliances	\$17		\$0.2
Personal Care Services	\$609		\$7.3
Personal Care Products	\$212		\$2.5
Personal Insurance	\$675	1.1%	\$8.1
Tobacco	\$364	0.6%	\$4.4
Reading	\$206	0.3%	\$2.5
Newspapers	\$88		\$1.1
Magazines	\$42		\$0.5
Books	\$75		\$0.9



Cottage Grove

Where Pride and Prosperity Meet



Workforce Profile

Workers within a 25 minute commuting range

Cottage Grove’s Southeast metro location allows businesses here to draw from a labor pool of over 350,000 workers—including employees from the heart of the metro area as well as from nearby rural areas.

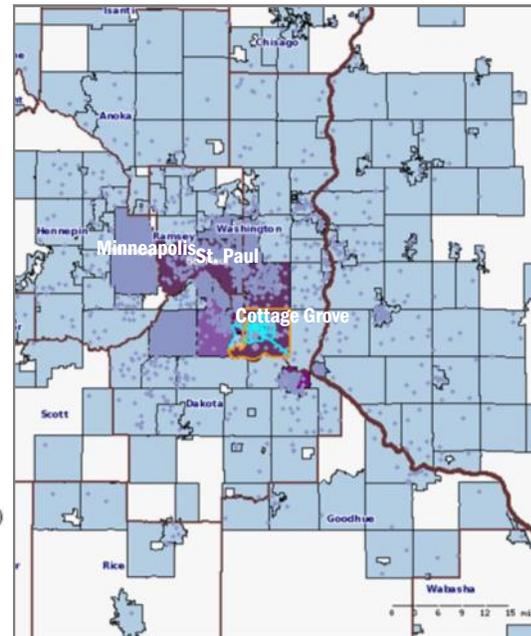
Labor Force (2012)¹ 354,185
 Projected Labor Force (2017)¹ 365,374

Unemployment Rate²: 9.46% (October 2012)
 Labor Force Participation Rate:
 Cottage Grove Area¹ 72.1%
 U.S.² 63.8%

Geographic Diversity

Cottage Grove’s close proximity to the 494, I-94, and 35E—in addition to its lack of traffic congestion—make it easy for workers to commute to Cottage Grove from all around the Twin Cities and outlying areas (see labor shed map, right).

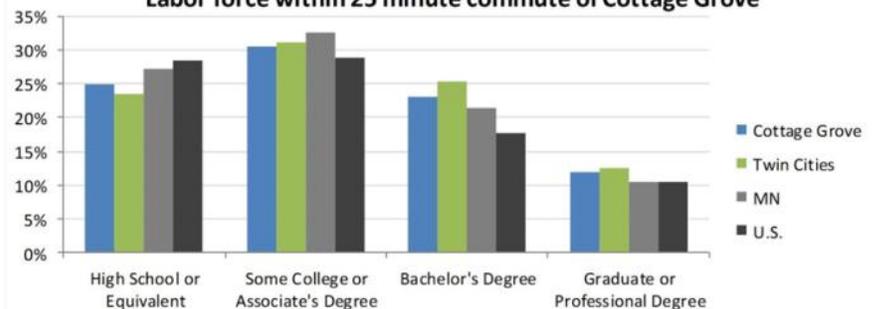
Labor Shed: Where Workers in Cottage Grove Live³



Educated Work Force

Cottage Grove’s labor pool is significantly more educated than state and national averages, with 35% of workers having earned a Bachelor’s degree or higher¹.

Educational Attainment Comparison: Labor force within 25 minute commute of Cottage Grove⁴



¹Applied Graphic Solutions, 2012; Accessed via greatermsp.org

²Bureau of Labor Statistics; Unemployment Rate Not Seasonally Adjusted.

³Minnesota 3D Web Mapping tool, which uses data from the MN Department of Revenue for labor shed mapping.

⁴MN & US data: U.S. Census Bureau, American Community Survey 3-Year Estimates, 2009-2011; Cottage Grove 25 minute radius data: Applied Graphic Solutions, 2012, Accessed via greatermsp.org.



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Housing Profile

Market on the Rise • Wide Variety Housing Options

Cottage Grove has a wide spectrum of housing options, ranging from executive level homes to more affordable houses and apartments.

The housing market in Cottage Grove and in the wider Twin Cities metropolitan area is on the rise. The number of foreclosures in Cottage Grove in 2012 decreased by 23.3% compared to the previous year.¹ And according to the St. Paul Association of Realtors, the median home sales price is rising, the inventory of homes for sale has decreased by 40.4% since April 2012, and homes are selling an average of approximately 40 days more quickly than last year.

Median Home Value ²	\$224,300	Owner Occupied Housing ²	90.2%
Total Housing Units ²	12,139	Renter Occupied Housing ²	9.8%
		Median Gross Rent ²	\$1,087

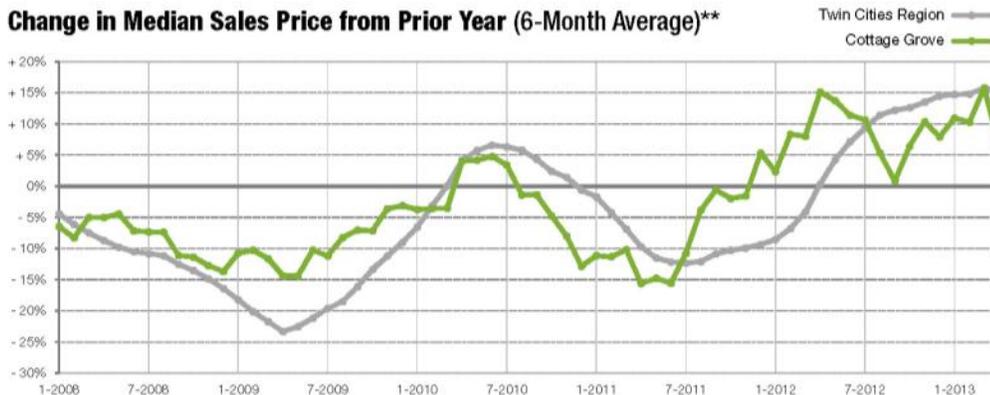


Local Market Update – April 2013³ Cottage Grove

	April			Year to Date		
	2012	2013	+ / -	2012	2013	+ / -
New Listings	66	59	-10.6%	239	222	-7.1%
Closed Sales	41	51	+ 24.4%	141	154	+ 9.2%
Median Sales Price*	\$168,500	\$168,500	0.0%	\$168,500	\$175,000	+ 3.9%
Average Sales Price*	\$201,036	\$187,909	-6.5%	\$194,785	\$193,516	-0.7%
Price Per Square Foot*	\$90	\$95	+ 5.6%	\$86	\$95	+ 10.5%
Percent of Original List Price Received*	94.7%	98.8%	+ 4.3%	93.9%	97.2%	+ 3.5%
Days on Market Until Sale	106	74	-30.2%	114	74	-35.1%
Inventory of Homes for Sale	166	99	-40.4%	--	--	--
Months Supply of Inventory	4.0	2.1	-47.5%	--	--	--

* Does not account for seller concessions. | Activity for one month can sometimes look extreme due to small sample size.

Change in Median Sales Price from Prior Year (6-Month Average)**



** Each dot represents the change in median sales price from the prior year using a 6-month weighted average. This means that each of the 6 months used in a dot are proportioned according to their share of sales during that period. | All data from NorthstarMLS. | Powered by 10K Research and Marketing.

¹Washington County Housing and Redevelopment Authority, Foreclosure Summary of Select Cities, 2011 and 2012

²U.S. Census Bureau, American Community Survey 5-Year Estimates, 2007-2011.

³St. Paul Association of Realtors, Local Market Update April 2013.