# Minnesota Lakes and Rivers Advocaters [MLR] Lake Home and Cabin Ownership Study

#### MLR October 2016

Minnesota Lake Home and Cabin Property Ownership Study (Updated Notes and Comments, 2016)

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#### Methodology

A list of Minnesota resident lakes and property owner/tax payer database of 16313 unduplicated names was turned over directly to Norman F Strizek, consultant, Minneapolis, Minnesota who conducted telephone interviews and recorded the questionnaire data/information. Telephone calls were conducted from August 1, 2016 through September 15, 2016. Calls to over 2000 households were required to complete the 300 interviews\*.

The respondents interviewed are therefore a statistically projectable, representative sample of the total Minnesota lake home and cabin property owner universe.

The overwhelming majority of respondents answered <u>all questions in the survey</u>.

Based upon this methodology, it is a reasonable assumption that the sample includes a homogeneous mix of:

- Both non-MLR and MLR member residential property owners
- Lakeshore seasonal property owners
- Lakeshore Homestead property owners

(However, no attempt was made during the interview process to identify any of these owner segments). This survey follows up and expands upon surveys done in 1999 and 2005.

\*The questionnaire data were recorded and tabulated by Norman F Strizek and reviewed by MLR administrative staff. Hard copies of the original telephone interview forms are available and will be forwarded to MLR's office after completion of the data and findings.

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### **Survey in Greater Minnesota**

### **Key Findings**

- 1. Minnesota lake home and cabin owners have an average age of 68 years. In 1999, the average Minnesota property owner age was 58. In 2005 the average age was 62 years. Lake home and cabin property owners in Minnesota are aging. We can expect a dramatic change in ownership in these properties in the coming decade.
- 2. 98% of seasonal properties have homes, cabins or trailers on their property. 29% are not winterized nor inhabited during the winter months. Some properties have a home and a summer cabin, or multiple cabins, or a home and multiple cabins for rental income.
- 3. Average length of seasonal property ownership is 34.6 years. Of respondents, the longest ownership of a cabin or lake property in one family was 104 years. The shortest time was two years. These places are heirlooms, not assets.
- 4. 56% of Minnesota lake home and cabin property owners occupy/utilize their properties, on average, only 91.3 days per year. 10% are seasonal and 33% are full-time residents. The largest property among respondents is 10,000 acres which contains both a farm and cabin on lake property. This property has 5,000 cows on a farm, and farm land on an unknown percentage of the acreage.
- 5. 8% of respondents purchased their property as an investment. 2% sell their property to make a profit.
- 6. 72% purchase their seasonal property for recreational and retirement use while 20% of seasonal property owners inherited their property or purchased it from a family member.
- 7. 62% of lake home and cabin property owners buy a fishing license each year. Persons who visit the lake property as guests of the owner purchase an average of 3.97 licenses per year.
- 8. Only 11% of the property owners are considering selling their property or an additional cabin on their property over the next three years. Only 11% are considering selling because they are chronologically older and can no longer maintain the upkeep. One owner indicated he spends \$30,000 per year on

upkeep, taxes and maintenance. In some cases water & sewer utility rates are higher than their property taxes.

6% of property owners said they will sell their property in the next three years because it is no longer affordable for them to keep their property. Others cited health reasons; while 2% said it required too much upkeep and 3% cited they could not spend time there.

- 9. 69% of lake home and cabin property owners believe there should be an organization to protect walleye fishing in Minnesota. A number of them remarked that they thought that was one of the purposes of the DNR so why create another organization.
- 10. 58% of the lake home and cabin owners interviewed would <u>not</u> support an organization of walleye, crappie and panfish. Property owners want to know about the cost and the structure of the organization.
- 11. 64% of the cabin and lake property owners would be interested in a State investment in bringing high speed broadband internet to greater Minnesota. Many have problems with cell phone coverage or would welcome lower cost coverage.

#### Additional Findings:

- A. Minnesotans believe that walleye are the icon of Minnesota.
- B. A number of property owners believe that rather than forming an organization for walleye, or walleye, crappie and panfish an organization should be created to cover all fish.
- C. Lake home and cabin property owners who do not fish [38%] did not have fishing licenses and/or they would not encourage others to purchase them. Also, many property owners go to Canada or Alaska to fish and do not fish in Minnesota at all with fishing in Canada to be more exciting and they catch a lot more fish.