



TWIN CITIES METRO

Cost of Living Guide

What it actually costs to live in Minneapolis and St. Paul — housing, utilities, groceries, transportation, and everything in between.

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"Most people moving to the Twin Cities are surprised — not by what things cost, but by how much more they get for what they're spending."

OVERVIEW



The Big Picture

The Twin Cities sit in a genuinely interesting spot on the national cost-of-living spectrum. Minneapolis and St. Paul aren't the cheapest metros in the country — but they offer a major metropolitan experience at a price point that's becoming rare.

Strong job market. Excellent infrastructure. Real neighborhoods with actual character. Access to lakes, parks, and trails built directly into the metro. And a housing market that hasn't lost touch with what most people actually earn.

For people relocating from coastal cities or fast-growing Sun Belt markets, the math here tends to hold up in ways that surprise them.

What makes the Twin Cities different

It's not just that costs are lower — it's that they're more stable. Insurance costs, property taxes, and overall ownership costs here are more predictable than in many markets people are leaving.

#18

U-HAUL GROWTH STATE RANKING -
TOP 20 FOR 6 CONSECUTIVE YEARS

16+

FORTUNE 500 COMPANIES
HEADQUARTERED IN THE METRO

900+

LAKES WITHIN ONE HOUR OF
DOWNTOWN MINNEAPOLIS

TOP 5

NATIONALLY FOR ARTS & CULTURE PER
CAPITA AMONG MID-SIZED METROS

Housing Costs

What Homes Actually Cost Here

The median home price in the Twin Cities metro sits around \$350,000–\$400,000, depending on neighborhood and suburb. Entry-level homes can still be found in the mid-to-high \$200s in certain areas, while established neighborhoods and inner-ring suburbs trend upward from there.

PRICE TIER	RANGE	WHAT TO EXPECT
Entry-Level	\$275K- \$350K	3 BR starter homes, select suburbs
Mid-Range	\$350K- \$475K	Established neighborhoods, good schools
Move-Up	\$475K- \$650K	Premium areas, larger homes
Luxury	\$650K+	Edina, Wayzata, Lake of the Isles

Most buyers coming from other Metro cities find they can afford meaningfully more home here — often with a shorter commute.

Monthly Cost of Owning

- **Mortgage (at \$375K, 20% down):** ~\$1,900–\$2,200/mo
- **Property taxes:** ~1.1%–1.3% annually
- **Homeowners insurance:** \$100–\$180/mo
- **Utilities:** \$150–\$280/mo

The Ownership Advantage

In the Twin Cities, monthly ownership costs are often *comparable* to renting - and in many cases lower when you factor in equity building over time. Property taxes here are stable and predictable, unlike markets where rapid appreciation has driven taxes sharply higher.

Property Tax Reality Check

A \$375,000 home in the Twin Cities typically carries annual property taxes of \$4,000-\$5,000. A comparable home in Chicago's suburbs can run \$9,000-\$12,000.

 **RENTING**

Rent Prices Across the Metro

Depending on your specific needs, renting *could* be a smart strategy for anyone relocating from out of state - it gives you the time to learn neighborhoods before committing to a purchase.

UNIT TYPE	MONTHLY RENT
Studio	\$1,000-\$1,400
1 Bedroom	\$1,200-\$1,800
2 bedroom	\$1,500-\$2,200
3 bedroom	\$1,800-\$2,500

Prices vary significantly by location. Urban neighborhoods like Uptown, North Loop, and downtown Minneapolis are at the higher end. First-ring suburbs like Richfield, Roseville, and St. Louis Park offer more value with good access to the city.

Renting vs. Buying

Renting = flexibility while you get oriented.

Buying = stability once you know where you want to be.

Most people planning to stay 3+ years are better off buying.

 **UTILITIES**

Monthly Utility Estimates

Utilities in Minnesota are real - especially in winter. Most people build a seasonal rhythm around them and don't find them shocking once they know what to expect.

CATEGORY	MONTHLY ESTIMATE
Gas + Electric (summer)	\$80-\$130
Gas + Electric (winter)	\$160-\$280
Internet	\$50-80
Water/Sewer/Trash	\$50-\$90

Annual Average **\$200-\$280/mo**

Homes with newer insulation and efficient systems keep winter utility bills closer to the lower end of the range. When evaluating a home to buy, ask about average winter gas bills — it's a quick way to assess insulation quality.

What People Don't Factor In

Winter heating is the main variable. Budget for January and February to run higher. For most people, this doesn't change the overall financial picture — it just requires planning.



Everyday Costs

Groceries

Grocery costs in the Twin Cities run close to the national average — one of the things that consistently surprises people coming from higher-cost markets where even a basic grocery run feels inflated.

HOUSEHOLD	MONTHLY ESTIMATE
Single Person	\$1,000-\$1,400
Couple	\$1,200-\$1,800
Family of four	\$1,500-\$2,200

Where People Shop

- Everyday: Hy-Vee, Cub Foods, Target
- Premium: Lunds & Byerlys, Kowalski's, Whole Foods
- Value: ALDI, Trader Joe's, Costco
- Seasonal: Farmers markets May–October across the metro

Minneapolis has one of the most active farmers market cultures in the Midwest. The Mill City Farmers Market and Midtown Global Market are local staples worth knowing about.

Dining Out

The Twin Cities have a genuinely strong food scene — regularly appearing on national lists for restaurant quality relative to city size. Costs are reasonable compared to coastal markets.

CATEGORY	TYPICAL COST
Casual lunch	\$12-\$18
Dinner (mid-range)	\$20-\$45/person
Happy hour drinks	\$5-\$10
Coffee Shop	\$4-\$7

What People Don't Factor In

For most people, groceries and everyday spending in the Twin Cities don't feel significantly different from what they're used to — and often feel lighter coming from major coastal markets.





Transportation in the Twin Cities

Car Ownership

The Twin Cities is primarily a car-dependent metro, and most residents own at least one vehicle. The good news: transportation costs are reasonable.

CATEGORY	MONTHLY ESTIMATE
Gas (avg. commuter)	\$80-\$140
Car insurance	\$100-\$160
Parking (suburbs)	Free-\$50
Parking (downtown)	\$80-\$180
Winter maintenance	\$20-\$50 avg/mo

Gas prices in Minnesota typically run at or slightly below the national average. Winter tires are worth the investment if you're coming from a warmer climate — they make a real difference.

Commute Times

The Twin Cities metro is more compact than comparable metros like Chicago or Dallas. Average commute times are notably shorter, which translates into real daily quality-of-life gains.

- **Downtown to inner suburbs:** 15–25 minutes
- **Downtown to outer suburbs:** 25–40 minutes
- **Cross-metro (suburb to suburb):** 20–40 minutes

Metro Transit: Better Than You'd Expect

The Twin Cities has a growing public transit system that's genuinely useful for certain commuters — especially those working downtown or along the light rail corridors.

● Green Line (LRT)

Connects downtown Minneapolis to Downtown St. Paul via the University of Minnesota. Runs every 10-15 min during peak hours.

● Blue Line (LRT)

Connects downtown Minneapolis to the airport and Mall of America. Direct, reliable, and used by both commuters and travelers.

🚌 Bus Network

Extensive system covering most of the metro. Express routes serve major employment corridors. Most useful for downtown-bound commuters.

🚲 Bike & Trail

Minneapolis consistently ranks among the most bike-able cities in the country. The Grand Rounds and Midtown Greenway connect much of the city by trail.

Monthly Transit Pass

For downtown workers living along a light rail corridor, going car-free or car-lite is a realistic option that changes the monthly math significantly.

\$200-\$400

TYPICAL MONTHLY TRANSPORTATION COST - SINGLE-CAR HOUSEHOLD

Monthly Cost Summary

CATGEORY	SINGLE PERSON	COUPLE/HOUSEHOLD	FAMILY OF FOUR
Housing (rent or mortgage)	\$1,200-\$1,800	\$1,500-\$2,500	\$1,800-\$2,800
Utilities	\$150-\$225	\$175-\$280	\$200-\$300
Groceries	\$300-\$450	\$500-\$700	\$800-\$1,100
Transportation	\$200-\$350	\$300-\$500	\$350-\$550
Dining/Entertainment	\$200-400	\$300-\$600	\$250-\$500
Personal/Misc	\$150-\$300	\$200-\$400	\$300-\$500
TOTAL ESTIMATE	\$2,200-\$3,500	\$3,000-\$5,000	\$3,700-\$5,750

These are ballpark estimates.

Your actual costs will vary based on neighborhood, lifestyle, whether you rent or own, and your household size. The ranges above reflect a realistic middle ground - not the absolute minimum or maximum.

The biggest variable is housing. Someone renting a 1BR in the suburbs vs. owning a home in South Minneapolis will have very different total monthly costs. Everything else in the table is relatively consistent across the metro.

What This Looks Like vs. Where You're From

San Francisco/Bay Area	~2.2x more
Chicago	~1.35x more
Denver	~1.25x more
Nashville	~1.15x more
Phoenix	~1.1x more
Orlando/Tampa	~1.05x more
Milwaukee	~1.03x more
Fargo	~1.01x more
Twin Cities	Baseline



Where Your Money Goes Further



Stable Housing Market

The Twin Cities housing market has consistently appreciated without the dramatic swings that have hit other metros. Predictable, not volatile.



Reasonable Property Taxes

Effective rates of 1.1-1.3% annually. Dramatically lower than Illinois, New Jersey, or parts of Texas that have seen rapid reassessments.



Stable Insurance Costs

Homeowners insurance here hasn't experienced the crisis-level increases that have hit California, Florida, and parts of the Gulf Coast.



Functional Transit Options

Light rail, express buses and an expanding bike infrastructure mean not every household needs two cars to function well in the Twin Cities.



Free & Low-Cost Outdoors

The parks, lakes, and trails in the Twin Cities metro are publicly accessible and genuinely exceptional. The best things to do here are often free.



Strong Job Market

16+ Fortune 500 companies, a diverse economy across healthcare, finance, tech, and retail - wages here support the cost of living in a way that matters.



The Bottom Line

For most people relocating to the Twin Cities, the biggest surprise isn't any one number — it's the cumulative effect of a city where costs are reasonable, wages are competitive, and the quality of life is genuinely high. You're not trading down to save money. You're finding a place where the math actually makes sense long-term.

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Ready to make
your move?

We'd love to walk you through what you've read here and help you figure out where you fit in the Twin Cities — and what you can realistically afford.

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