



REAL PROPERTY **RESEARCH** GROUP

ATLANTA ■ WASHINGTON/BALTIMORE

Grinnell Housing Market Assessment

Poweshiek County, Iowa

Prepared for:

City of Grinnell

Site Inspection: September 17-18, 2020

Effective Date: November 20, 2020





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EXECUTIVE SUMMARY

The City of Grinnell has retained Real Property Research Group, Inc. to conduct a community-wide Housing Market Assessment. This report is the second update of a previous Housing Market Assessment originally completed by RPRG for the City of Grinnell in November 2012 and first updated in March 2017. For the purposes of this analysis, RPRG evaluated current market conditions and the balance of supply and demand in the rental and for-sale markets, considering all housing types regardless of age or income restrictions. Based on these findings, RPRG suggested appropriate product types for potential development in Grinnell, including target market, structure type, and price position. RPRG also evaluated current housing pipeline projects in Grinnell in terms of their appropriateness for the market and their ability to address the city's housing needs.

RPRG expects this Housing Market Assessment to be utilized by the City of Grinnell for internal assessment, helping to guide Chamber programs and policies. The report will also serve to document the marketability of various housing products to other Intended Users, including potential investors, developers, and lenders. Based on our research, including a site visit in September 17-18, 2020, we have arrived at the following findings:

Site and Neighborhood Analysis:

Grinnell is a modest-sized community in East Central Iowa that serves as both the population center and economic hub of rural Poweshiek County. The city offers ample access to community amenities, major employers, and traffic arteries within the region, and is easily accessible via Interstate 80. Overall, the city contains the necessary infrastructure and facilities to support growth but has been historically limited by a lack of quality housing units and higher land/homeownership costs.

Economic Context:

Poweshiek County's economy has been stable over past decade, maintaining a modest unemployment rate and a consistent At-Place Employment base. Poweshiek County's economy is primarily anchored by several moderate-size major employers, which serve as stabilizing influences on the county's overall economy and attract a significant percentage of in-commuting workers from throughout the region.

- Poweshiek County's unemployment rate has closely mirrored state trends over the past ten years and remained well below national levels. The county's most recent annual unemployment rate was 2.7 percent in 2019, which was equal to the state's unemployment rate and well below the national unemployment rate of 3.7 percent. While the county's monthly unemployment rate spiked to as high as 10.7 percent in May due to the COVID-19 pandemic, it has still remained lower than state and national unemployment rates over the last six months and receded back down to just 3.4 percent as of September. While the county has not yet fully recouped the labor forces losses that occurred because of the COVID-19 pandemic, the county has significantly less affected than other parts of the state and nation.
- Poweshiek County's net job growth was limited to just nine jobs from 2008 to 2019 due primarily to large job losses in 2009 and 2019 offsetting steady job growth in eight of the past eleven years; however, the reclassification of 500 jobs at Grinnell Regional Medical Center likely accounted for the bulk of job losses reported in the county in 2019 even though no such losses actually occurred. As a result, the county has added an estimated net total of 509 jobs since 2008.



- Education-Health (20.8 percent), Manufacturing (17.7 percent), and Trade-Transportation-Utilities (17.7 percent) are Poweshiek County's three largest employment sectors, accounting for 56.2 percent of all jobs in the county compared to 43 percent nationally. The county contains a significantly higher percentage of Education-Health and Manufacturing jobs relative to the nation including a percentage of Manufacturing jobs that is more than double the national rate.
- Seven of eleven industry sectors in Poweshiek County added jobs since 2011, the most notable of which was the 13.9 percent growth in Manufacturing. The Trade-Transportation-Utilities and Financial Activities sectors also experienced steady growth of roughly six to nine percent during this period.
- Roughly two-thirds of Grinnell's workforce lived outside the city as of 2017, many of whom commute from the surrounding rural areas or nearby communities including Newton, Marshalltown, Brooklyn, and Montezuma. The demographics of commuters skewed more heavily toward younger, low to moderate wage workers in the "Goods Producing" and "Trade-Transportation-Utilities" industries.

Growth Trends:

The Grinnell Market Area remained relatively stable from 2000 to 2010 with limited population and household growth. While Esri estimates indicate the Grinnell Market Area's population and household growth rates increased slightly from 2010 to 2020, population and household growth is projected to be minimal over the next five years. Older adult and senior households are also expected to increase at a modest pace primarily due to aging in place.

- The Grinnell Market Area added 70 people (0.8 percent) and 38 households (1.1 percent) from 2000 to 2010, which equate to annual growth rates of 0.1 percent for both population and households. Based on Esri estimates, the Grinnell Market Area added 286 people and 55 households from 2010 to 2020. Esri projects that the Grinnell Market Area will add 27 people and 18 households from 2020 to 2025, which equate to annual growth rates of 0.1 percent.
- Esri estimates Grinnell Market Area households 55+ and 62+ increased at annual rates of 1.2 to 1.3 percent per year from 2010 to 2020. Senior households are projected to increase at annual rates of 0.3 percent for those ages 55 and older and 0.9 percent for those ages 62 and older in the Grinnell Market Area through 2025. Based on projected declines among younger seniors and gains among older seniors, projected senior household growth is likely to be driven by aging in place rather than net migration.

Demographic Trends:

The demographics of the Grinnell Market Area are representative of a small college community with a high percentage of young adults and one and two-person households. Outside of students, however, the Grinnell Market Area contains many young and working age professionals, families, and seniors with moderate to high incomes and an increasing propensity to rent.

- Grinnell Market Area's population is relatively evenly distributed among age cohorts with each cohort accounting for approximately 23 to 27 percent of the population. Relative to the Secondary Market Area, the Grinnell Market Area has a notably higher percentage of young adults age 20 to 24 (23.5 percent versus 18.2 percent), due in large part to Grinnell College, and a lower percentage of adults age 35 to 61 (26.6 percent versus 32.3 percent). The Grinnell Market Area contains roughly the same percentage of children/youth under the age of 20 (25 percent) and seniors age 62 and older (25 percent) as the Secondary Market Area.



- Single persons and households with at least two adults and no children each accounted for roughly 36 percent of households in the Grinnell Market Area and nearly 73 percent of all Grinnell Market Area households combined as of the 2010 Census. The Grinnell Market Area had a much higher percentage of single persons (36.3 percent versus 29.2 percent) than the Secondary Market Area, due to the presence of Grinnell College, and a notably lower percentage of households with children (27.2 percent).
- Roughly 58 percent of households in the Grinnell Market Area owned their home as of 2020, a decline from a roughly 65 percent rental rate in 2000 and 2010. This was due to an increase of 282 renter households and a loss of 227 owner households in the Grinnell Market Area over the last ten years. Over the next five years, Esri projects renter households will account for 75 percent of net household growth.
- The 2020 renter percentages for households with householders 62+ as estimated by Esri are 30.3 percent in the Grinnell Market Area and 22.5 percent in the Secondary Market Area.
- Older adults and seniors age 55 or older comprise approximately 64 percent of all owner householders in the Grinnell Market Area while working-age adults (35-54 years) account for the next largest percentage at 29.9 percent.
- Among renter householders in the Grinnell Market Area, 34.2 are children/young adults (age 15-34), 27.6 percent are working age adults (age 35-54), and 38.2 percent are older adults/seniors (age 55+).
- Approximately 69 percent of all owner households and 74.6 percent of all renter households contained one or two persons as of the 2010 Census. Roughly 24 percent of owner households and 21 percent of renter households had three or four persons. Large households (5+ persons) comprised approximately five to six percent of all owner and renter households.
- RPRG estimates that the 2020 median household income in the Grinnell Market Area is \$47,442, which is \$6,905 or 12.7 percent below the \$54,347 median income in the Secondary Market Area. Roughly 36 percent of all households in the Grinnell Market Area had annual incomes of less than \$35,000 in 2020 and roughly one-third have moderate incomes of \$35,000 to \$74,999. Roughly 30 percent of households in the Grinnell Market Area have annual incomes of \$75,000 or more. Relative to the Secondary Market area, the Grinnell Market Area's higher percentage of very low income households earning less than \$15,000 annually is likely due in part to students at Grinnell College.
- The Grinnell Market Area had an owner median household income of \$59,934 in 2020, which is nearly twice the renter median income of \$31,789. Roughly 40 percent of all owner households in the Grinnell Market Area have annual incomes of \$75,000 or more compared to just 17.8 percent of renter households. Conversely, nearly half (44.2 percent) of renter households have low to very low incomes (less than \$35,000) compared to just 11.6 percent of owner households.
- The 2020 median incomes for senior households (62+) in the Grinnell Market Area were \$24,972 for renters and \$44,730 for owners. Half of all senior renter households in the Grinnell Market Area have annual incomes of \$25,000 or less while 43.2 percent of senior owner households earn at least \$50,000 per year.

General Occupancy Rental Analysis:

RPRG surveyed six general occupancy rental communities in the Grinnell Market Area including two that are deeply subsidized, two that are income/rent restricted through the Low Income Housing Tax Credit Program, and two that are market rate. Given the limited multi-family rental stock, RPRG also collected data on scattered site rental in the Grinnell Market Area to supplement rental analysis. Overall, rental market conditions in the Grinnell Market Area were generally tight with limited vacancies in the market.



- The four non-subsidized rental communities surveyed in the market area offer 179 rental units, of which five or 2.8 percent were reported vacant. All five vacancies reported occurred at the two LIHTC communities. The two deeply subsidized properties were both fully occupied at the time of our survey.
- Among the non-subsidized multi-family communities surveyed, average effective rents and rents per square foot by floor plan are as follows:
- **One-bedroom** effective rents averaged \$642 per month. The average one-bedroom square footage was 700 square feet, resulting in a net rent per square foot of \$0.92. The range for one-bedroom effective rents was \$550 to \$810.
 - **Two-bedroom** effective rents averaged \$657 per month. The average two-bedroom square footage was 1,027 square feet, resulting in a net rent per square foot of \$0.64. The range for two-bedroom effective rents was \$498 to \$1,100.
 - **Three-bedroom** effective rents averaged \$668 per month. The average three-bedroom square footage was 1,200 square feet, resulting in a net rent per square foot of \$0.56. The range for three-bedroom effective rents was \$655 to \$680.
- RPRG identified seven scattered site rentals currently available in the market area. Average asking rents by size were as follows:
 - **One-bedroom** asking rents ranged from \$740 to \$900 with an average of \$813 for 575 square feet or \$1.64 per square foot.
 - **Two-bedroom** asking rents ranged from \$600 to \$1,000 with an average of \$756 for 867 square feet or \$0.92 per square foot.
- RPRG was also able to survey one property management company (Ramsey-Weeks), which manages a total of 20 scattered site rental units in Grinnell. Ramsey-Weeks reported one vacancy among these 20 units with average rents of \$550 for studios, \$550 to \$700 for one-bedroom units, \$650 to \$900 for two-bedroom units, and \$900 to \$1,200 for three to four-bedroom units.
- RPRG identified three rental communities and one for-sale community in various stages of development within the Grinnell Market Area.

Senior Rental Analysis:

As part of the Grinnell Housing Market Assessment, RPRG also examined the senior rental market in Grinnell. In total, nine senior rental communities were identified including seven deeply subsidized properties and two continuing care retirement communities (CCRC). One additional senior assisted living community (Windsor Manor) declined to participate in our survey.

- St. Francis Manor / Seeland Park and Mayflower Homes are continuing care retirement communities (CCRC) that contain for-sale (up-front fee or purchase price) and rental (monthly fee) components. Both communities offer a variety of unit types including one- and two-bedroom apartments, duplexes, patio homes, and assisted living / skilled nursing beds. The two CCRC's reported an aggregate vacancy rate of 21.5 percent among skilled nursing and assisted living units, which is due in part to the high turnover of these housing types and the need for isolation units during the COVID-19 pandemic. CCRC entrance fees / purchase prices range from \$29,000 to as much as \$375,000 (depending upon the unit) with monthly rates ranging from \$485 to \$1,825.



- Seven senior rental communities, two of which are designated for disabled persons, are all deeply subsidized through the USDA Rural Development and/or LIHTC programs. These communities offer 152 rental units, 13 of which were vacant (8.6 percent) at the time of our survey; however, vacancies at these communities are likely transitional as all reported waiting lists of varying lengths.

For-Sale Analysis:

RPRG evaluated MLS data for Grinnell, including overall trends and recent sales. RPRG also compiled housing data on six active for-sale communities in the city from the Poweshiek County Tax Assessor.

- The number of units sold in Grinnell has largely been stable over the last two years with a slight upward trend during this period. Peak sales activity occurred in the late summer months of 2019 during which home sales exceeded 20 per month twice in a three-month period.
- Like sales volume trends, the median sales price in Grinnell has also increased slightly over the last two years with the highest median sales price of \$250,000 occurring in February of this year. In most months, the median home sales price ranged from \$100,000 to \$150,000.
- The Median Days on Market (DOM) in Grinnell has slowly declined over the last 24 months despite a spike during the onset of the COVID-19 pandemic.
- Grinnell had a total of 155 home sales over the past 12 months with a median sale price of \$151,000, an average unit size of 1,520 square feet, and an average price per square foot of \$99.34. The average months of inventory is just 2.9 months at present, which is partly due to a lack of inventory driven by the COVID-19 pandemic. All homes priced under \$300,000 had months of inventory of less than three months (seller's markets) while those priced over \$300,000 had roughly six to ten months of inventory (balanced to buyer's market).
- Grinnell has six active for sale subdivisions with lots or homes available – Prairie Point Estates, Prairie Street, East Gate Estates, Melrose Lane, Grinnell Garden Cottages, and Reed Row. Combined these six subdivisions contain 167 lots, 131 of which (80.1 percent) have been sold. The homes in each community have varying price points with many in the Prairie Point Estates, Prairie Street, and East Gate Estates subdivisions in the \$300,000 to \$500,000 range. Melrose Lane, Grinnell Garden Cottages, and Reed Row generally contain more affordable homes, though most homes are custom built by residents and can vary significantly in value within the same neighborhood. Homes in these communities typically range from \$200,000 to \$300,000 with homes in Grinnell Garden Cottages at the bottom of that range.

Rental Housing Demand:

General Rental Housing

- Based on the analysis above, the rental market would be in balance if both buildings of the planned market rate community Merge Grinnell came to fruition within the next three years. Should Stella Place also come to fruition within the next three years, the market area would have a projected oversupply of 52 units; however, it is likely that the two buildings of Merge Grinnell will be phased, spreading out the introduction of rental units over a longer period than three years. Furthermore, it is likely these new developments would attract a portion of commuting workers not accounted for in household growth estimates, reducing the likelihood of an actual oversupply. A more detailed breakdown of potential regional demand is provided on page 82. While COVID-19 has had a significant impact on the national economy in at least the short-term, Grinnell has not yet been significantly impacted in terms of permanent job losses and the county's monthly unemployment rate has since rebounded to levels prior to the pandemic. Furthermore, the projected housing demand in the Grinnell Market Area is not relying on significant household growth projections and is more the result of a natural attrition



of the city's aging housing stock. As such, we do not believe the COVID-19 pandemic will have a significant impact on the demand for rental housing in the market area.

Senior Rental Housing

- The Grinnell Market Area can absorb up to 27 additional independent senior rental units over the next three years and remain in balance.

In-Commuter Rental Housing

- Using in-commuter capture percentages ranging from two to ten percent, potential housing demand exists for 15 to 75 rental units (in addition those projected from household growth, unit replacement, and the structural vacancy rate) and five to 25 for sale units. While the exact percentage of in-commuter households that would relocate to the Grinnell Market Area if suitable housing was available is difficult to quantify, this range of demand from in-commuting households provides a frame of reference for the development of new housing communities.

Product Recommendations:

Based on net demand estimates, the Grinnell Market Area is projected to be in balance assuming both phases of the planned market rate community come to fruition in the next three years. Should that not occur, the market area would have demand for roughly 40 to 50 general rental units. The market area is also projected to have demand for up to 27 senior rental housing over the next three years. The rental demand in the market area continues to be driven by housing unit replacement, which is reasonable given the significantly older age of the market area's housing stock. Given the Grinnell Market Area's stability, in-commuting workers are also likely to have some impact on housing demand both in the rental and for-sale markets. Taking these factors into consideration along with the demographics of the market area and recent housing development, we offer the following general product recommendations and pricing for rental and for-sale housing opportunities in the Grinnell Market Area:

Rental Housing:

The success of Spaulding Lofts over the past three years demonstrates the pent-up demand for quality rental units in the market area, both among lower and moderate-income households. The addition of Spaulding Lofts' 77 units, which primarily target renters earning at or below 60 percent of the Area Median Income, helped address the market area's need for more modernized affordable housing. It is also noteworthy that the 20 market rate units at Spaulding Lofts are able to achieve rents \$300 to \$400 above the top of the rental market, illustrating the ability and willingness of moderate-income households to spend more for quality housing units. This underscores the need for additional market rate rental units in the market area, as most moderate-income households in the Grinnell Market Area (earning \$35,000 to \$74,999) would not be income qualified for 60 percent LIHTC units based on 2020 HUD income limits for Poweshiek County. Should the planned Merge Grinnell development come to fruition, it would fully address this need; however, in the event this project did not move forward, we offer the following product recommendations for alternative rental housing communities.

Over the next three years, we recommend focusing on market rate rental housing to address projected rental demand in the market area. This will help address the needs of nearly 40 percent of renter households in the Grinnell Market Area who earn from \$35,000 to \$74,999 per year and are among the most underserved by the existing rental stock. The planned Merge Grinnell development and possibly some units the proposed Stella Ridge development will address this demand. Should some or all these projects not move forward, the market area would have a projected rental demand for roughly 40 to 90 units and as high as 150 units (depending on in-commuter housing demand). In this scenario, we recommend a 40 to 80-unit market rate rental community that offers (depending on the building type)



one, two, and three-bedroom floor plans. The unit distribution of this community should be more heavily weighted toward smaller units given the high percentage of small renter households in the market area.

Ideal building types for a market rate rental community in the Grinnell Market Area include:

- **Single-Family Detached Homes** - While single-family detached rental homes would be well received within the community, the increased development costs and land requirements generally associated with this product type make large developments of single-family rentals less common. If such a community were developed, we would recommend building two- and three-bedroom homes offering roughly 1,100 to 1,300 square feet and 1,300 to 1,500 square feet, respectively. At a minimum, the homes should include an attached garage or carport, standard kitchen appliances (refrigerator, range/oven, dishwasher, and garbage disposal), and washer/dryer connections but do not need to include a basement. Given the attractiveness of this product type, no community amenities would be necessary; however, the inclusion of a playground or recreational space would enhance the overall appeal of the community. The target market of this product type would primarily be couples and small to large families. In recent years, single-family home rental communities comparable to what is described have become increasingly popular and viable in many markets across the country. Several larger developers of these types of communities now exist and operate in the Midwest including Redwood Homes.
- **Townhomes/Attached Homes** - Townhome units or attached homes (duplexes, tri-plexes, etc.) would be an ideal product type for market rate rental housing in Grinnell. They would fit well with the existing housing stock and overall character of development within the city, while providing a denser housing type often necessary for rental development. We would recommend a community comprised of two- and three-bedroom floor plans for duplex buildings or one, two, and three-bedroom units for multi-unit attached buildings. Each unit should offer roughly 750 to 1,250 square feet, standard kitchen appliances (refrigerator, range/oven, dishwasher, and garbage disposal), and washer/dryer connections. As with single-family homes, community amenities would not be required but would enhance the overall appeal of the property. The target market of this product type would include couples, roommates, and small to large families.
- **Garden-Style Buildings** – A two-story garden-style community would also be suitable for new market rate rental housing in Grinnell and would offer more flexibility to include smaller unit types. We recommend a garden-style community include a mix of one, two, and three bedroom units, offering roughly 750 to 1250 square feet, with all standard unit appliances mentioned with the other product types as well as moderate community amenities (a community room, business/computer center, fitness center, and playground). This type of housing community would be consistent with the existing garden-style communities in Grinnell while offering a new modernized alternative with greater unit features and community amenities. The target market of this product type would include single persons, couples, roommates, and small to large families.
- **Downtown Loft Apartments** – Additional loft apartments in downtown would also be suitable for new market rate rental units in the city and would be ideal for small households, most of which are likely to be single persons. The target market of this product type would primarily be single persons and some couples or possible roommates.
- **Pricing** – Assuming an appropriate product based on the recommendations above, RPRG judges a new market rental community in Grinnell can be priced at the top of the rental market comparable to the market rate units at Spaulding Lofts. Regardless of product type and



location, a newly constructed rental community will be attractive to prospective renters in and around the Grinnell Market Area and will be among the most attractive in the market upon construction. Among the product types recommended, single-family detached homes would have the highest achievable rents followed by townhomes/attached homes. The rent premium for single-family detached homes and townhomes/attached homes is based on the increased levels of privacy, larger unit sizes, and access to a yard. In most markets, single-family detached homes can generally achieve rents 10 to 15 percent higher than traditional multi-family apartments all else being equal. RPRG's recommended rents for an apartment community assume that residents are responsible for all utilities except the cost of trash removal.

Unit Type	Building Type	Units	Bed	Bath	Avg. Square Feet	Net Rent	Rent/Sq Ft
Market	Apartment	20	1	1	750	\$850	\$1.13
Market	Apartment	28	2	2	1,100	\$1,150	\$1.05
Market	Apartment	12	3	2	1,250	\$1,250	\$1.00
Total/Avg.		60			1,157	\$827	\$0.71

Rents include: trash removal

For-Sale Housing:

Most of the existing owner-occupied housing stock in the Grinnell Market Area is of an older vintage, as nearly two-thirds (62.1 percent) of owner-occupied housing units were built prior to 1970 and 83.2 percent were built prior to 1990. The quality of these units varies significantly, though many are in what would be considered below average condition. Over the past few years, the Grinnell Market Area experienced modest for-sale housing growth; however, some of the newer homes in the market area are priced in the high \$200,000s or above \$300,000, making them less affordable for most moderate-income households. Based on recent sales data, the velocity of home sales is significantly slower above the \$300,000 price point. Based on the demographics of the Grinnell Market Area and recent sales trends, we recommend continuing to build single-family detached homes in the \$175,000 to \$275,000 price range to satisfy for-sale housing demand over the next three years.

Brief product recommendations to satisfy projected for-sale demand are as follows:

- **Single-Family Detached Homes** – Single-family detached homes are the most common owner occupied housing units in the Grinnell Market Area and would be the most desirable product type for new for-sale housing units. We would recommend building three-bedroom homes offering roughly 1,800 to 2,200 of finished square feet. The homes should include attractive exterior features (brick/stone accents), attached garages, standard kitchen appliances (refrigerator, range/oven, dishwasher, and, garbage disposal), washer/dryer connections, a patio/deck, and an unfinished basement. The target market of this product type would primarily be couples and small to large families.
- **Townhomes/Attached Homes** - Townhome units or attached homes (duplexes, tri-plexes, etc.) are best suited for moderate income households, offering a semi-detached product with a partial yard and more privacy but a smaller more affordable housing unit overall. Attached homes and townhomes could target middle income price points and offer an alternative to more expensive single-family detached homes. These unit types also require less land for development and can work as both a separate community or as an infill development, if necessary. We would recommend two-story units for townhomes and one-story units for attached homes with attractive exterior features (brick/stone accents),



attached garages, standard in-unit kitchen appliances (refrigerator, range/oven, dishwasher, and, garbage disposal), washer/dryer connections, and patios. Units should include both two- and three-bedroom floor plans with approximate sizes ranging from 1,200 to 1,800 square feet, respectively. The target market of this product type would include couples, roommates, and small to large families.

- **Pricing** - Assuming an appropriate product based on the recommendations above, RPRG's recommended prices for each product type are as follows:

Grinnell Market Area For-Sale Units - Recommended Pricing					
Product Type	Bed	Bath	Square Feet	Sales Price	Sales Price/Sq. Ft.
Attached Home / Townhome	2	1.5	1,200	\$175,000	\$145.83
Attached Home / Townhome	2	2.5	1,600	\$210,000	\$131.25
Attached Home / Townhome	3	2.5	1,800	\$230,000	\$127.78
Single-Family Detached Home	3	2.5	2,000	\$250,000	\$125.00
Single-Family Detached Home	3	2.5	2,200	\$270,000	\$122.73
Average			1,900	\$240,000	\$126.32

Senior Rental Housing:

The Grinnell Market Area contains an established older adult and senior household base that is likely to age in place over the next five to ten years. This aging in place will continue to drive demand for the two CCRC's in the market area, which are ideally suited to meet the needs of these established seniors, especially as all of projected senior household growth is expected to occur among senior households with a householder age 65 and older. Given the entrance / purchase requirements of the CCRC's, these unit types will be filled by moderate to high income seniors many of whom are likely to convert from homeownership. The Grinnell Market Area also contains seven deeply subsidized senior / disabled rental communities, who serve the lowest income seniors in the market area. Notably absent are senior housing communities targeting low to moderate income seniors (earning \$15,000 to \$34,999) who comprise roughly one-third of all senior renter households. Taking this into consideration, we believe a small senior LIHTC community (30 to 40 units) would be well received in the market area and would provide an age and income restricted rental alternative for low to moderate income seniors living in scattered site or general occupancy rental housing. If a senior LIHTC community were to be pursued, we would recommend it include units restricted to 40 percent, 50 percent, and 60 percent Area Median Income levels to adequately address the \$15,000 to \$34,999 senior income cohort.

Affordability:

Affordability estimates and capture rates for both rental and for-sale housing are reasonable and would be achievable in the market. The estimates shown for the Grinnell Market Area are also conservative, as they do not include portions of the surrounding counties from which the recommended housing communities would likely draw some tenants / owners. Overall, sufficient income qualified households exist to support the recommended housing types in the market area as of 2021.

Impact on Existing Market

Based on the projected rental demand, the Grinnell Market Area will be able to support both phases of the planned market rate rental community Merge Grinnell over the next three years and remain in balance. Should Stella Ridge also move forward during the same time period, it is possible the market area could have a modest oversupply of rental housing; however, given these rental communities are likely to attract at least a portion of in-commuting demand, the Grinnell Market



Area can likely support both Merge Grinnell and Stella Ridge and remain in relative balance over the next three years. The construction of a new residence hall for Grinnell College will also have some impact on the rental market, as it will likely free up some existing rental units previously occupied by students; however, the varying target markets of all three pipeline projects in the market area will help minimize competition between communities. As new high-quality market rate rental units are scarce not only in the market area but in the region, we believe it is likely Merge Grinnell will attract a high percentage of in-commuters. Should some or all these pipeline projects not move forward, demand will still exist for both rental and for-sale housing in the Grinnell Market Area.

Conclusion / Recommendation

Grinnell is home to a diverse group of major employers, making it a regional economic hub for workers living throughout the surrounding counties, nearby cities, and major metropolitan areas of Des Moines, West Des Moines, and Iowa City. While Grinnell has not experienced significant population or household growth over the past ten years, it has maintained relative stability and continues to have the potential for growth if it can effectively attract just a small portion of its workforce that chooses to commute rather than live in the city. The proposed and planned pipeline projects are ideally suited to address the city's specific housing needs and will be well received by their intended target markets if constructed. Based on the limited changes that have occurred in the city over the last three years, we believe Grinnell should continue to target moderate income households with new housing development and gradually replace the city's aging housing, most of which is at least 40 years old. Sufficient demand will exist in the Grinnell Market Area over the next three years to support all potential pipeline projects though given the smaller size of the rental market it may be helpful if development is staggered rather than built all at once. While high development costs and a potential ceiling on achievable rents due to lower household incomes present challenges to new development, the success of Spaulding Lofts and the Grinnell Cottages for-sale community demonstrate pent-up demand for new housing units exists in the market area.



1. INTRODUCTION

A. Purpose of Report

The City of Grinnell has retained Real Property Research Group, Inc. to conduct a community-wide Housing Market Assessment. This report is the second update of a previous Housing Market Assessment originally completed by RPRG for the City of Grinnell in November 2012 and first updated in March 2017. For the purposes of this analysis, RPRG evaluated current market conditions and the balance of supply and demand in the rental and for-sale markets, considering all housing types regardless of age or income restrictions. Based on these findings, RPRG suggested appropriate product types for potential development in Grinnell, including target market, structure type, and price position. RPRG also evaluated current housing pipeline projects in Grinnell in terms of their appropriateness for the market and their ability to address the city's housing needs. If appropriate, components of this analysis can be converted sometime in the future to a full market analysis of a specific product, suitable for submission to lenders, HUD, or the Iowa Finance Authority (IFA).

B. Format of Report

The report format is a Housing Market Assessment, a comprehensive city-wide analysis that does not focus on a specific product or site. If we were to prepare a comprehensive feasibility study for a specific development, there would be changes, additions and deletions to the material presented here. Moreover, the findings, conclusions and/or recommendations yielded because of a product specific study may differ from those presented here.

C. Client, Intended User, and Intended Use

The Client is the City of Grinnell. RPRG's expects this Housing Market Assessment to be utilized by the City of Grinnell for internal assessment and to help to guide programs and policies. The report will also serve to document the marketability of various housing products to other Intended Users, including potential investors, developers, and lenders.

D. Scope of Work

The Housing Market Assessment includes an area analysis, a demographic analysis, an economic analysis, a competitive analysis (rental and for-sale), and an overall supply/demand analysis. Subsequently, we include product, pricing, and other recommendations as well as an affordability analysis based on the recommended product(s). The Housing Market Assessment also contains a brief site/project-specific analysis that evaluates current housing projects underway in the city and potential sites for future housing development.

- Michael Riley (Senior Analyst) conducted a visit to Grinnell on September 17-18, 2020.
- Primary information gathered through field and phone interviews was used throughout the various sections of this report. The interviewees included rental community property managers, Russ Behrens (City of Grinnell), Tim Portzen (Hubbell Development), Monica Chavez-Silva (Grinnell College), Bob Mann (Mayflower), Dion Schrack (St. Francis Manor / Seeland Park), Kevin Kolbe (Ramsey-Weeks), and Laura Manatt (Poweshiek Iowa Development).



- All pertinent information obtained was incorporated in the appropriate section(s) of this report.

E. Report Limitations

The conclusions reached in a market assessment are inherently subjective and should not be relied upon as a determinative predictor of results that will occur in the marketplace. There can be no assurance that the estimates made or assumptions employed in preparing this report will in fact be realized or that other methods or assumptions might not be appropriate. The conclusions expressed in this report are as of the date of this report, and an analysis conducted as of another date may require different conclusions. The actual results achieved will depend on a variety of factors, including the performance of management, the impact of changes in general and local economic conditions, and the absence of material changes in the regulatory or competitive environment. Reference is made to the statement of Underlying Assumptions and Limiting Conditions contained in Appendix I of this report.

F. Other Pertinent Remarks

This market study was completed based on data collected as the COVID-19 pandemic was ongoing nationally and locally. Specific data on the recent and potential economic and demographic ramifications were not available at the time this report was completed outside of a few months of unemployment data. This market study will comment on the potential impact of the evolving situation as appropriate.



2. SITE AND NEIGHBORHOOD ANALYSIS

A. Area Overview

1. Introduction and Background

Grinnell is in East Central Iowa, approximately 50 miles east of the Des Moines Metropolitan Area. While small, Grinnell is supported by a strong economic base, including a diverse group of major employers. As both the largest city and economic center of rural Poweshiek County, Grinnell attracts its workforce from throughout the region (eastern and central Iowa) and is conveniently located just three miles north of Interstate 80, Iowa's primary east/west thoroughfare.

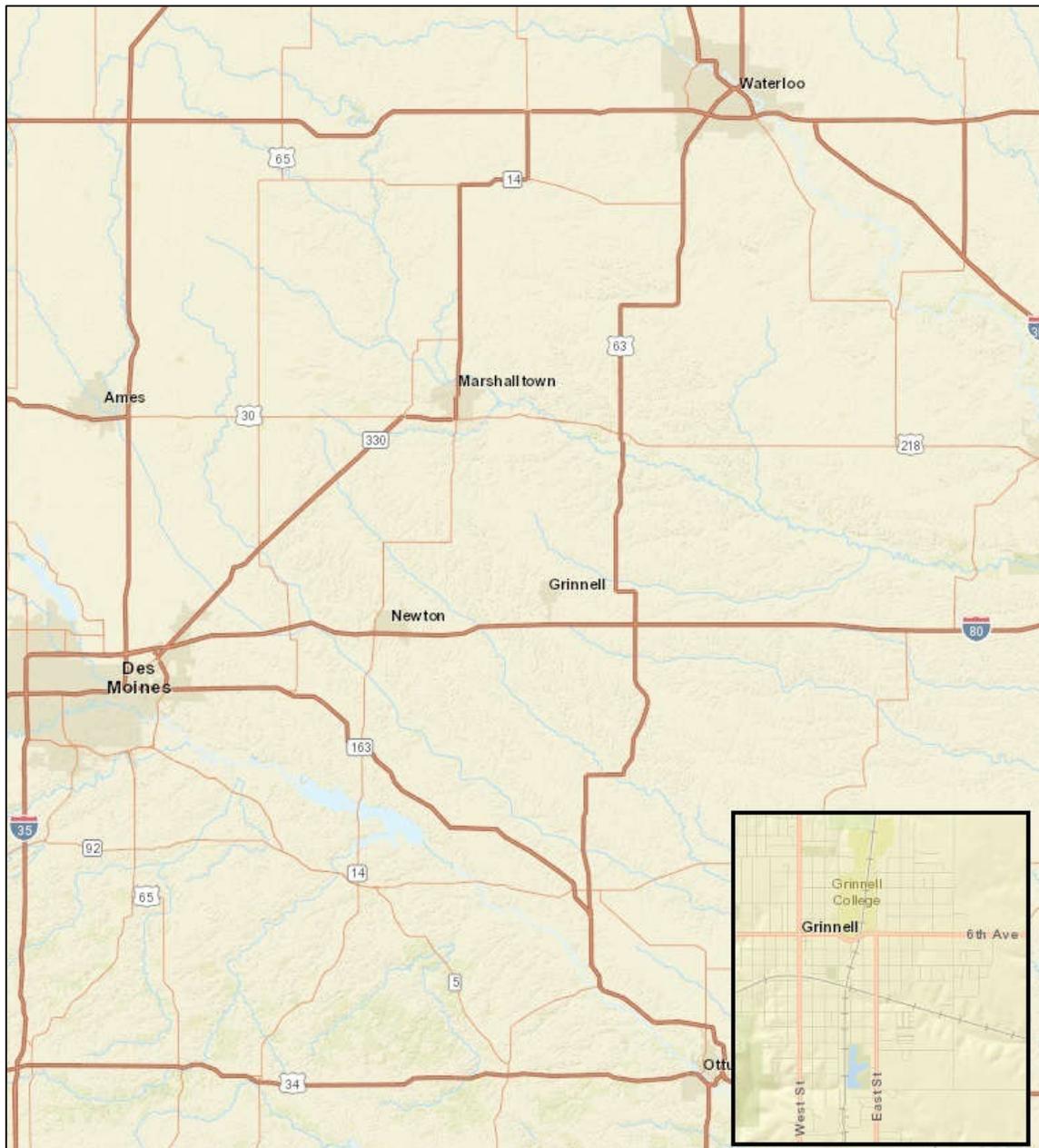
At the heart of Grinnell is Grinnell College, a private liberal arts and sciences school founded in 1846. With an estimated enrollment of approximately 1,700 students, Grinnell College has a significant impact on the community, whose household base includes many young and working age professionals and students. As many major employers in the Grinnell area require a skilled labor force, Grinnell is also home to many moderate to high income earners including doctors, accountants, professors, engineers, and other skilled professionals. Given the community's varied household composition, residents of Grinnell have a wide range of housing needs. This analysis examines what those needs are and how they should be addressed to best suit the community.

2. Land Use Composition

Grinnell is primarily a residential community with neighborhoods surrounding a small downtown central business core. Grinnell's downtown district contains a variety of commercial development including retail shops, restaurants, and local service providers. A small number of loft apartments are also located above these commercial uses and include both long-term and nightly rentals. Reflective of the city's culture and history, many downtown buildings feature distinctive architectural styles, the most notable of which is Louis Sullivan's "jewel box" design on the former Merchants National Bank. This "jewel box" design was also incorporated by the city into four intersections and two crosswalks around the Main Street / Broad Street block of 4th and 5th Avenues.

Residential development becomes the dominant land use moving outward from downtown. Grinnell offers a varied housing stock with a wide range of building ages, styles, conditions, and values. On average, the northern portion of Grinnell (north of U.S. Highway 6) tends to hold higher values, with a greater collection of newer housing units and a number of the city's amenities (Ahrens/Paschall Memorial Park, Grinnell College Golf Course, and the Grinnell Mutual Aquatic Center). Grinnell College is also located in the northeastern portion of the city, attracting faculty, staff, and some students desiring to live close to campus.

The southernmost portion of Grinnell (south of Garfield Avenue) contains the city's two largest commercial retailers (Wal-Mart and Hy-Vee) along State Highway 146 and several light industrial facilities housing some of the area's major employers (JELD-WEN Doors and Windows, Brownells). Moving further south toward Interstate 80, land uses include a handful of service stations, fast food restaurants, and hotels, as well as Grinnell Regional Airport.

Map 1 Site Location**3. Housing Stock Characteristics**

Single-family detached homes are the most common residential unit type in Grinnell and span a wide range of ages, price points, architectural styles, and conditions. Larger multi-family residential communities in Grinnell are limited and include a mixture of deeply subsidized, income restricted, and market rate rental communities that are generally older and in fair to poor condition. Other multi-family housing types in Grinnell include two condominium communities, townhomes, attached homes (duplexes), a senior assisted living facility, a senior LIHTC/USDA subsidized community, and two senior Continuing Care Retirement Communities (CCRC) with duplexes, apartments, single-family homes, and assisted living / nursing units.

Figure 1 Views of Typical For-Sale Homes in Grinnell



A newer two-story detached home



A newer single-story detached home



An older two-story detached home



An older single-story home



Historic two-story detached homes



Historic two-story detached homes

Figure 2 Views of Typical Rental Housing Types in Grinnell



Adaptive Reuse rental units (Spaulding Lofts)



Garden-style rental units (Reed Street Apartments)



Single-story duplex rental units (Seeland Park)



Single-story attached rental units (Poynter Apartments)



Two-story low-rise rental units with elevator service (Mayflower)



Garden-style rental units (Sunset Apartments)

B. Community Investment, Safety, and Connectivity

1. Neighborhood Investment and Planning Activities

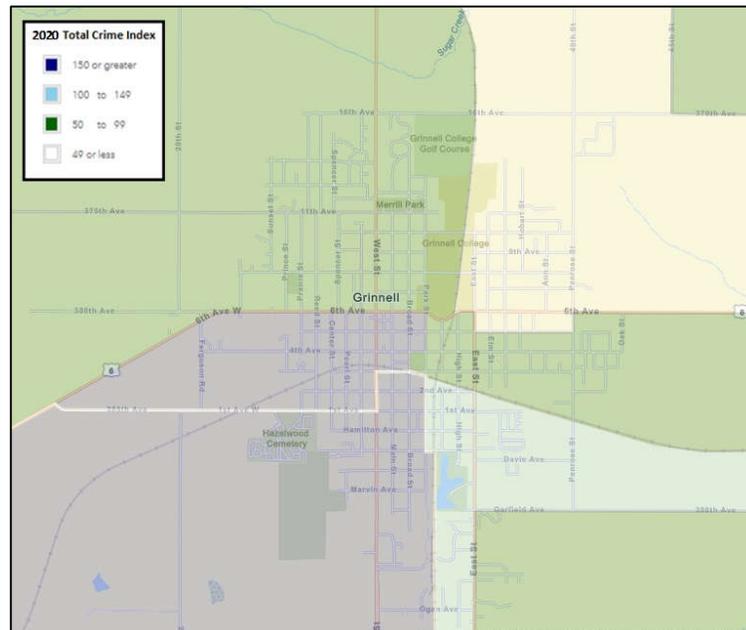
A variety of new development and investment has taken place in Grinnell over the past three years or is currently ongoing/in the planning stages. Relatively recent new developments in the city include the construction of the Hammond Center assisted living facility in 2019 (part of the continuing care retirement community St. Francis Manor / Seeland Park), the buildout of several homes in the Grinnell Cottages for-sale subdivision, the redevelopment of the former city hall building into a boutique hotel downtown (Hotel Grinnell), renovations to Central Park, the gradual construction of new for-sale homes in other neighborhoods throughout the city, and some scattered infill retail development along State Highway 146. In addition to these recent development projects, three major housing projects are also currently in various stages of development. These include a rental and for-sale project on the former Iowa Telecom site, a proposed mixed-use community downtown that will offer market rate rental units and restaurant/retail space, and a new residence hall planned in downtown by Grinnell College. A more detailed overview of these projects is provided in the pipeline and site-specific analysis sections of this report starting on page 58.

2. Public Safety

CrimeRisk is a census tract level index that measures the relative risk of crime compared to a national average. AGS analyzes known socio-economic indicators for local jurisdictions that report crime statistics to the FBI under the Uniform Crime Reports (UCR) program. An index of 100 reflects a total crime risk on par with the national average, with values below 100 reflecting below average risk and values above 100 reflecting above average risk. Based on detailed modeling of these relationships, CrimeRisk provides a detailed view of the risk of total crime as well as specific crime types at the census tract level. In accordance with the reporting procedures used in the UCR reports, aggregate indexes have been prepared for personal and property crimes separately as well as a total index. However, it must be recognized that these are un-weighted indexes, in that a murder is weighted no more heavily than purse snatching in this computation. The analysis provides a useful measure of the relative overall crime risk in an area but should be used in conjunction with other measures.

The 2020 CrimeRisk Index for the census tracts in the general vicinity of the subject site displayed in gradations from white (least risk) to dark blue (most risk) (Map 2). Northern Grinnell (demarcated by U.S. Highway 6) and rural areas surrounding Grinnell all have a CrimeRisk of less than 50, well below the national average of 100. Conversely, portions of southern Grinnell have a CrimeRisk above the national average. The higher CrimeRisk in southern Grinnell is due in large part to the higher density of housing development, as this area contains the majority of the city's multi-family rental communities, and the inclusion of the city's downtown commercial district, which generally have a higher risk of crime; however, the CrimeRisk in southern Grinnell is comparable to the downtown areas of nearby cities within the region, including Newton and Marshalltown. Based on field observations and interviews, we do not expect crime or the perception of crime in southern Grinnell to have a significant impact on housing development.

Map 2 2020 CrimeRisk, Grinnell



3. Vehicular Access

Grinnell is bisected by U.S. Highway 6 (runs east to west) and State Highway 146 (runs north to south), the latter of which connects to Interstate 80 approximately 3.5 miles south of the city center. As such, the city is divided into four quadrants with neighborhoods in each conveniently accessible to both major roadways. Outside of these two major arterials, most roads in Grinnell are residential surface streets with light traffic throughout the day. While traffic lights exist at major intersections, stop signs are the primary mode of traffic flow throughout the city. No impediments to ingress or egress to/from Grinnell or its neighborhoods were observed at the time of the site visit that would have an impact on housing development.

Grinnell is served by Interstate 80, Iowa's primary east/west thoroughfare. From Interstate 80, the major metropolitan areas of Des Moines, Iowa City, Omaha (Nebraska), and Davenport can all be reached within 180 miles. The closest major airport to Grinnell is Des Moines International Airport, located on the south side of Des Moines approximately 55 miles to the southwest. Grinnell also contains a regional airport, utilized for corporate and recreational general aviation activities.

4. Availability of Public and Inter Regional Transit

Grinnell does not operate a public transportation system; however, residents of Grinnell have access to Peoplerrides, a regional public transit system providing shuttle service throughout the counties of Poweshiek, Hardin, Marshall, and Tama. Rides can be scheduled by appointment for trips that either originate or end in the four-county region.

5. Pedestrian Access

Grinnell encompasses roughly two square miles, excluding only the southernmost portion of the city limits narrowly following State Highway 146 from Interstate 80 to Garfield Avenue. Given its small size, nearly all areas of the city can be reached on foot from sidewalks prevalent along most



roadways. Downtown Grinnell is particularly pedestrian friendly, as it contains attractive “Jewel Box” intersections (based on the historic architectural style of Louis Sullivan) and crosswalks with pedestrian traffic signs and designated walking areas. Most neighborhoods have community amenities and services within a walking distance of one mile.

6. Accessibility Improvements under Construction and Planned

RPRG reviewed information from local stakeholders to assess whether any capital improvement projects affecting road, transit, or pedestrian access to the subject site are currently underway or likely to commence within the next few years. Observations made during the site visit contributed to the process. Through this research, RPRG did not identify any projects that would have a direct impact on the City of Grinnell.

C. Residential Support Network

1. Key Facilities and Services Near the Subject Sites

The appeal of any given community is often based in part on its proximity to those facilities and services required daily. Key facilities and services and their distances from the center of Grinnell are listed in Table 1 and their locations are plotted on Map 3.

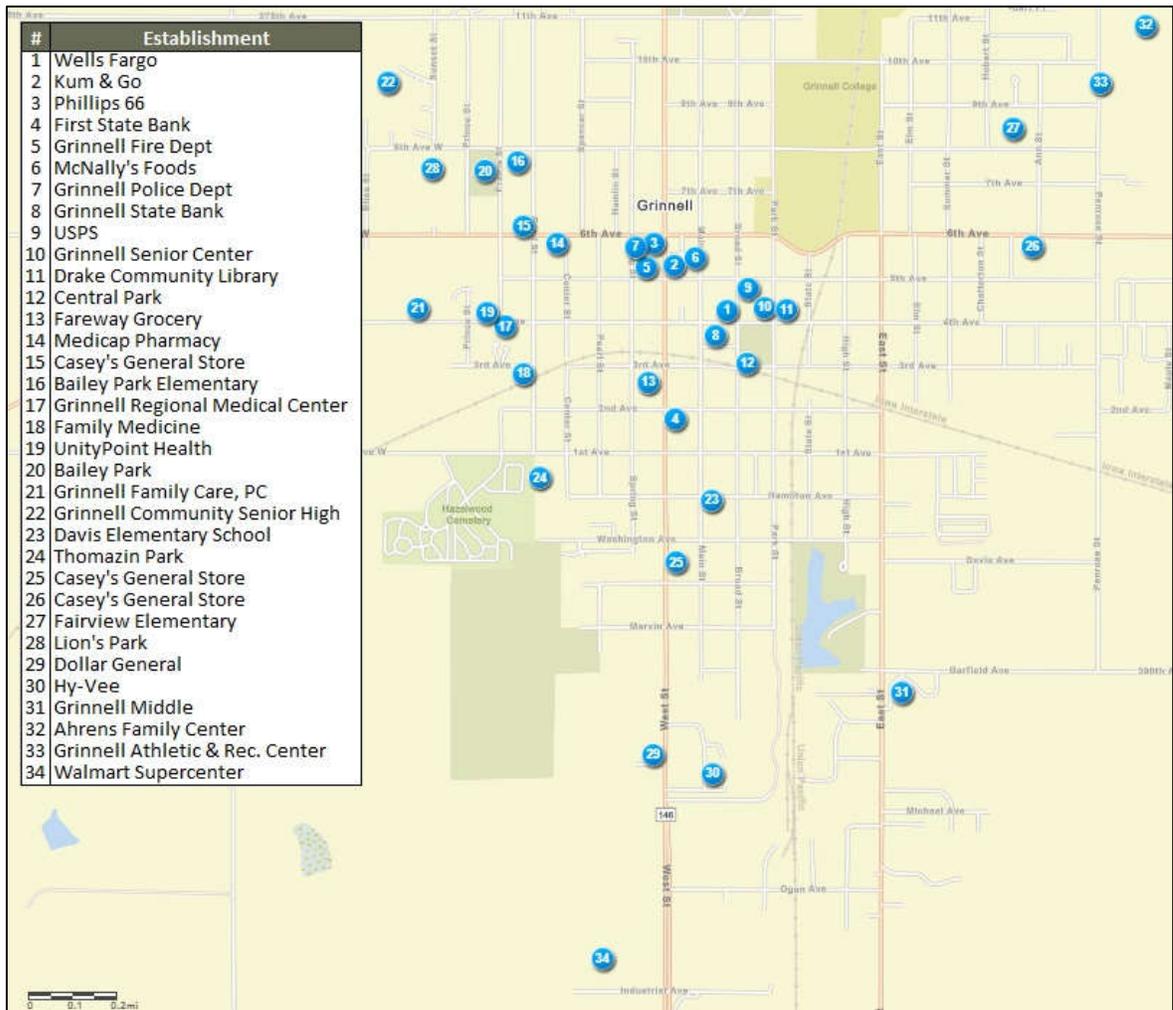
Table 1 Key Facilities and Services

Establishment	Type	Address	Driving Distance
Wells Fargo	Bank	619 5th Ave.	0 mile
Kum & Go	Convenience Store	1002 West St.	0.1 mile
Phillips 66	Convenience Store	1031 West St.	0.1 mile
First State Bank	Bank	619 6th Ave.	0.1 mile
Grinnell Fire Department	Fire	1020 Spring St.	0.1 mile
McNally's Foods	Grocery	1021 Main St.	0.1 mile
Grinnell Police Department	Police	1020 Spring St.	0.1 mile
Grinnell State Bank	Bank	814 4th Ave.	0.2 mile
US Post Office	Post Office	932 Broad St.	0.3 mile
Grinnell Senior Center	Senior Center	525 East St.	0.3 mile
Drake Community Library	Library	930 Park St.	0.3 mile
Central Park	Public Park	920 4th Ave.	0.4 mile
Fareway Grocery	Grocery	727 West St.	0.4 mile
Medicap Pharmacy	Pharmacy	320 6th Ave.	0.4 mile
Casey's General Store	Convenience Store	217 6th Ave.	0.4 mile
Bailey Park Elementary School	Public School	210 8th Ave.	0.4 mile
Grinnell Regional Medical Center	Hospital	210 4th Ave.	0.5 mile
Family Medicine, LLP	Doctor/Medical	224 3rd Ave.	0.5 mile
Grinnell Regional Family Practice	Doctor/Medical	210 4th Ave.	0.5 mile
Bailey Park	Public Park	8th Ave.	0.5 mile
Grinnell Family Care	Doctor/Medical	217 4th Ave.	0.5 mile
Grinnell Community Senior High School	Public School	1333 Sunset St.	0.6 mile
Davis Elementary School	Public School	818 Hamilton Ave.	0.7 mile
Thomazin Park	Public Park	304 1st Ave.	0.7 mile
Casey's General Store	Convenience Store	312 West St.	0.7 mile
Casey's General Store	Convenience Store	1718 6th Ave.	0.8 mile
Fairview Elementary School	Public School	1310 Hobart St.	0.8 mile
Lion's Park	Public Park	220 8th Ave. W	0.9 mile
Dollar General	General Retail	114 West St. S	1.1 miles
Hy-Vee	Grocery	320 West St. S	1.3 miles
Grinnell Middle School	Public School	132 E St. S	1.2 miles
Ahrens Family Center	Community Center	1510 Penrose St.	1.5 miles
Grinnell Athletic & Recreation Center	Community Center	1500 Penrose St.	1.5 miles
Walmart	General Retail	415 Industrial Ave.	1.8 miles

Source: Field and Internet Research, RPRG, Inc.

*Reflects amenities' distance from the city center

Map 3 Location of Key Facilities and Services



2. Essential Services

Health Care

Grinnell Regional Medical Center (GRMC) is the primary healthcare provider for Grinnell and the greater six-county region of east-central Iowa (Region Six), serving an estimated 47,000 residents. With a staff of more than 400 employees, including 50 physicians, the 49-bed nonprofit facility offers a full range of medical services including both general and emergency care. Grinnell Regional Medical Center is located approximately one-half mile west of downtown Grinnell, bounded by 4th Avenue to the north, Reed Street to the east, 3rd Avenue to the south, and Prince Street to the west.

In addition to major medical care, numerous independent healthcare practitioners are located throughout Grinnell. These include a variety of service providers, ranging from general/family practice to long-term care and rehabilitation. Outside of Grinnell, the next closest major medical facility is Skiff Medical Center, located approximately twenty miles west in Newton.

Education

The Grinnell-Newburg Community School District provides public education to students living in portions of western Poweshiek and eastern Jasper Counties, including Grinnell. The district is comprised of one preschool, three elementary schools, one middle school, and one high school with an estimated 2019-2020 enrollment of 1,609 students. All public schools are located within the Grinnell city limits.

Iowa public school systems administer the Iowa Statewide Assessment of Student Progress (ISASP) to students to assess progress. To determine relative performance within the region, Grinnell-Newburg Community School District 2019 ISASP scores and the Statewide School Performance Ratings (averaged among all schools in each district) were compared to those of neighboring districts, including Brooklyn-Guernsey-Malcom (BGM), Newton, Lynnville-Sully, South Tama County, East Marshall, and Montezuma. Overall, the Grinnell-Newburg Community School District ranked second in the region with an average school performance score of 58.0 percent (commendable) trailing only the Lynnville-Sully Community School District with an average school rating of 63.3 percent (Table 2). In comparison, the region had an average school performance score of 56.2 percent. Among proficiency ratings in English/Reading and Math, the Grinnell-Newburg Community School District ranked third out of eight districts with a composite proficiency rating of 78.0 percent compared to 71.9 percent in the region and 70.0 percent in the state. Based on this data, the Grinnell-Newburg Community School District compares favorably to other school districts in the region and the state as a whole.

Table 2 2019 Regional School District ISASP Proficiency Ratings and School Performance Scores

Rank	ISASP - 2019		Proficiency			School Performance	
	District	Enrollment	Read./Eng.	Math	Composite	Score	Rating
1	Lynnville-Sully CSD	501	82.3%	84.6%	83.4%	63.3%	High Performing
2	Grinnell-Newburg CSD	1,609	76.2%	79.8%	78.0%	58.0%	Commendable
3	Newton CSD	2,878	71.6%	70.5%	71.1%	57.5%	Commendable
4	Montezuma CSD	477	77.6%	79.4%	78.5%	57.4%	Commendable
6	South Tama County	1,460	60.5%	58.3%	59.4%	52.8%	Acceptable
7	Brooklyn-Guernsey-Malcom CSD	554	73.6%	77.6%	75.6%	52.6%	Acceptable
8	East Marshall CSD	766	72.1%	71.8%	71.9%	51.1%	Acceptable
Region Total/Average		8,245	71.7%	72.1%	71.9%	56.2%	Commendable
State Total/Average		483,591	69.8%	70.2%	70.0%		

Source: Iowa Department of Education

Grinnell is home to two post-secondary educational institutions, Grinnell College and Iowa Valley Community College – Grinnell. Grinnell College is the largest and most distinguished of the two with an enrollment of approximately 1,700 students. As a private liberal arts and sciences school, Grinnell College offers 26 bachelor degree programs including those in the Humanities, Science, and Social Studies fields.

Senior Services

The primary senior service facility in Grinnell is the Grinnell Senior Center, located in the basement of the First Baptist Church of Grinnell at 525 East Street just east of downtown. Additional senior services are available to residents of Grinnell through the Northeast Iowa Area Agency on Aging, a regional senior services provider serving a ten-county region in northeast Iowa.

3. Commercial Goods and Services

Convenience Goods

The term “convenience goods” refers to inexpensive, nondurable items that households purchase on a frequent basis and for which they generally do not comparison shop. Examples of convenience goods are groceries, fast food, health and beauty aids, household cleaning products, newspapers, and gasoline.

The largest concentration of retail and commercial development in Grinnell is in its downtown district, centered on Main Street between 4th and 5th avenues. Encompassing a nine-block area, downtown Grinnell contains a wide variety of shops, restaurants, and specialty service providers including The Strand Movie Theater. Outside of downtown, numerous national chains can be found on U.S. Highway 6 or State Highway 146 within one to two miles of the city center. Commercial development along these major thoroughfares includes multiple fast-food restaurants, convenience stores, service stations, and larger-scale facilities such as Hy-Vee (grocery) and Wal-Mart (grocery/general retail).

Shoppers Goods

The term “shoppers’ goods” refers to larger ticket merchandise that households purchase on an infrequent basis and for which they usually comparison shop. The category is sometimes called “comparison goods.” Examples of shoppers’ goods are apparel and accessories, furniture and home furnishings, appliances, jewelry, and sporting goods.

The single-largest provider of commercial goods in Grinnell is Wal-Mart, located on the west side of State Highway 146 between downtown and Interstate 80. As a “Supercenter” location, the Wal-Mart contains both a general retail section (comparison goods) and a full-service grocery store. More expansive shopping outlets, including “big-box” retailers and malls, are in the Des Moines metro area approximately 50 miles to the west.

4. Recreational Amenities

Grinnell offers a vast array of recreational amenities, appealing to a wide range of interests and age groups. The most notable of these is Ahrens/Paschall Memorial Park, a recreation and sports complex funded by the private nonprofit Ahrens Park Foundation. Ahrens/Paschall Memorial Park offers eight youth softball and baseball fields (utilized by the Grinnell Little League), two outdoor basketball courts, two tennis courts, a sand volleyball court, three youth soccer fields, a golf driving range, multiple playground areas, three picnic shelters, a sledding hill, and a one and one-half mile walking path. Ahrens/Paschall Memorial Park is also home to the Ahrens Family Center (daycare/preschool), the Grinnell Athletic and Recreation Center (gymnasium), and the Ahrens Park Foundation offices. Other recreational amenities within the city include the recently constructed Grinnell Mutual Aquatic Center (water park), Lion’s Park, Central Park, James Miller Park, Jaycee Park, Bailey Park, Van Horne Park, Merrill Park, Thomazin Park, Drake Community Library, the Grinnell Historical Museum, the Grinnell Arts Center, and Grinnell College Golf Course (public).

3. ECONOMIC ANALYSIS

A. Introduction

This section of the report focuses primarily on economic trends and conditions in Poweshiek County. Economic trends in Iowa and the nation are also discussed for comparison purposes. It is important to note that the latest economic data available at the local level is reflected in this section. **This data does not yet fully reflect the likely downturn associated with COVID-19 business closures and job losses. It is too early to determine the exact economic impact on any specific market area or county; RPRG provides the most recent data available and will provide an analysis and conclusion on the potential impact of COVID-19 in the conclusion section of this housing market assessment.**

B. Labor Force, Resident Employment, and Unemployment

1. Trends in County Labor Force and Resident Employment

Poweshiek County's annual average labor force remained relatively stable from 2010 to 2019 with modest year to year changes resulting in a net decline of just 29 workers (0.3 percent) during this period (Table 3). The county's labor force declines occurred in two-year periods from 2010 to 2012 and 2015 to 2017, the first of which followed a national recession. Employed workers gradually increased from 2010 to 2019, rising by roughly 300 while unemployed workers decreased by more than half. Thus, the small decline in workers over the last nine years was from workers leaving the labor force.

The county's labor force remained relatively unchanged during the first quarter of 2020 before decreasing significantly from April to June 2020 with a recovery by September 2020. Compared to the first quarter of 2020, the number of employed workers decreased by nearly 1,300 through June with recovery of 638 employed workers or roughly half by September 2020. The number of unemployed workers increased from an average of 396 during the first quarter of 2020 to roughly 1,000 unemployed workers in April and May 2020 during the onset of the COVID-19 pandemic. Reflecting the gradual reopening of the state and county's economy, the number of unemployed workers decreased to just 333 unemployed workers by September 2020 below the number of unemployed workers in the first quarter of 2020; however, total labor force figures show a number of workers left the labor force during this period. The rapid shift in employed and unemployed workers reflects the impact of the COVID-19 pandemic and illustrates the potentially temporary nature of at least some job losses.

2. Trends in County Unemployment Rate

Poweshiek County's annual average unemployment rate has closely followed state trends over the past ten years, which were well below national figures. Poweshiek County's most recent annual average unemployment rate was 2.7 percent in 2019, comparable to the state's unemployment rate and below the national rate of 3.7 percent. Unemployment rates in all three areas are below peaks experienced in 2010 because of the previous national recession, which were 5.8 percent in the county, 6.0 percent in the state, and 9.6 percent in the nation. Reflecting the impact of COVID-19 related closures, Poweshiek County's unemployment rate spiked to 10.7 percent by May 2020 following limited change during the first quarter; this rate was slightly below the state's peak unemployment rate of 10.8 percent and the national peak unemployment rate of 14.7 percent in April. Unemployment rates improved in all three areas through September as businesses reopened. The county's unemployment rate decreased to 3.4 percent in September, which is below the

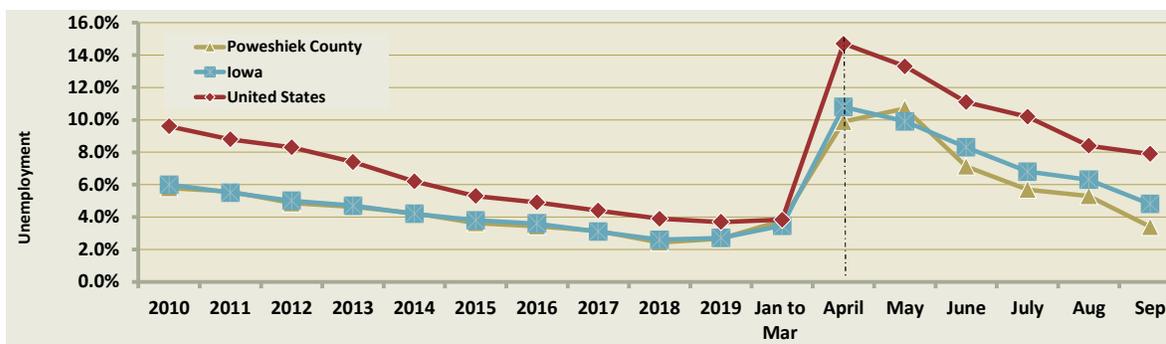


county’s average monthly unemployment rate in the first quarter of 2020, compared to unemployment rates of 4.8 percent in the state and 7.9 percent nationally. The recent dramatic monthly fluctuations have affected all areas of the state and country and do not necessarily represent a fundamental shift in local economic conditions, but rather largely temporary closures related to the COVID-19 pandemic.

Table 3 Labor Force and Unemployment Rates

Annual Unemployment Rates - Not Seasonally Adjusted												2020					
Annual Unemployment	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Jan to Mar	April	May	June	July	Aug	Sep
Labor Force	10,568	10,393	10,155	10,343	10,421	10,495	10,395	10,363	10,461	10,539	10,448	10,001	9,864	9,175	9,425	9,372	9,813
Employment	9,956	9,814	9,661	9,864	9,979	10,114	10,038	10,037	10,207	10,258	10,052	9,012	8,809	8,521	8,886	8,877	9,480
Unemployment	612	579	494	479	442	381	357	326	254	281	396	989	1,055	654	539	495	333
Rate																	
Poweshiek County	5.8%	5.6%	4.9%	4.6%	4.2%	3.6%	3.4%	3.1%	2.4%	2.7%	3.8%	9.9%	10.7%	7.1%	5.7%	5.3%	3.4%
Iowa	6.0%	5.5%	5.0%	4.7%	4.2%	3.8%	3.6%	3.1%	2.6%	2.7%	3.5%	10.8%	9.9%	8.3%	6.8%	6.3%	4.8%
United States	9.6%	8.8%	8.3%	7.4%	6.2%	5.3%	4.9%	4.4%	3.9%	3.7%	3.8%	14.7%	13.3%	11.1%	10.2%	8.4%	7.9%

Source: U.S. Department of Labor, Bureau of Labor Statistics



C. Commutation Patterns

Grinnell is home to several large major employers, many of whom require a skilled labor force, and attracts workers from throughout the region including many from rural portions of Poweshiek County or neighboring counties, nearby cities and towns, and even from the larger metropolitan areas of Des Moines, West Des Moines, Iowa City, Ames, Waterloo, and Cedar Rapids. To examine the commuting patterns in the city of Grinnell, RPRG utilized the U.S. Census Bureau’s Longitudinal Employment-Household Dynamics (LED) data through it’s On the Map website (onthemap.ces.census.gov) for 2017, which is the most recent year data is available. The geography tested for this analysis is the city limits of Grinnell.

As of 2017, 6,192 workers were employed in Grinnell (Table 4). Of these workers, 2,013 (32.5 percent) lived in Grinnell and 4,179 (67.5 percent) lived outside Grinnell (Job Inflow). Among the 4,259 workers living in Grinnell, 2,246 (47.3 percent) worked outside Grinnell (Job Outflow). As a result, Grinnell had a net inflow of 1,933 workers.

Table 4 2017 Job Inflow and Outflow, Grinnell City Limits

Job Inflow	2017	
	#	%
Employed in the Selection Area	6,192	100.0%
Employed and Living in the Selection Area	2,013	32.5%
Employed in the Selection Area but Living Outside	4,179	67.5%
Job Outflow	2017	
	#	%
Living in the Selection Area	4,259	100.0%
Living and Employed in the Selection Area	2,013	47.3%
Living in the Selection Area but Employed Outside	2,246	52.7%
Net Job Inflow/Outflow	1,933	

Source: U.S. Census Bureau, LED On the Map Data

Among the 6,192 people working within the Grinnell city limits as of 2017, 40.8 percent commuted less than 10 miles (Table 5). Roughly 28 percent of workers commuted 10 to 24 miles, which would include rural portions of Poweshiek or neighboring counties and several nearby communities such as Newton, Tama, Toledo, Montezuma, and Brooklyn. Approximately 31 percent of workers commuted 25 miles or more including 21.9 percent commuting at least 50 miles. These long-distance commuters include workers from some of the larger Metropolitan areas, the closest of which are Marshalltown, Altoona, and Des Moines. A geographic dispersion of worker residences is shown in Figure 3 and Figure 4.

Table 5 2017 Jobs by Commuter Distance, Grinnell City Limits

Jobs by Distance - Work Census Block To Home Census Block	2017	
	#	%
Total Jobs	6,192	100.0%
Less than 10 miles	2,527	40.8%
10 to 24 miles	1,711	27.6%
25 to 50 miles	596	9.6%
Greater than 50 miles	1,358	21.9%

Source: U.S. Census Bureau, LED On the Map Data

Among nearby communities in the region, Grinnell draws the highest percentage of commuting workers from Newton (4.1 percent), Marshalltown (2.9 percent), Brooklyn (1.5 percent), Des Moines (1.4 percent), and Montezuma (1.2 percent) (Table 6). Over half of all Grinnell workers commute from some other location. Based on the geographic dispersion of worker residences in the preceding figures, many of the workers commuting from some other location live in unincorporated portions of Poweshiek County or a neighboring county within 50 miles of the city.

Table 6 2017 Jobs by Commuter Place of Residence, Grinnell City Limits

Job Counts by Place Where Workers Live	2017	
	#	%
All Places	6,192	100.0%
Grinnell	2,013	32.5%
Newton	256	4.1%
Marshalltown	182	2.9%
Brooklyn	93	1.5%
Des Moines	86	1.4%
Montezuma	76	1.2%
Oskaloosa	57	0.9%
Toledo	55	0.9%
West Des Moines	55	0.9%
Kellogg	52	0.8%
All other locations	3,267	52.8%

Source: U.S. Census Bureau, LED On the Map Data

Figure 3 Local View of Residence Location, Workers in Grinnell City Limits Poweshiek County

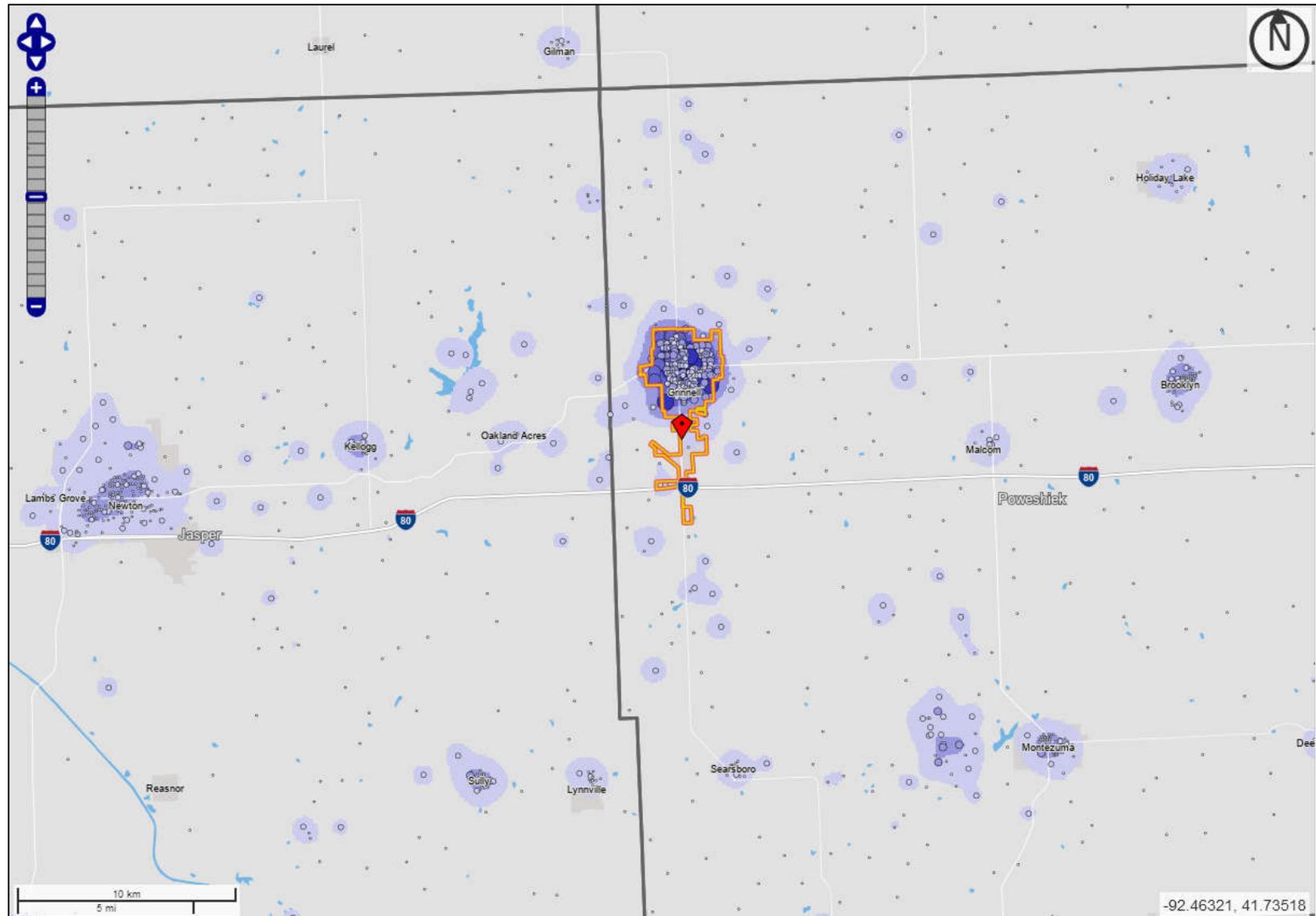
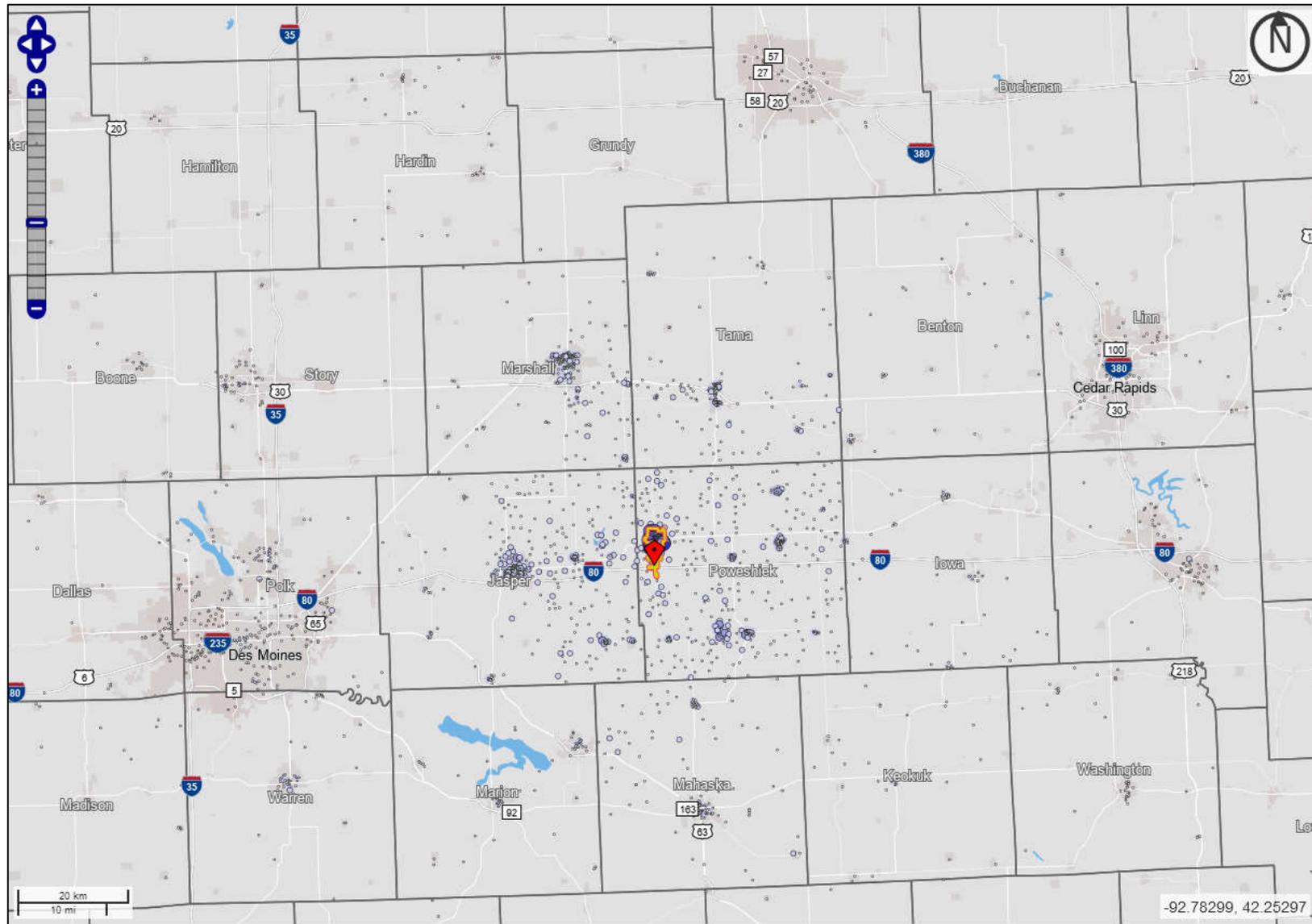


Figure 4 Regional View of Residence Location, Workers in Grinnell City Limits



Nearly three-quarters of Grinnell workers age 29 or under were commuters as of 2017, compared to 64.9 percent of workers age 30 to 54 and 64.5 percent of workers age 55 and older (Table 7). Low to moderate income workers (earning \$3,333 per month or less) also commuted at higher rates of roughly 68 to 73 percent relative to workers earning more than \$3,333 per month (62.6 percent). The economic sectors with the highest percentage of commuting workers in Grinnell were “Goods Producing” (Manufacturing) and “Trade, Transportation, Utilities,” as roughly 75 percent to 85 percent of workers in these industries lived outside Grinnell. Workers in the “All Other Services” industry class had a lower commuter rate of 59.9 percent.

Table 7 2017 Interior Flow Job Characteristics, Grinnell City Limits

Interior Flow Job Characteristics (All Jobs) - 2017			
Job Characteristics	Workers	Commuter %	Resident %
Total Jobs in Grinnell	6,192	67.5%	32.5%
Workers Aged 29 or younger	1,953	73.4%	26.6%
Workers Aged 30 to 54	2,826	64.9%	35.1%
Workers Aged 55 or older	1,413	64.5%	35.5%
Workers Earning \$1,250 per month or less	1,962	68.5%	31.5%
Workers Earning \$1,251 to \$3,333 per month	1,898	72.5%	27.5%
Workers Earning More than \$3,333 per month	2,332	62.6%	37.4%
Workers in the "Goods Producing" Industry Class	1,538	75.0%	25.0%
Workers in the "Trade, Transportation, and Utilities" Industry Class	976	84.4%	15.6%
Workers in the "All Other Services" Industry Class	3,678	59.9%	40.1%

Source: U.S. Census Bureau, LED On the Map Data

Approximately 22 percent of the faculty and 40 percent of the staff at Grinnell College, one of the largest employers in Grinnell and Poweshiek County, live outside Grinnell. Among faculty types, non-tenured professors live outside Grinnell at higher rates than tenured and tenure-track professors, comparable to Grinnell College staff. This is likely due to differences in job security, as tenured professors are established at Grinnell College and are more likely to live near their long-term place of employment.

Table 8 Grinnell College Student and Faculty Commuter Data

Grinnell College Employee and Faculty Data					
Employee Type	Total Employees	Live in Grinnell		Live Outside Grinnell	
		#	%	#	%
Faculty	259	201	77.6%	58	22.4%
Tenured	121	102	84.3%	19	15.7%
Tenure Track	39	34	87.2%	5	12.8%
Non-Tenure	99	65	65.7%	34	34.3%
Staff	551	332	60.3%	219	39.7%

Source: Grinnell College, December 2020

D. At-Place Employment

1. Trends in Total At-Place Employment

Poweshiek County’s At-Place Employment expanded in eight of twelve years from 2008 to 2019; however, job gains were largely offset by losses from 2008 to 2009, in 2014, and in 2019.



Consequently, the county’s At-Place Employment total remained stable with a net gain of just nine jobs during this period (Figure 5). At-Place Employment growth was somewhat higher more recently as the county added jobs in four of the last five years and had a net gain of 177 jobs during this period. **We note the bulk of the reported 604 jobs lost in the county in 2019 are likely the result of Unity Point’s acquisition of Grinnell Regional Medical Center. While Grinnell Regional Medical Center did not have significant job cuts during the acquisition, Unity Point’s location in Des Moines likely resulted in a reclassification of 500 jobs from Poweshiek to Polk County even though no such job losses occurred. Accounting for this reclassification, Poweshiek County added a net total of 677 jobs over the last five years.** Since 2008, changes in the county’s At-Place Employment were generally more pronounced (on a percentage basis) relative to the nation due to the somewhat cyclical nature of employment changes in the county since 2010.

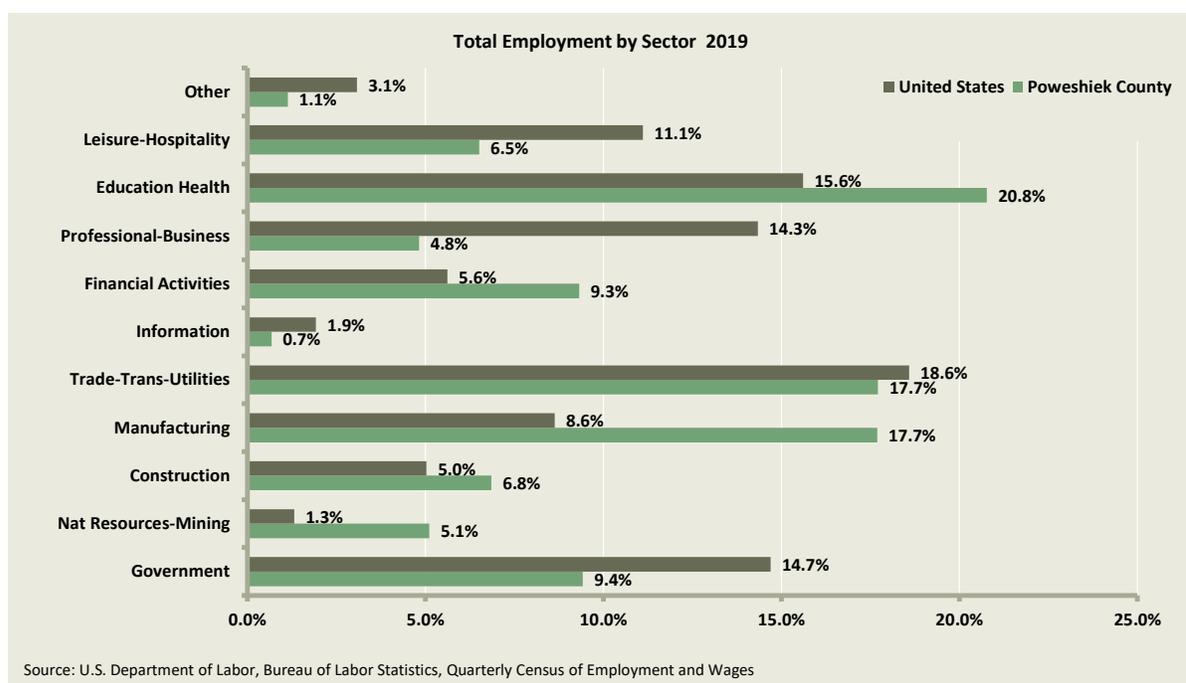
Figure 5 At-Place Employment, Poweshiek County



2. At-Place Employment by Industry Sector

Education-Health (20.8 percent), Manufacturing (17.7 percent), and Trade-Transportation-Utilities (17.7 percent) are Poweshiek County's largest employment sectors and combined for 56.2 percent of all jobs in the county compared to 42.8 percent nationally (Figure 6). While Trade-Transportation-Utilities has a slightly lower percentage of employment in the county than the nation, the county's Education-Health and Manufacturing sectors account for a significantly higher percentage of employment including a Manufacturing percentage that is double the national percentage (17.7 versus 8.6 percent). Poweshiek County also contains four moderately sized employment sectors (Government, Financial Activities, Leisure-Hospitality, and Construction), which each account for roughly six to nine percent of total jobs in the county. Among these sectors, Government and Leisure-Hospitality have a notably lower percentage of employment than the nation while the county's Financial Activities and Construction sectors are larger overall.

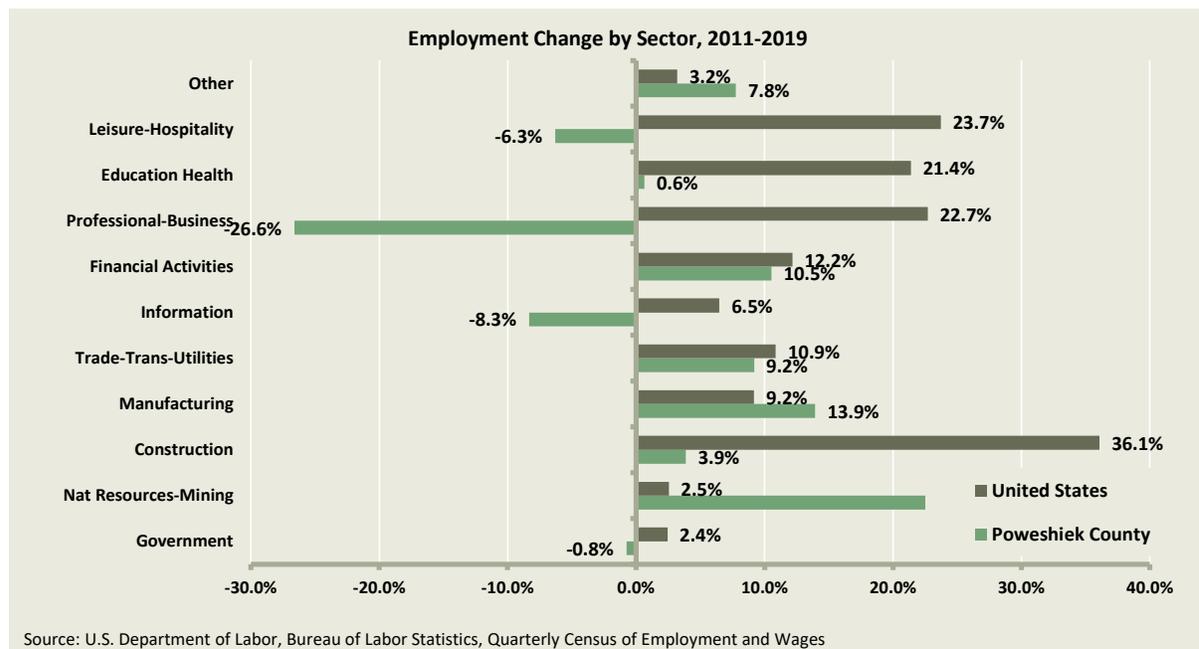
Figure 6 Total Employment by Sector, 2019



Between 2011 and 2019, seven of eleven industry sectors in Poweshiek County experienced net job growth. The most notable job growth occurred in the Manufacturing sector, which grew by 13.9 percent. Steady job growth of roughly six to nine percent in the Trade-Transportation-Utilities and Financial Activities sectors were also significant given their moderate to high percentage of total employment within the county. Among the four industry sectors with a net loss in jobs over the last five years, losses in the Professional Business and Leisure-Hospitality sectors were the most significant (in terms of total jobs).



Figure 7 Total Employment Change by Sector 2011 to 2019



3. Major Employers

A list of major employers in the Grinnell area, the economic center and focus of this report is provided in Table 9. Grinnell area major employers are reflective of the county’s largest industry sectors and include a mixture of large education and healthcare facilities, public school districts, national retailers, and manufacturers. The three largest employers in the Grinnell area Jeld-Wen Windows and Doors, Grinnell College, and Grinnell Mutual Reinsurance, all employ roughly 750 to 800 workers. Other notable major employers in the Grinnell Area include Grinnell Regional Medical Center, the Grinnell-Newburg Public School District, and Brownells. In addition to these major employers, Grinnell also contains numerous local retailers and service providers (Map 4).

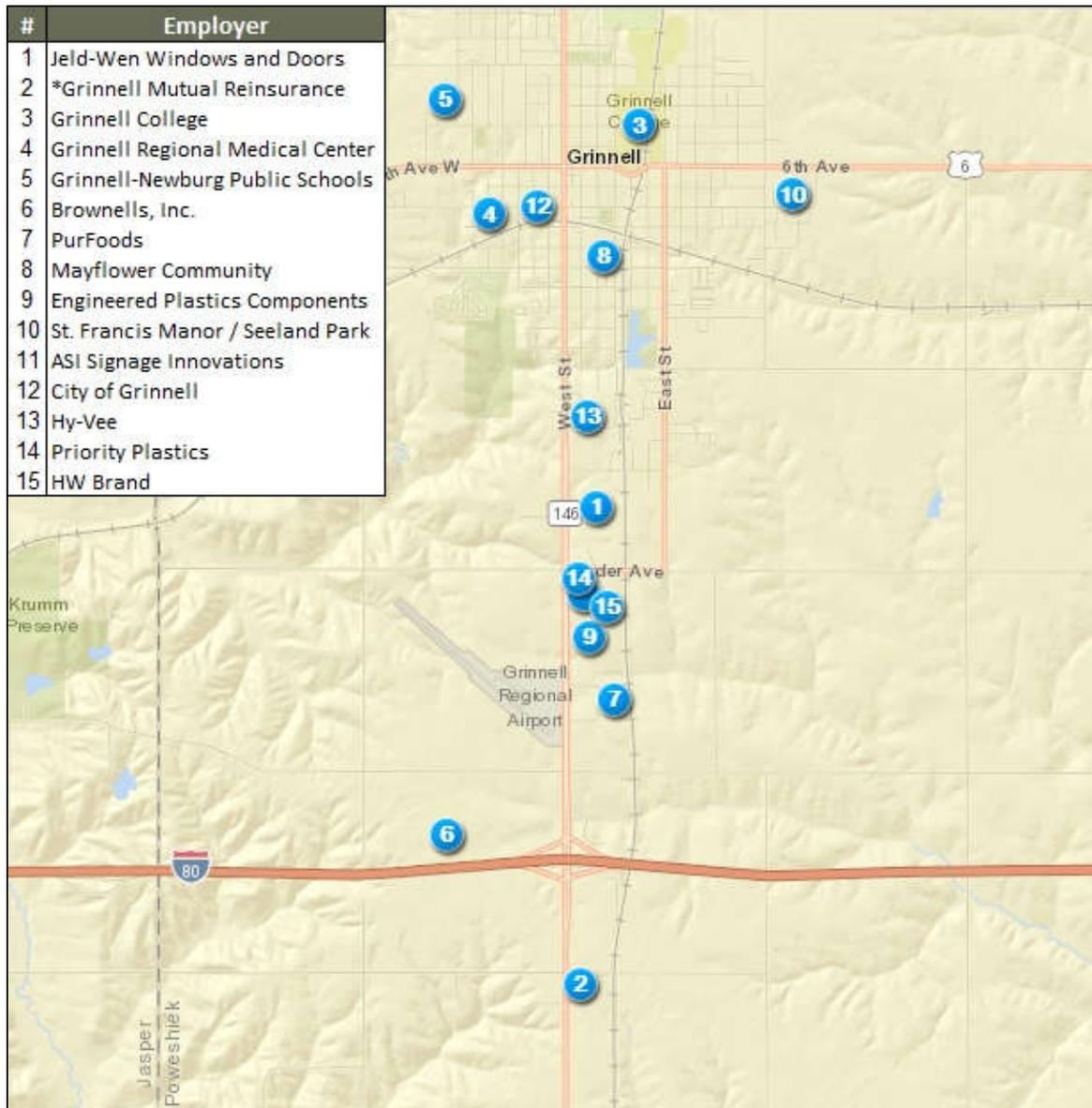
Table 9 Major Employers, Grinnell Area

Rank	Name	Sector	Employment
1	Jeld-Wen Windows and Doors	Manufacturing	780 - 820
2	Grinnell College	Education-Health	773
3	*Grinnell Mutual Reinsurance	Financial Activities	750
4	Grinnell Regional Medical Center	Education-Health	400
5	Grinnell-Newburg Public Schools	Government	285
6	Brownells, Inc.	Manufacturing	270
7	PurFoods	Manufacturing	170
8	Mayflower Community	Education-Health	145
9	Engineered Plastics Components	Manufacturing	135
10	St. Francis Manor / Seeland Park	Education-Health	120
11	ASI Signage Innovations	Manufacturing	80
12	City of Grinnell	Government	70
13	Hy-Vee	Trade-Transportation-Utilities	70
14	Priority Plastics	Manufacturing	65
15	HW Brand	Manufacturing	55

Source: City of Grinnell, Employer Field Surveys February / March 2017

*Excludes 44 employees in West Des Moines.

Map 4 Major Employers, Grinnell Area



4. Wages

The average annual wage in 2019 for Poweshiek County was \$46,798, which is 3.9 percent lower than the \$48,672 average in Iowa and 21.0 percent below the national average wage of \$59,219 (Table 10). Poweshiek County’s average annual wage in 2019 represents an increase of \$10,033 or 27.3 percent since 2010.

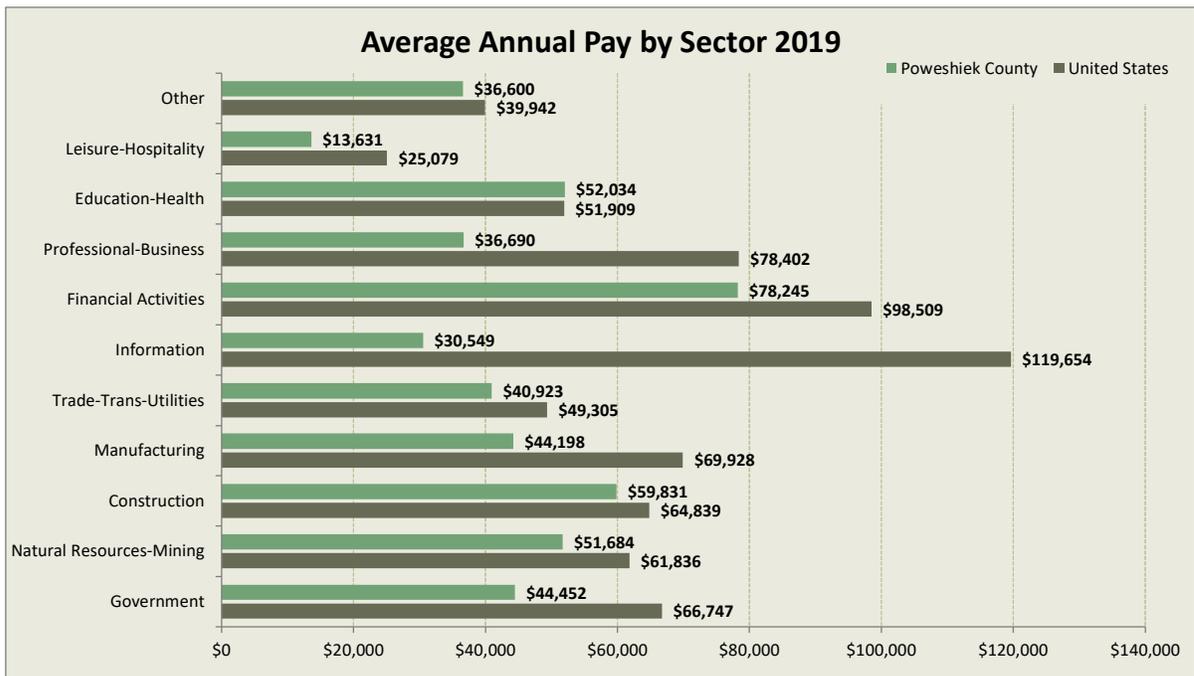
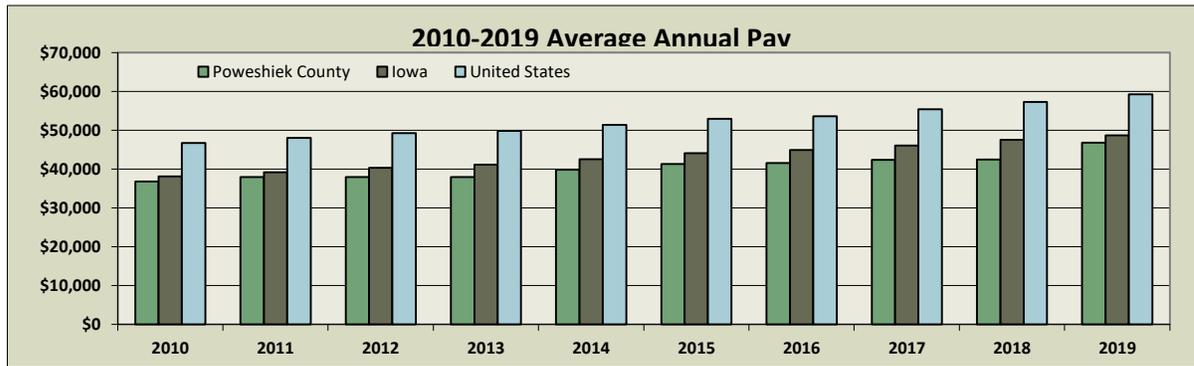
The average wage in Poweshiek County is below national averages for every economic sector with notable disparities in the Professional Business, Financial Activities, Information, Manufacturing, and Government sectors. The highest paying sectors in the county are Financial Activities and Construction.



Table 10 Average Annual Pay and Annualized Wage Data by Sector, Poweshiek County

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Poweshiek County	\$36,765	\$37,910	\$37,966	\$37,995	\$39,861	\$41,328	\$41,558	\$42,351	\$42,500	\$46,798
Iowa	\$38,146	\$39,204	\$40,343	\$41,107	\$42,538	\$44,095	\$44,910	\$46,074	\$47,511	\$48,672
United States	\$46,751	\$48,043	\$49,289	\$49,808	\$51,364	\$52,942	\$53,621	\$55,390	\$57,266	\$59,219

Source: U.S. Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages



5. Recent/Planned Economic Expansions

RRPG did not identify any major economic expansions or contractions in the county within the past year. Despite the uncertainty and temporary shutdown of businesses due to COVID-19, no layoffs or closures occurred in the county based on Iowa’s WARN list notices. We also note that no evidence was identified of significant job losses in 2019 and the losses shown by BLS data that year are likely the result of a reclassification of jobs due to Grinnell Regional Medical Center’s acquisition by Unity Point Health.



4. MARKET AREA

A. Introduction

As a Housing Market Assessment for the City of Grinnell, the primary market area for this analysis focuses on the city and its immediately surrounding areas as defined by 2010 Census tract boundaries. In defining the Grinnell Market Area, RPRG sought to accommodate the joint interests of conservatively estimating housing demand and reflecting the realities of the local rental housing marketplace.

B. Delineation of Market Area

The Grinnell Market Area consists of two 2010 Census tracts in Poweshiek County. The boundaries of the Grinnell Market Area and their approximate distance from the city center are:

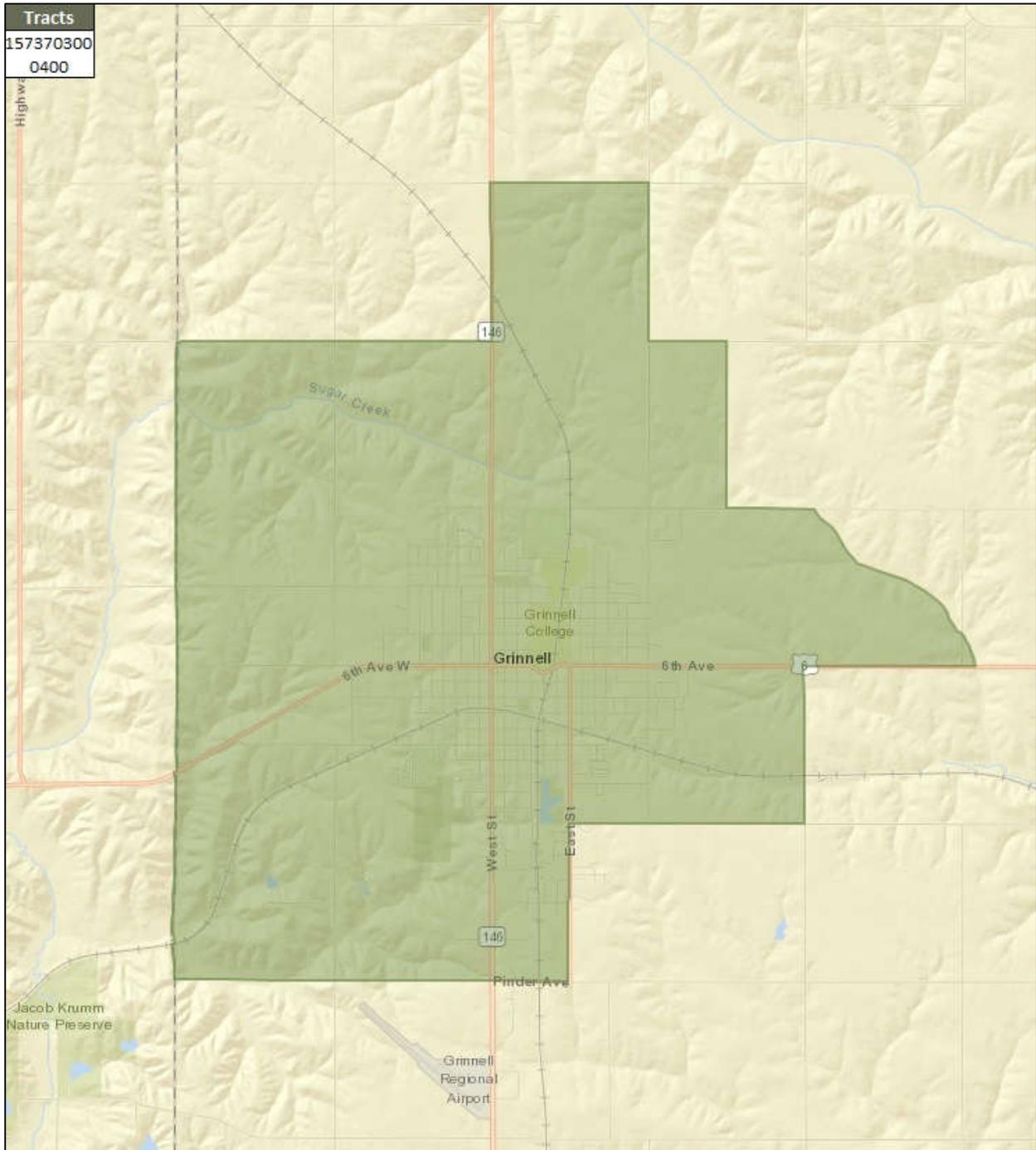
- **North:** 350th Avenue(2.4 mile)
- **East:** 50th Street (2.5 miles)
- **South:** 400th Avenue (1.7 miles)
- **West:** County Highway T38 (2.0 miles)

The Grinnell Market Area includes two census tracts in western Poweshiek County which encompass the majority of the Grinnell city limits (Map 5). While the southernmost part of Grinnell is not included in the Grinnell Market Area, adding this area would expand the Grinnell Market Area to include the entire western portion of the county. Given, few if any households live within this portion of Grinnell, the exclusion of this area does not impact this analysis.

As appropriate for this analysis, the Grinnell Market Area is compared to the Secondary Market Area, which includes all of Poweshiek County and portions of eastern Jasper County, southern Marshall County, and southern Tama County (Map 6). The Secondary Market Area is based on commuting patterns within the region and is the most likely area from which Grinnell would draw additional households.

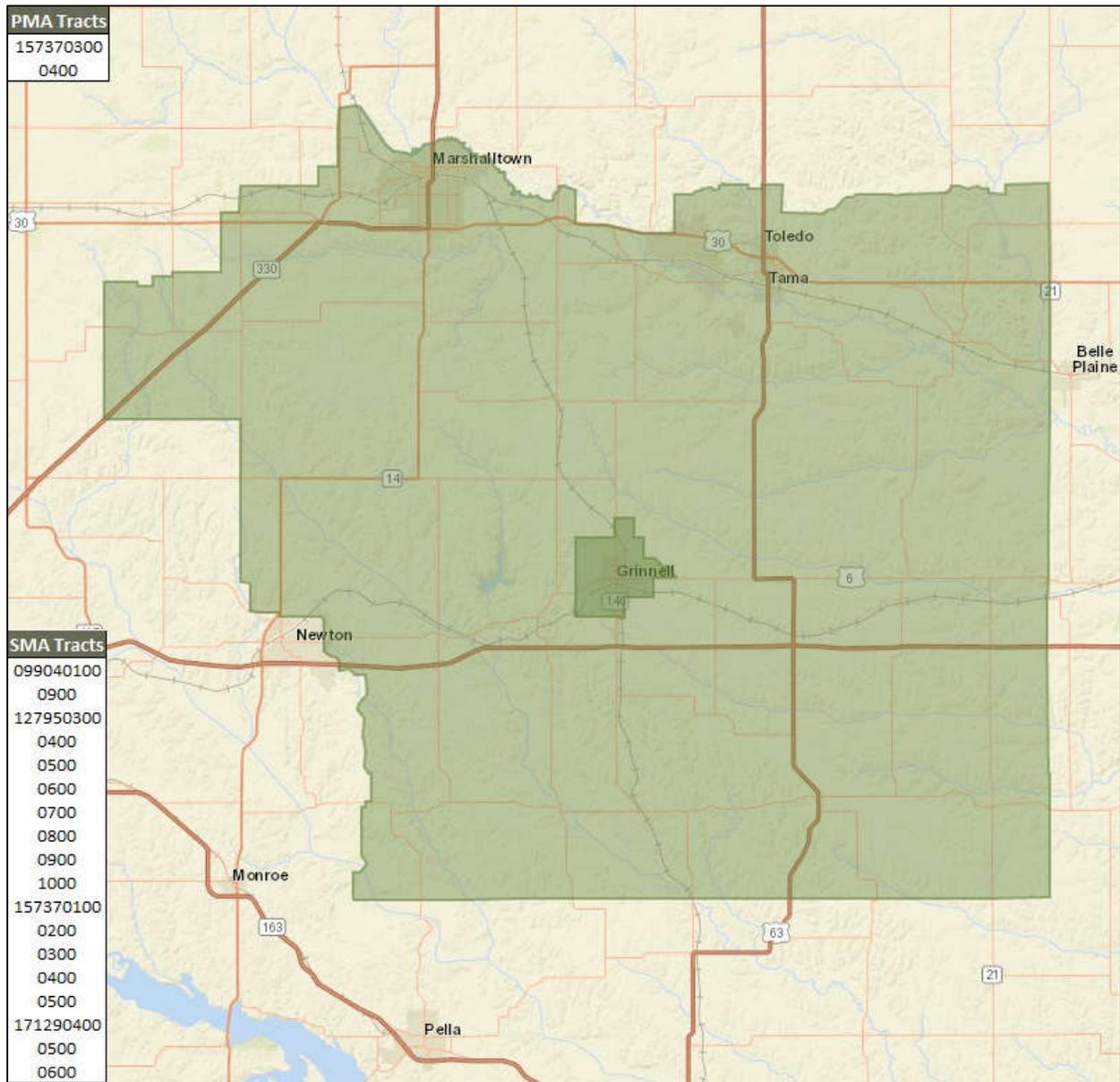


Map 5 Grinnell Market Area





Map 6 Secondary Market Area





5. COMMUNITY DEMOGRAPHIC DATA

A. Introduction and Methodology

RPRG analyzed recent trends in population and households in the Grinnell Market Area and Secondary Market Area using U.S. Census data and data from Esri, a national data vendor that prepares small area estimates and projections of population and households. We also considered building permit trends collected from the HUD State of the Cities Data Systems (SOCDS) database. It is important to note that all demographic data is based on historic Census data and the most recent Esri projections available for the Grinnell Market Area and Secondary Market Area. In this case, estimates and projections were derived by Esri in 2020. We recognize that the current COVID-19 situation is likely to have an impact on short-term growth and demographic trends. Although too early to quantify these impacts, the most likely changes will be slower household growth in at least the short term, a high propensity to rent, and likely a decrease in income. The demographic projections have not been altered, but RPRG will discuss the impact of these potential changes as they relate to housing demand in the conclusions of this report.

B. Trends in Population and Households

1. Recent Past Trends

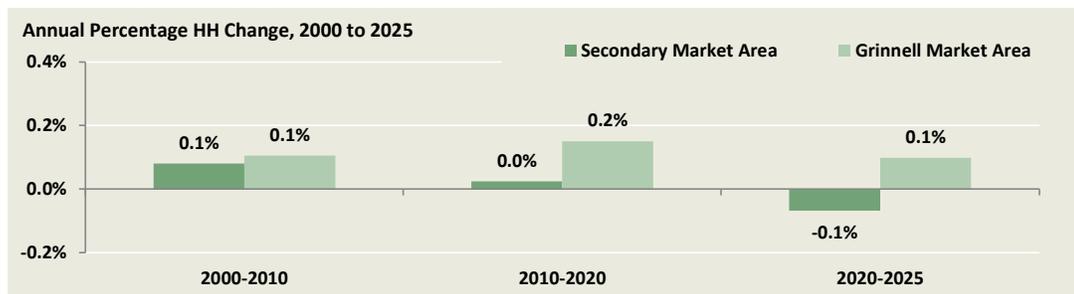
The Grinnell Market Area experienced limited population and household growth between the 2000 and 2010 Census counts, adding 70 people (0.8 percent) and 38 households (1.1 percent) during the decade. During the same period, the Secondary Market Area’s population grew by 1.0 percent and its household base grew by 0.8 percent. Annual household growth between 2000 and 2010 was 0.1 percent among population and households in both geographies (Table 11).

Table 11 Population and Household Projections

Population	Secondary Market Area					Grinnell Market Area				
	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2000	84,272					9,330				
2010	85,150	878	1.0%	88	0.1%	9,400	70	0.8%	7	0.1%
2020	85,598	448	0.5%	45	0.1%	9,686	286	3.0%	29	0.3%
2025	85,307	-291	-0.3%	-58	-0.1%	9,713	27	0.3%	5	0.1%

Households	Secondary Market Area					Grinnell Market Area				
	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2000	33,436					3,589				
2010	33,703	267	0.8%	27	0.1%	3,627	38	1.1%	4	0.1%
2020	33,785	82	0.2%	8	0.0%	3,682	55	1.5%	6	0.2%
2025	33,670	-115	-0.3%	-23	-0.1%	3,700	18	0.5%	4	0.1%

Source: 2000 Census; 2010 Census; Esri; and Real Property Research Group, Inc.





2. Projected Trends

Based on Esri estimates, the Grinnell Market Area added 286 people and 55 households from 2010 to 2020. Esri projects that the Grinnell Market Area will gain 27 people and 18 households from 2020 to 2025, annual increases of 0.1 percent. The Secondary Market Area’s population and household base are projected to decline slightly with the loss of 291 people and 115 households during the same period.

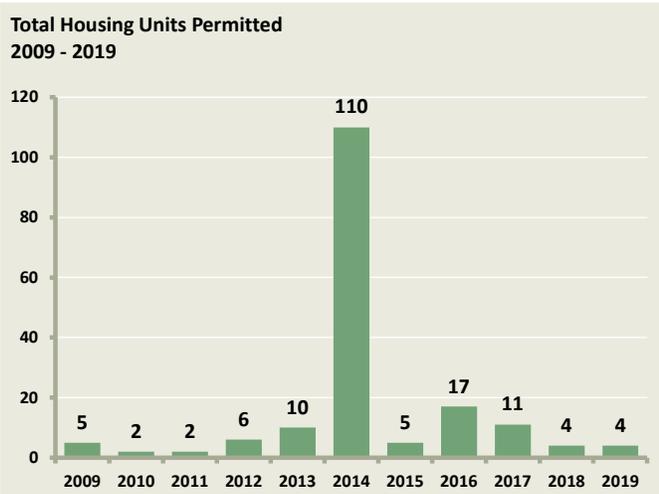
3. Building Permit Trends

Grinnell permitted an average of 16 housing units per year from 2009 to 2019 compared to estimated annual growth of six households per year from 2010 to 2020. Given the significantly older age of Grinnell’s housing stock, many of these permitted units likely replaced functionally obsolete or substandard housing (Table 12). Permit activity generally ranged from roughly five to ten units per year for much of the past ten years outside of one year (2014) during which two multi-family rental communities were constructed (Spaulding Lofts and Watertower Square at Mayflower). Among the units permitted, 59.5 percent were in multi-family structures with five or more units and 39.5 percent were in single-family detached homes; however, this figures is skewed by the high number of multi-family units permitted in one year as single-family detached homes accounted for all permitted in each of the other years.

Table 12 Building Permits by Structure Type, Grinnell City Limits

Grinnell City Limits					
Year	Single - Unit	Two Units	3-4 Units	5+ Units	Ann. Total
2009	5	0	0	0	5
2010	2	0	0	0	2
2011	2	0	0	0	2
2012	6	0	0	0	6
2013	10	0	0	0	10
2014	5	2	0	103	110
2015	5	0	0	0	5
2016	15	2	0	0	17
2017	11	0	0	0	11
2018	4	0	0	0	4
2019	4	0	0	0	4
2009-2019	69	4	0	103	176
Ann. Avg.	6	0	0	9	16

Source: U.S. Census Bureau, C-40 Building Permit Reports.



4. Trends in Older Adult and Senior Households

The Grinnell Market Area contained 1,726 households with householder age 55+ and 1,304 households with householder age 62+ as of the 2010 Census (Table 13). From 2010 and 2020, Esri estimates households with a householder 55+ increased at an annual rate of 1.2 percent (22 households) while households with a householder 62+ increased by 1.3 percent per year (18 households); senior growth includes both net migration and aging in place. Senior households are projected to increase at annual rates of 0.3 percent for those age 55 and older and 0.9 percent for those age 62 and older through 2025, bringing total households with a householder 55+ and 62+ to 1,978 and 1,550, respectively.

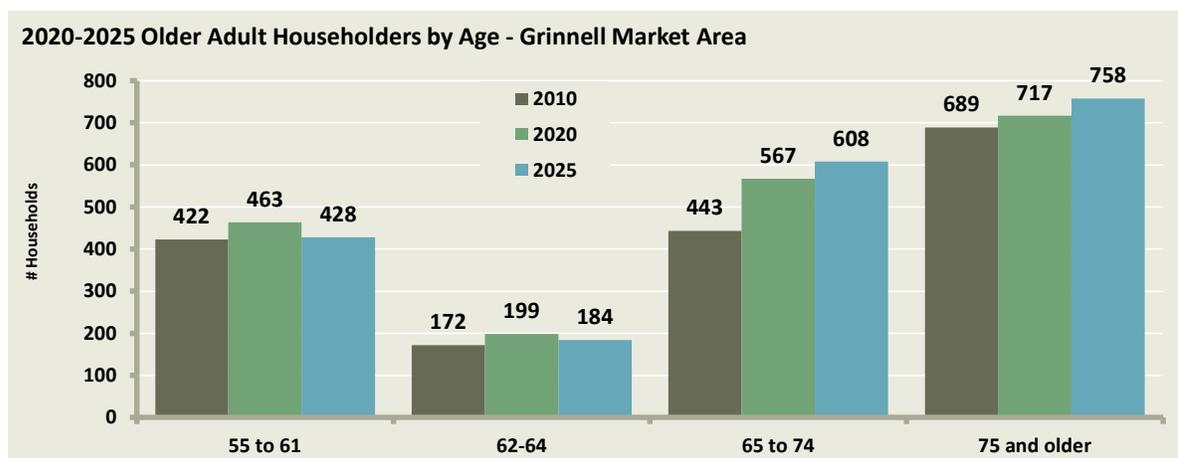


From 2010 to 2020, the highest rates of growth occurred among householders age 62 to 64 (15.7 percent) and 65 to 74 (28.0 percent) though all age cohorts increased by at least 4.1 percent during this period. Over the next five years, all the senior household growth is projected to occur among households with a householder age 65 and older (5.7 to 7.2 percent) with senior households with householders age 55 to 64 decreasing by 7.6 percent. Taking these trends into consideration along with the Grinnell Market Area’s modest overall household gains projected over the next five years, growth of senior households in the Grinnell Market Area will likely be driven by existing households aging in place rather than net in-migration.

Table 13 Senior Household Projections

Grinnell Market Area							Change 2010 to 2020				Change 2020 to 2025			
							Total		Annual		Total		Annual	
Age of HH	2010	2020	2025	#	%	#	%	#	%	#	%			
55 to 61	422	24.5%	463	23.8%	428	21.7%	41	9.7%	4	0.9%	-35	-7.6%	-7	-1.6%
62-64	172	9.9%	199	10.2%	184	9.3%	27	15.7%	3	1.5%	-15	-7.6%	-3	-1.6%
65 to 74	443	25.7%	567	29.1%	608	30.7%	124	28.0%	12	2.5%	41	7.2%	8	1.4%
75 and older	689	39.9%	717	36.8%	758	38.3%	28	4.1%	3	0.4%	41	5.7%	8	1.1%
Householders 55+	1,726	1,946	1,978	220	12.7%	22	1.2%	32	1.6%	6	0.3%			
Householders 62+	1,304	1,483	1,550	179	13.7%	18	1.3%	67	4.5%	13	0.9%			

Source: 2010 Census; Esri; RPRG



C. Demographic Characteristics

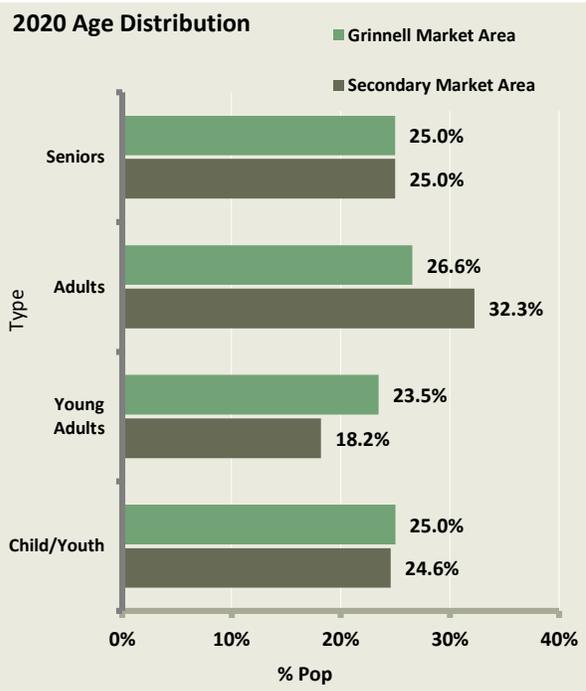
1. Age Distribution and Household Type

Esri estimates the Grinnell Market Area’s population had a median age of 36 as of 2020, notably younger than the Secondary Market Area’s population median age of 41 (Table 14). The Grinnell Market Area’s population is relatively evenly distributed among age cohorts with each cohort accounting for approximately 23 to 27 percent of the population. Relative to the Secondary Market Area, the Grinnell Market Area has a notably higher percentage of young adults age 20 to 24 (23.5 percent versus 18.2 percent), due in large part to Grinnell College, and a lower percentage of adults age 35 to 61 (26.6 percent versus 32.3 percent). The Grinnell Market Area contains roughly the same percentage of children/youth under the age of 20 (25 percent) and seniors age 62 and older (25 percent) as the Secondary Market Area.



Table 14 2020 Age Distribution

2020 Age Distribution	Secondary Market Area		Grinnell Market Area	
	#	%	#	%
Children/Youth	21,031	24.6%	2,421	25.0%
Under 5 years	5,050	5.9%	458	4.7%
5-9 years	5,164	6.0%	451	4.7%
10-14 years	5,326	6.2%	493	5.1%
15-19 years	5,491	6.4%	1,019	10.5%
Young Adults	15,573	18.2%	2,273	23.5%
20-24 years	5,531	6.5%	1,428	14.7%
25-34 years	10,042	11.7%	845	8.7%
Adults	27,607	32.3%	2,573	26.6%
35-44 years	9,384	11.0%	910	9.4%
45-54 years	9,895	11.6%	904	9.3%
55-61 years	8,328	9.7%	759	7.8%
Seniors	21,387	25.0%	2,419	25.0%
62-64 years	3,569	4.2%	325	3.4%
65-74 years	9,517	11.1%	945	9.8%
75-84 years	5,396	6.3%	667	6.9%
85 and older	2,905	3.4%	482	5.0%
TOTAL	85,598	100%	9,686	100%
Median Age	41		36	

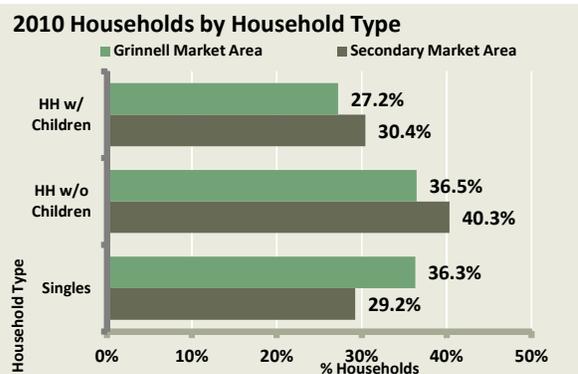


Source: Esri; RPRG, Inc.

Single persons and households with at least two adults and no children each accounted for roughly 36 percent of households in the Grinnell Market Area and nearly 73 percent of all Grinnell Market Area households combined as of the 2010 Census (Table 15). Relative to the Secondary Market Area, the Grinnell Market Area had a lower percentage of adult households without children (36.5 percent versus 40.3 percent) and a much higher percentage of single persons (36.3 percent versus 29.2 percent) due to the presence of Grinnell College. The Grinnell Market Area also had a notably lower percentage of households with children (27.2 percent) compared to the Secondary Market Area.

Table 15 2010 Households by Household Type

2010 Households by Household Type	Secondary Market Area		Grinnell Market Area	
	#	%	#	%
Married w/Children	6,762	20.1%	609	16.8%
Other w/ Children	3,496	10.4%	378	10.4%
Households w/ Children	10,258	30.4%	987	27.2%
Married w/o Children	10,507	31.2%	986	27.2%
Other Family w/o Children	1,441	4.3%	112	3.1%
Non-Family w/o Children	1,646	4.9%	225	6.2%
Households w/o Children	13,594	40.3%	1,323	36.5%
Singles	9,851	29.2%	1,317	36.3%
Total	33,703	100%	3,627	100%



Source: 2010 Census; RPRG, Inc.

2. Renter Household Characteristics

The Grinnell Market Area and the Secondary Market Area are both owner dominated markets. As of the 2010 Census, 64.7 percent of households in the Grinnell Market Area and 72.2 percent of households in the Secondary Market Area owned their home (Table 16). Though homeowners still comprise the majority of households in the Grinnell Market Area and Secondary Market Area, a shift from owner to renter-occupied housing occurred during the last ten years as tighter lending restrictions, a national recession, and housing market downturn in the early part of the decade pushed many households away from home ownership. Esri estimates for 2010 to 2020 indicate the Grinnell Market Area added 282 renter households and lost 227 owner households. This equates to an annual growth rate of 28 renter households per year (2.0 percent) and an annual owner household loss of 23 households per year (1.0 percent). Similarly, the Secondary Market Area added 84 renter households per year and lost 76 owner households annually. As such, renter households accounted for all net household growth in both areas over the last ten years. Over the next five years, Esri projects renter household will account for 75 percent of net household growth (Table 17).

Table 16 Households by Tenure, 2000 to 2020

Secondary Market Area	2000		2010		2020		Change 2010-2020				% of Change 2010 - 2020
	#	%	#	%	#	%	Total Change		Annual Change		
Housing Units	#	%	#	%	#	%	#	%	#	%	
Owner Occupied	24,382	72.9%	24,260	72.0%	23,501	69.6%	-759	-3.1%	-76	-0.3%	0.0%
Renter Occupied	9,054	27.1%	9,443	28.0%	10,284	30.4%	841	8.9%	84	0.9%	100.0%
Total Occupied	33,436	100%	33,703	100%	33,785	100%	82	0.2%	8	0.0%	100%
Total Vacant	2,977		3,851		4,494						
TOTAL UNITS	36,413		37,554		38,279						

Grinnell Market Area	2000		2010		2020		Change 2010-2020				% of Change 2010 - 2020
	#	%	#	%	#	%	Total Change		Annual Change		
Housing Units	#	%	#	%	#	%	#	%	#	%	
Owner Occupied	2,347	65.4%	2,346	64.7%	2,119	57.6%	-227	-9.7%	-23	-1.0%	0.0%
Renter Occupied	1,242	34.6%	1,281	35.3%	1,563	42.4%	282	22.0%	28	2.0%	100.0%
Total Occupied	3,589	100%	3,627	100%	3,682	100%	55	1.5%	6	0.2%	100%
Total Vacant	231		280		369						
TOTAL UNITS	3,820		3,907		4,051						

Source: U.S. Census of Population and Housing, 2000, 2010; Esri, RPRG, Inc.

Table 17 Households by Tenure 2020 to 2025

Grinnell Market Area	2020		2025 Esri HH by Tenure		Esri Change by Tenure		Annual Change by Tenure	
Housing Units	#	%	#	%	#	%	#	%
Owner Occupied	2,119	57.6%	2,124	57.4%	5	25.0%	1	0.0%
Renter Occupied	1,563	42.4%	1,577	42.6%	14	75.0%	3	0.2%
Total Occupied	3,682	100%	3,700	100%	18	100%	4	0.1%
Total Vacant	369		399					
TOTAL UNITS	4,051		4,099					

Source: Esri, RPRG, Inc.

Among householders age 62 and older, the renter percentages in both geographies are lower than for all households. The 2020 renter percentages for households with householders 62+ as estimated by Esri are 30.3 percent in the Grinnell Market Area and 22.5 percent in the Secondary Market Area (Table 18).



Table 18 Senior Households by Tenure, 62+

Senior Households 62+	Secondary Market Area		Grinnell Market Area	
	#	%	#	%
2020 Households				
Owner Occupied	9,954	77.5%	1,033	69.7%
Renter Occupied	2,884	22.5%	449	30.3%
Total Occupied	12,839	100.0%	1,483	100.0%

Source: 2000 Census; 2010 Census; ESRI; RPRG

Older adults and seniors age 55 or older comprise 63.7 percent of all owner householders in the Grinnell Market Area and 58.5 percent of owner householders in the Secondary Market Area. Working-age adults (35-54 years) account for the next largest percentage of owner householders at 29.9 percent in the Grinnell Market Area and 30.5 percent in the Secondary Market Area.

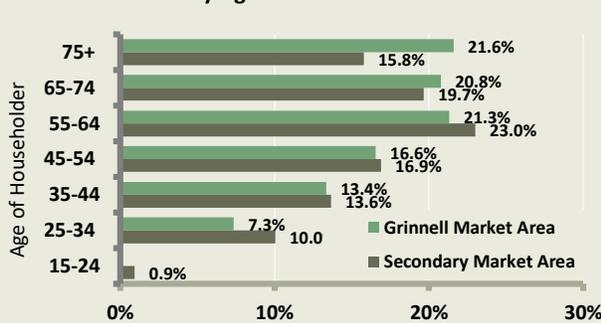
Renter householders are notably younger than owner householders in both the Grinnell Market Area and the Secondary Market Area, though renters are more evenly distributed among age cohorts. Among all renter householders in the Grinnell Market Area, 34.2 percent are children/young adults (age 15-34), 27.6 percent are working age adults (age 35-54), and 38.2 percent are older adults/seniors (age 55+). Relative to the Secondary Market Area, the Grinnell Market Area contains slightly higher percentages of children/young adults and older adults/seniors and a lower percentage of working age adults.

Table 19 Households by Tenure and Age of Householder

Owner Households	Secondary Market Area		Grinnell Market Area	
	#	%	#	%
15-24 years	221	0.9%	-20	-1.0%
25-34 years	2,361	10.0%	156	7.3%
35-44 years	3,207	13.6%	283	13.4%
45-54 years	3,970	16.9%	351	16.6%
55-64 years	5,410	23.0%	452	21.3%
65-74 years	4,622	19.7%	440	20.8%
75+ years	3,709	15.8%	458	21.6%
Total	23,501	100%	2,119	100%

Source: Esri, Real Property Research Group, Inc.

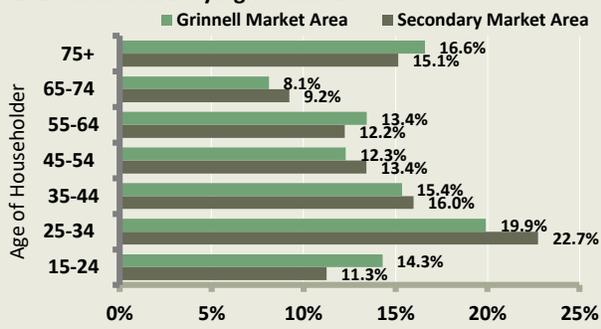
2020 Owner HHs by Age of HHldr



Renter Households	Secondary Market Area		Grinnell Market Area	
	#	%	#	%
15-24 years	1,158	11.3%	223	14.3%
25-34 years	2,338	22.7%	311	19.9%
35-44 years	1,643	16.0%	240	15.4%
45-54 years	1,380	13.4%	192	12.3%
55-64 years	1,259	12.2%	210	13.4%
65-74 years	949	9.2%	127	8.1%
75+ years	1,558	15.1%	259	16.6%
Total	10,284	100%	1,563	100%

Source: Esri, Real Property Research Group, Inc.

2020 Renter HHs by Age of HHldr



Approximately 69 percent of all owner households in the Grinnell Market Area contained one or two persons as of the 2010 Census, though two-person households were more prevalent than single

person households overall (40.2 percent versus 28.9 percent) (Table 20). Three and four-person households accounted for 24.8 percent of Grinnell Market Area owners while large households (those with five or more persons) comprised 6.2 percent of owner households. In comparison, the Secondary Market Area had slightly higher percentages of households with 2+ persons and a notably lower percentage of single person households.

Similar to owner households, the vast majority of renter households (74.6 percent) in the Grinnell Market Area had one or two persons; however, unlike owner households, single persons comprise the majority of smaller renter households (49.9 percent versus 24.7 percent). Roughly 21 percent of Grinnell Market Area renter households had three or four persons while just 4.8 percent of renter households contain 5+ persons. The Secondary Market Area's renter households skew larger than the Grinnell Market Area's with higher percentages of households containing 3+ persons.

Table 20 2010 Households by Tenure and Household Size

Owner Occupied	Secondary Market Area		Grinnell Market Area		Renter Occupied	Secondary Market Area		Grinnell Market Area	
	#	%	#	%		#	%	#	%
1-person hhld	5,730	23.6%	678	28.9%	1-person hhld	4,121	43.6%	639	49.9%
2-person hhld	10,113	41.7%	942	40.2%	2-person hhld	2,270	24.0%	316	24.7%
3-person hhld	3,150	13.0%	303	12.9%	3-person hhld	1,234	13.1%	167	13.0%
4-person hhld	2,908	12.0%	278	11.8%	4-person hhld	943	10.0%	98	7.7%
5+-person hhld	2,359	9.7%	145	6.2%	5+-person hhld	875	9.3%	61	4.8%
TOTAL	24,260	100%	2,346	100%	TOTAL	9,443	100%	1,281	100%

Source: 2010 Census

3. Income Characteristics

Based on Esri estimates, the 2020 median household income in the Grinnell Market Area is \$47,442, which is \$6,905 or 12.7 percent below the \$54,347 median income in the Secondary Market Area (Table 21). Looking at households by income cohort in the Grinnell Market Area, 13.6 percent have very low annual incomes (less than \$15,000), 22.5 percent have low annual incomes (\$15,000 to \$34,999), 33.7 percent have moderate annual incomes (\$35,000 to \$74,999), and 30.2 percent have high annual incomes (\$75,000 or more). Combined, moderate- and upper-income households comprise 63.9 percent of all households in the Grinnell Market Area. As shown in Table 22, median incomes are highest among working age and older adults (age 35-54) and lowest among young households under the age of 25 and senior households age 75 and older. Relative to the Secondary Market area, the Grinnell Market Area's higher percentage of very low income households earning less than \$15,000 annually is likely due in part to students at Grinnell College.

The Grinnell Market Area's owner median household income of \$59,934 is nearly twice the renter median income of \$31,789 (Table 23). Approximately 39 percent of all owner households have high annual incomes (\$75,000+) compared to just 17.8 percent of renter households. A somewhat higher percentage of owner households also have moderate incomes (\$35,000 to \$74,999) relative to renter households (36.8 percent versus 29.5 percent). Nearly half (44.2 percent) of renter households have low to very low incomes (less than \$35,000) compared to just 11.6 percent of owner households.



Table 21 2020 Household Income

Estimated 2020 Household Income		Secondary Market Area		Grinnell Market Area	
		#	%	#	%
less than	\$15,000	3,286	9.7%	501	13.6%
	\$15,000 - \$24,999	3,456	10.2%	436	11.8%
	\$25,000 - \$34,999	3,305	9.8%	393	10.7%
	\$35,000 - \$49,999	5,565	16.5%	616	16.7%
	\$50,000 - \$74,999	7,363	21.8%	624	16.9%
	\$75,000 - \$99,999	4,796	14.2%	431	11.7%
	\$100,000 - \$149,999	3,978	11.8%	432	11.7%
	\$150,000 Over	2,036	6.0%	249	6.8%
Total		33,785	100%	3,682	100%
Median Income		\$54,347		\$47,442	

Source: Esri; Real Property Research Group, Inc.

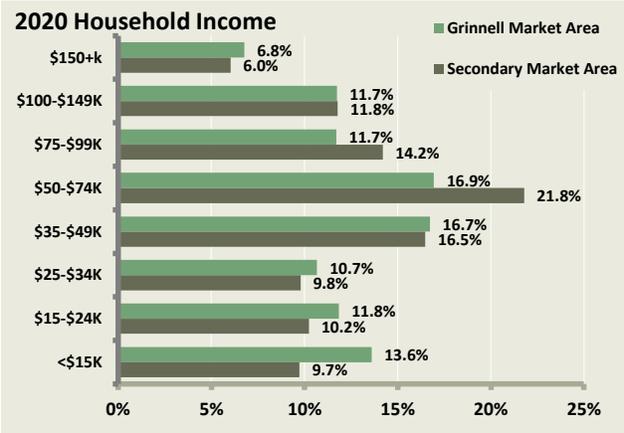


Table 22 2020 Income by Age of Householder

Householder Age >	All Hhlds	Age < 25	25-34	35-44	45-54	55-64	65-74	75 +
Household Income	3,682	203	467	523	543	662	567	717
less than \$15,000	501	45	55	41	59	102	75	124
\$15,000 - \$24,999	436	36	50	33	47	58	63	149
\$25,000 - \$34,999	393	20	39	50	47	55	73	109
\$35,000 - \$49,999	616	46	79	83	79	102	92	135
\$50,000 - \$74,999	624	26	88	81	92	127	111	99
\$75,000 - \$99,999	431	11	60	86	81	86	77	30
\$100,000 - \$149,999	432	16	61	95	82	85	48	45
\$150,000 - \$199,999	122	2	23	28	23	24	13	9
\$200,000 over	127	1	12	26	33	23	15	17
Median Income	\$47,442	\$35,162	\$52,982	\$66,820	\$60,733	\$52,755	\$46,820	\$32,843

Source: Esri; RPRG, Inc.

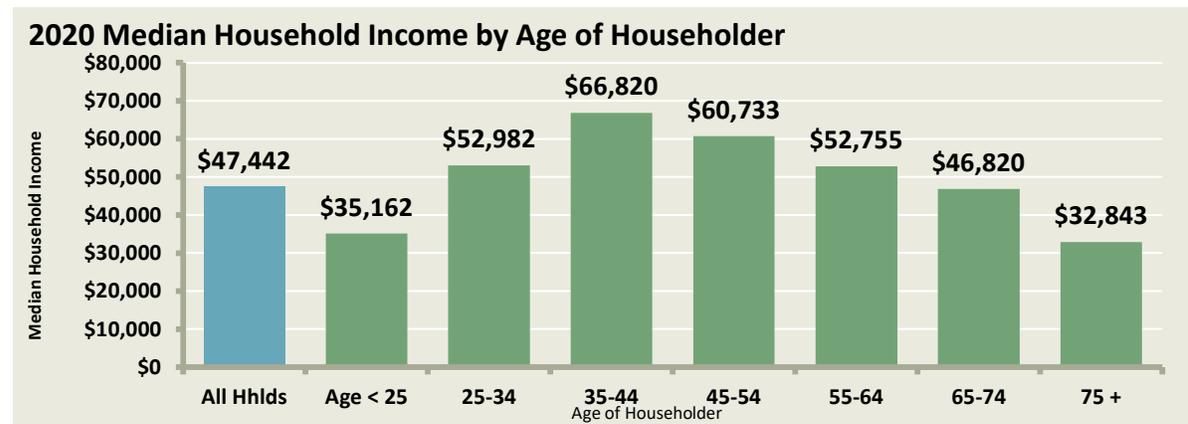
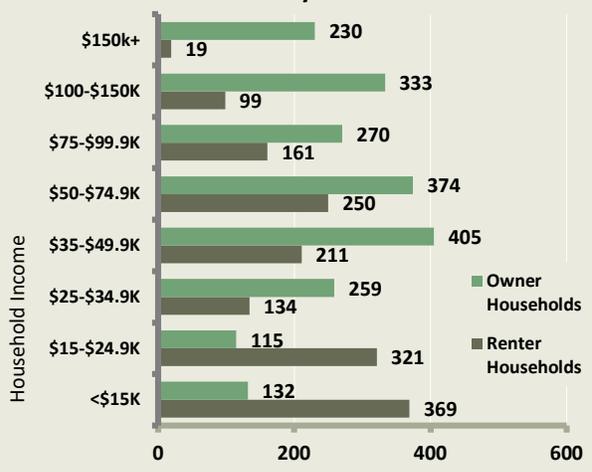




Table 23 2020 Household Income by Tenure

Estimated 2020 HH Income		Renter Households		Owner Households	
Grinnell Market Area		#	%	#	%
less than	\$15,000	369	23.6%	132	6.2%
	\$15,000 - \$24,999	321	20.6%	115	5.4%
	\$25,000 - \$34,999	134	8.6%	259	12.2%
	\$35,000 - \$49,999	211	13.5%	405	19.1%
	\$50,000 - \$74,999	250	16.0%	374	17.7%
	\$75,000 - \$99,999	161	10.3%	270	12.8%
	\$100,000 - \$149,999	99	6.3%	333	15.7%
	\$150,000 over	19	1.2%	230	10.9%
Total		1,563	100%	2,119	100%
Median Income		\$31,789		\$59,934	

2020 Household Income by Tenure



Source: American Community Survey 2014-2018 Estimates, RPRG, Inc.

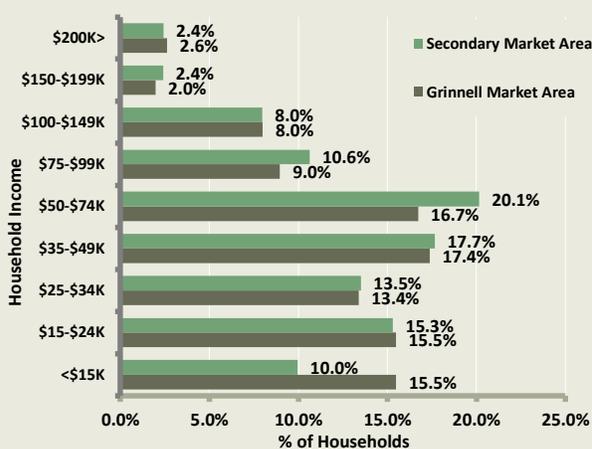
4. Senior Income Characteristics

Senior households (62+) in the Grinnell Market Area have a 2020 median household income of \$39,879 per year, \$4,660 (11.7 percent) lower than the \$44,538 senior median income in the Secondary Market Area (Table 24). Roughly 44 percent of senior households (62+) in the Grinnell Market Area have low to very low incomes (less than \$35,000) while moderate and high income seniors comprise roughly 56 percent of all senior households (62+).

Table 24 2020 Senior Household Income, Householders 62+

2020 HH Income for Householders 62+		Secondary Market Area		Grinnell Market Area	
		#	%	#	%
less than	\$15,000	1,278	10.0%	230	15.5%
	\$15,000 - \$24,999	1,965	15.3%	229	15.5%
	\$25,000 - \$34,999	1,735	13.5%	199	13.4%
	\$35,000 - \$49,999	2,266	17.7%	258	17.4%
	\$50,000 - \$74,999	2,586	20.1%	248	16.7%
	\$75,000 - \$99,999	1,365	10.6%	133	9.0%
	\$100,000 - \$149,999	1,023	8.0%	119	8.0%
	\$150,000 - \$199,999	308	2.4%	29	2.0%
	\$200,000 over	312	2.4%	39	2.6%
Total		12,839	100%	1,483	100%
Median Income		\$44,538		\$39,879	

2020 HH Income for Householders 62+



Source: American Community Survey 2014-2018 Estimates, RPRG, Inc.

Based on the U.S. Census Bureau’s American Community Survey (ACS) data and breakdown of tenure and household estimates, the 2020 median income for senior renter householders (age 62 and older) in the Grinnell Market Area is \$24,972 (Table 18). Half of all senior renter householders in the Grinnell Market Area have an income less than \$25,000 per year and 23.1 percent earn from \$25,000 to \$49,999 annually. The estimated household income for senior owner householders age

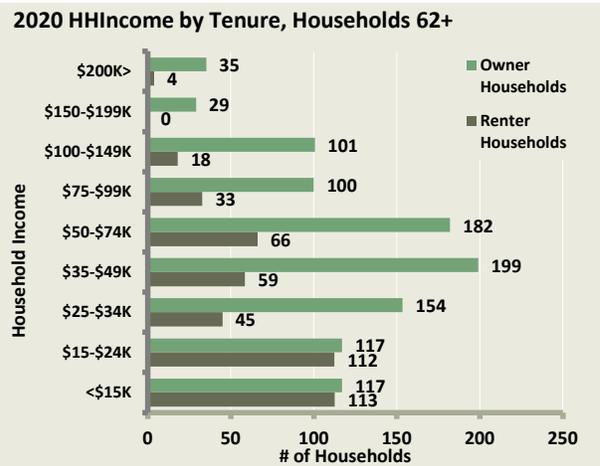


62 and older is \$44,730, 79.1 percent higher than the senior renter household median income. While senior owner households are more evenly distributed among income cohorts, 43.2 percent all senior owner households have an annual income \$50,000 or more.

Table 25 2020 Senior Household Income by Tenure, Householders 62+

Grinnell Market Area		Renter Households		Owner Households	
Householders 62+		#	%	#	%
less than	\$15,000	113	25.0%	117	11.3%
	\$15,000	112	25.0%	117	11.3%
	\$25,000	45	10.0%	154	14.9%
	\$35,000	59	13.0%	199	19.3%
	\$50,000	66	14.7%	182	17.6%
	\$75,000	33	7.3%	100	9.7%
	\$100,000	18	4.0%	101	9.7%
	\$150,000	0	0.0%	29	2.8%
	\$200,000	4	0.8%	35	3.4%
Total		449	100%	1,033	100%
Median Income		\$24,972		\$44,730	

Source: American Community Survey 2014-2018 Estimates, RPRG, Inc.



6. COMPETITIVE HOUSING ANALYSIS

A. Introduction and Sources of Information

This section presents data and analyses pertaining to the supply of housing in the Grinnell Market Area. We pursued several avenues of research to identify residential projects that are actively being planned or that are currently under construction within the Grinnell Market Area. Site visit observations also informed this process. The rental survey of competitive projects was conducted in September and October of 2020.

B. Overview of Market Area Housing Stock

Based on the 2014-2018 ACS survey, low density structures comprise the majority of housing in both the Grinnell Market Area and the Secondary Market Area (Table 26). Approximately 90 to 93 percent of all owner occupied units in both the Grinnell Market Area and the Secondary Market Area are single-family homes. The remaining owner-occupied units are generally duplexes, townhomes, and mobile homes. Roughly five percent of owner occupied units in the Grinnell Market Area are contained in multi-family structures with five or more units compared to less than two percent in the Secondary Market Area. Rental housing in the Grinnell Market Area is diverse with 31.5 percent in single-family detached homes, 27.8 percent in multi-family structures with 2-4 units, and 37.0 percent in multi-family structures with five or more units.

Table 26 Dwelling Units by Structure and Tenure

Structure Type	Owner Occupied				Renter Occupied			
	Secondary Market Area		Grinnell Market Area		Secondary Market Area		Grinnell Market Area	
	#	%	#	%	#	%	#	%
1, detached	21,372	92.8%	1,937	84.8%	4,227	42.0%	469	31.5%
1, attached	341	1.5%	129	5.6%	282	2.8%	56	3.8%
2	92	0.4%	39	1.7%	856	8.5%	202	13.5%
3-4	40	0.2%	10	0.4%	1,497	14.9%	213	14.3%
5-9	31	0.1%	23	1.0%	877	8.7%	221	14.8%
10-19	94	0.4%	34	1.5%	915	9.1%	149	10.0%
20+ units	160	0.7%	60	2.6%	1,171	11.6%	181	12.1%
Mobile home	889	3.9%	53	2.3%	240	2.4%	0	0.0%
TOTAL	23,019	100%	2,285	100%	10,065	100%	1,491	100%

Source: American Community Survey 2014-2018

The housing stocks in both the Grinnell Market Area and the Secondary Market Area are old overall. Among owner-occupied units, the Grinnell Market Area has a median year built of 1962 compared to 1959 in the Secondary Market Area (Table 27). The median year built of the rental housing stock is 1972 in the Grinnell Market Area and 1967 in the Secondary Market Area. Nearly half of all rental units (47.1 percent) and nearly two-thirds (62.1 percent) of owner-occupied housing units in the Grinnell Market Area were built prior to 1970 including roughly 28 percent of rental units and 25 percent of owner-occupied units built prior to 1940. The bulk of rental units in the Grinnell Market Area (45.7 percent) were built from the 1960's to 1980's while the bulk of owner-occupied housing units (45.0 percent) were built from the 1950's to the 1970's. Only 10.9 percent of the Grinnell Market Area's rental housing and 8.5 percent of owner-occupied housing stock has been built since 2000.



Table 27 Dwelling Units by Year Built and Tenure

Year Built	Owner Occupied				Renter Occupied			
	Secondary Market Area		Grinnell Market Area		Secondary Market Area		Grinnell Market Area	
	#	%	#	%	#	%	#	%
2014 or later	105	0.5%	32	1.4%	43	0.4%	0	0.0%
2010 to 2013	218	0.9%	0	0.0%	76	0.8%	34	2.3%
2000 to 2009	1,669	7.2%	163	7.1%	711	7.1%	128	8.6%
1990 to 1999	1,713	7.4%	188	8.2%	1,148	11.4%	144	9.7%
1980 to 1989	1,349	5.9%	217	9.5%	1,114	11.1%	257	17.2%
1970 to 1979	3,431	14.9%	265	11.6%	1,651	16.4%	225	15.1%
1960 to 1969	2,920	12.7%	343	15.0%	1,244	12.4%	200	13.4%
1950 to 1959	3,371	14.6%	420	18.4%	909	9.0%	69	4.6%
1940 to 1949	1,332	5.8%	93	4.1%	370	3.7%	19	1.3%
1939 or earlier	6,921	30.1%	564	24.7%	2,799	27.8%	415	27.8%
TOTAL	23,029	100%	2,285	100%	10,065	100%	1,491	100%
MEDIAN YEAR BUILT	1959		1962		1967		1972	

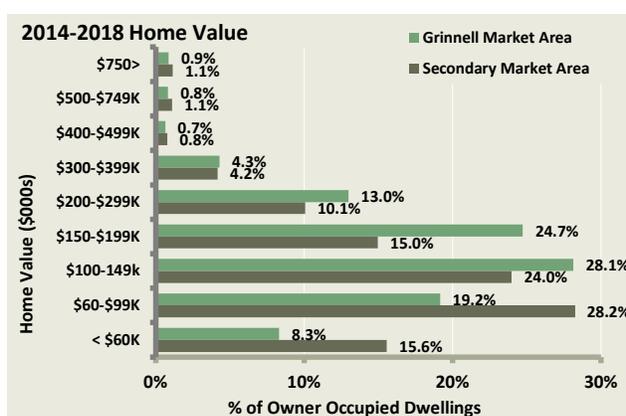
Source: American Community Survey 2014-2018

According to ACS data, the median value among owner-occupied housing units in the Grinnell Market Area from 2014 to 2018 was \$140,084, which is \$29,266 or 26.4 percent higher than the Secondary Market Area median of \$110,818 (Table 28). ACS estimates home values based upon values from the 2014-2018 surveys and homeowners’ assessments of the values of their homes. This data is traditionally a less accurate and reliable indicator of home prices in an area than actual sales data but offers insight of relative housing values among two or more areas.

Table 28 Value of Owner-Occupied Housing Stock

2014-2018 Home Value	Secondary Market Area		Grinnell Market Area	
	#	%	#	%
less than \$60,000	3,584	15.6%	190	8.3%
\$60,000 - \$99,999	6,505	28.2%	438	19.2%
\$100,000 - \$149,999	5,523	24.0%	643	28.1%
\$150,000 - \$199,999	3,445	15.0%	565	24.7%
\$200,000 - \$299,999	2,318	10.1%	297	13.0%
\$300,000 - \$399,999	961	4.2%	98	4.3%
\$400,000 - \$499,999	177	0.8%	15	0.7%
\$500,000 - \$749,999	252	1.1%	19	0.8%
\$750,000 over	264	1.1%	20	0.9%
Total	23,029	100%	2,285	100%
Median Value	\$110,818		\$140,084	

Source: American Community Survey 2014-2018



C. Survey of General Occupancy Multi-Family Rental Communities

1. Introduction to the Rental Housing Survey

As part of this analysis, RPRG surveyed six multi-family rental communities located in the Grinnell Market Area. Among these six properties, two are deeply subsidized through the USDA Rural Development Program, two are income restricted through the Low Income Housing Tax Credit Program, and two are market rate. For USDA properties, tenants generally pay an amount between a minimum or “basic” rent and a maximum or “market/note rate” rent depending upon a percentage of their gross annual income; however, in this instance all but three of the units at these two communities also contain Rental Assistance, which provides additional rent subsidies. For LIHTC communities, all tenants pay a set rent which must remain below a maximum threshold depending upon an established percentage of gross annual income for each unit. In general, LIHTC communities often have rents closer to (or equal to in some instances) market rate levels than USDA communities. Given most tenants of deeply subsidized properties are not subject to minimum income limits, these properties are discussed separately as they are not comparable to LIHTC or market rate rentals. Four additional properties, including one LIHTC community (Westfield) and three market rate communities (Southgate, Prairie Jewel, and Gracie Park) either refused to participate in our survey or could not be reached. Profile sheets with detailed information on each surveyed community, including photographs, are attached as Appendix 8.

2. Location

Four of the six rental communities surveyed are located on the south side of Grinnell (south of U.S. Highway 6), including all deeply subsidized and LIHTC communities (Map 7). These four properties are situated in the southwest quadrant of the city along 4th Avenue, Washington Avenue, and Center Street. Sunset and Reed Street Apartments are the only general occupancy rental communities surveyed north of U.S. Highway 6, positioned along Sunset Street and Reed Street in the northwest quadrant of the city. Based on field observations and reported rents, none of the rental communities appear to have a distinct competitive advantage or disadvantage based on their location.

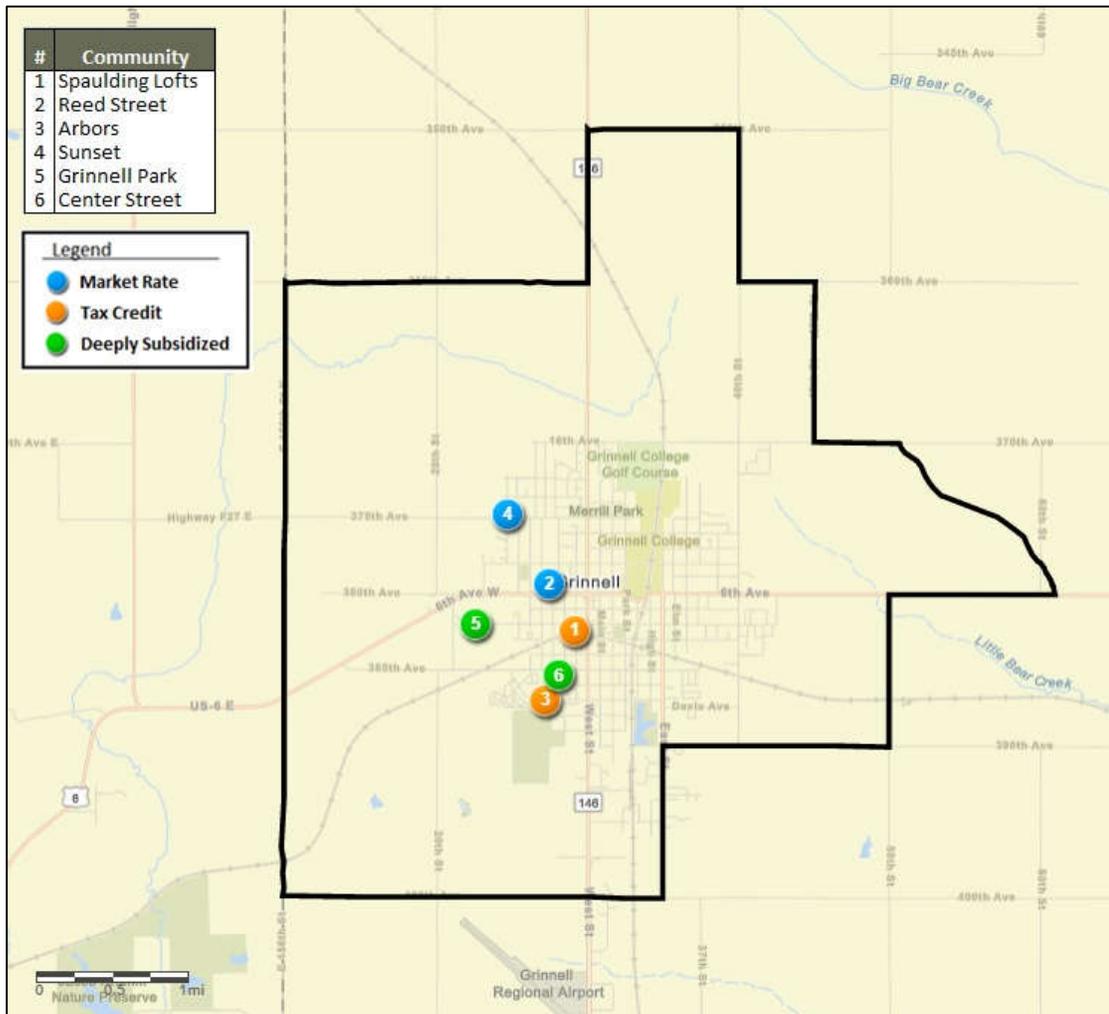
3. Age of Communities

The four market rate and LIHTC properties surveyed reported an average year built of 1990. The two LIHTC communities (Spaulding Lofts and Arbors) are the newest of the surveyed rental stock, built in 2016 and 2001, respectively. The two market rate communities were constructed in the 1960’s or 1970’s. The two deeply subsidized rental communities surveyed reported an average year built of 1985.

4. Structure Type

Five of the six surveyed communities comprise two to three story garden-style buildings with exterior hallways and staircases. Spaulding Lofts is an adaptive reuse of a former industrial building and offers mid-rise apartments that have elevator access and interior access hallways. The exteriors of the surveyed rental stock include brick, vinyl siding, or a combination of the two. While many of the rental communities offer patios/balconies, they generally lack more extensive exterior features and design characteristics found in newer housing communities.

Map 7 Surveyed Rental Communities



5. Size of Communities

The surveyed rental communities range in size from 12 units (Center Street) to 77 units (Spaulding Lofts) with overall averages of 45 units among market rate and LIHTC communities and 18 units among deeply subsidized properties.

6. Vacancy Rates

The four market rate and LIHTC rental communities offer 179 rental units, of which 5 or 2.8 percent were reported vacant. All five vacancies were reported at the two LIHTC communities Arbors and Spaulding Lofts the latter of which also offers market rate units. The two deeply subsidized properties were both fully occupied at the time of our survey.



Table 29 Rental Summary, Surveyed LIHTC and Market Rate Rental Communities

Map #	Community	Year Built	Structure Type	Total Units	Vacant Units	Vacancy Rate	Avg 1BR Rent (1)	Avg 2BR Rent (1)	Incentive
1	Spaulding Lofts*	2016	Adaptive Reuse	77	2	2.6%	\$736	\$774	None
2	Reed Street	1977	Gar	46	0	0.0%	\$550	\$650	None
3	Arbors*	2001	Gar	42	3	7.1%		\$568	None
4	Sunset	1967	Gar	14	0	0.0%		\$618	None
Total Average				179	5	2.8%	\$643	\$653	
LIHTC Total LIHTC Average				119	5	4.2%	\$736	\$671	

(1) Rent is contract rent, and not adjusted for utilities or incentives Tax Credit Communities*

Source: Field Survey, Real Property Research Group, Inc. October and November 2020.

Table 30 Rental Summary, Surveyed Deep Subsidy Rental Communities

Map #	Community	Year Built	Structure Type	Total Units	Vacant Units	Vacancy Rate	Avg 1BR Rent (1)	Avg 2BR Rent (1)	Incentive
7	Grinnell Park**	1990	Gar	24	0	0.0%	\$610	\$705	None
8	Center Street**	1980	Gar	12	0	0.0%		\$643	None
Total Average				36	0	0.0%	\$610	\$674	

Deep Subsidy Communities**

(1) Rent is contract rent, and not adjusted for utilities or incentives

Source: Field Survey, Real Property Research Group, Inc. October and November 2020.

7. Rent Concessions

None of the surveyed rental communities were offering rent concessions or incentives at the time of our survey.

8. Absorption History

The most recently constructed rental community in the Grinnell Market Area is Spaulding Lofts, which opened in two phases in December of 2016 and February of 2017. According to the developer, the first 38-unit building at Spaulding Lofts leased up in three months while 30 of 39 units leased up within one month. The community leased a combined 69 units over a four-month period, which amounts to an average absorption rate of approximately 17 units per month.

D. Analysis of Rental Pricing and Product

1. Payment of Utility Costs

Five of the six surveyed rental communities include the cost of water/sewer and trash removal in the price of rent while the remaining two properties include only the cost of trash removal (Table 31).

2. Unit Features

Dishwashers are standard unit features at three surveyed rental communities; Spaulding Lofts is the only community to include a microwave in each unit (Table 31). Two surveyed rental communities



also include washer/dryer connections with Spaulding Lofts offering full-size washers and dryers in each unit. Other common in-unit features include patios/balconies (four properties), garbage disposals (three properties), and ceiling fans (three properties). Central laundry facilities are also common at most of the surveyed rental communities.

3. Parking

All communities include free surface parking as their standard parking option (Table 31). Two rental communities also offer detached garages for additional monthly fees ranging from \$45 to \$50.

Table 31 Utilities, Unit Features– Surveyed Rental Communities

Community	Heat Type	Utilities Included in Rent					Dish-washer	Micro-wave	Parking	In-Unit Laundry	
		Heat	Hot Water	Cooking	Electric	Water					Trash
Spaulding Lofts	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Surface	STD - Full
Reed Street	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			Surface	
Arbors	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD		Surface	Hook Ups
Sunset	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD		Surface	
Grinnell Park	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			Surface	
Center Street	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			Surface	

Source: Field Survey, Real Property Research Group, Inc. October and November 2020.

4. Community Amenities

Given the small size and age of the surveyed rental stock, half of the surveyed rental communities do not have any community amenities (Table 32). Of the three communities that do have community amenities, Spaulding Lofts offers the most including a community room, fitness center, and computer center. Arbors and Grinnell Park each offer a playground. None of the surveyed rental communities have security entrance gates.

Table 32 Community Amenities – Surveyed Rental Communities

Community	Clubhouse	Fitness Room	Pool	Playground	Tennis	Business Center	Gated Entry
Reed Street	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Spaulding Lofts	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Arbors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sunset	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Grinnell Park	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Center Street	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Source: Field Survey, Real Property Research Group, Inc. October and November 2020.

5. Distribution of Units by Bedroom Type

All four market rate and LIHTC communities were able to provide unit distributions. Among these communities, 33.0 percent of units contained one bedroom, 59.2 percent contained two bedrooms, and 7.8 percent contained three bedrooms (Table 33).



6. Effective Rents

Unit rents presented in Table 33 are net or effective rents, as opposed to street or advertised rents. To arrive at effective rents, we apply adjustments to street rents at some communities to account for current rental incentives; however, in this case no incentives were being offered. The net rents further reflect adjustments to equalize the impact of utility expenses across complexes. Specifically, the net rents represent the hypothetical situation where water/sewer and trash removal utility costs are included in monthly rents at all communities, with tenants responsible for other utility costs.

Among non-subsidized rental communities, effective rents were as follows:

- **One-bedroom** effective rents averaged \$642 per month. The average one-bedroom square footage was 700 square feet, resulting in a net rent per square foot of \$0.92. The range for one-bedroom effective rents was \$550 to \$810.
- **Two-bedroom** effective rents averaged \$657 per month. The average two-bedroom square footage was 1,027 square feet, resulting in a net rent per square foot of \$0.64. The range for two-bedroom effective rents was \$498 to \$1,100.
- **Three-bedroom** effective rents averaged \$668 per month. The average three-bedroom square footage was 1,200 square feet, resulting in a net rent per square foot of \$0.56. The range for three-bedroom effective rents was \$655 to \$680.

Looking at the effective rents for each community, it is notable that the 60 percent LIHTC units at Spaulding Lofts have higher rents than all the existing market rate units including those at the other LIHTC community Arbors. Spaulding Lofts market rate rents are also the highest in the market, \$260 to \$450 higher than the next highest property for one- and two-bedroom units, respectively. The significantly higher rents being achieved at Spaulding Lofts are indicative of the attractiveness of newly constructed rental units in the Grinnell Market Area and suggests achievable rents at other surveyed market rate rental communities may be primarily limited by the age and condition of the properties rather than market conditions.

Table 33 Salient Characteristics, Surveyed Rental Communities

Community	Total Units	One Bedroom Units				Two Bedroom Units				Three Bedroom Units			
		Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF
Spaulding Lofts	20	10	\$810	700	\$1.16	10	\$1,100	1,084	\$1.01				
Arbors	3					3	\$580	1,000	\$0.58				
Spaulding Lofts* 60% AMI	57	31	\$567	700	\$0.81	26	\$676	1,106	\$0.61				
Reed Street	46	18	\$550	N/A	N/A	28	\$650	N/A	N/A				
Sunset	14					14	\$618	1,000	\$0.62				
Arbors* 60% AMI	26					16	\$580	1,000	\$0.58	10	\$680	1,200	\$0.57
Arbors* 50% AMI	11					7	\$555	1,000	\$0.56	4	\$655	1,200	\$0.55
Arbors* 40% AMI	2					2	\$498	1,000	\$0.50				
Total/Average	179		\$642	700	\$0.92		\$657	1027	\$0.64		\$668	1,200	\$0.56
Unit Distribution	179	59				106				14			
% of Total	100.0%	33.0%				59.2%				7.8%			

(1) Rent is adjusted to include only Water/Sewer and Trash and incentives

Tax Credit Communities*

Source: Field Survey, Real Property Research Group, Inc. October and November 2020.

E. Survey of Scattered Site Rental Communities

Given the limited number of multi-family rental communities, we also compiled a list of scattered site rentals (Table 34) in the Grinnell Market Area and surveyed one property management company. A total of seven scattered site rentals were identified in the market area including six apartments and one single-family detached home (Table 34). Average asking rents by size were as follows:

- **One-bedroom** asking rents ranged from \$740 to \$900 with an average of \$813 for 575 square feet or \$1.64 per square foot.
- **Two-bedroom** asking rents ranged from \$600 to \$1,000 with an average of \$756 for 867 square feet or \$0.92 per square foot.

Given the significant differences in age, conditions, features, utility structures, and design characteristics of individual scattered site rentals, rents can vary significantly from unit to unit. This is illustrated by the fact that scattered site one-bedroom rents are largely higher than those of available two-bedroom units even though the one-bedroom units are much smaller on average. As exact utility information was not known, none of the rents shown for scattered site rentals are adjusted. While the rents of scattered site rentals are not directly comparable to effective rents at multi-family communities, they provide context for achievable rent levels in the market.

Table 34 Scattered Site Rentals

Scattered Site Rentals					
#	Address	Type	Rent	SF	Rent/SF
1	808 6th Avenue W	APT	\$900	550	\$1.64
2	605 Marvin Avenue	APT	\$800	600	\$1.33
3	825 Broad Street	APT	\$740	575	\$1.29
One Bedroom Average			\$813	575	\$1.64
4	600 Marvin Avenue	APT	\$1,000	700	\$1.43
5	933 Harrison Avenue	SFH	\$725	768	\$0.94
6	917 Prince Street	APT	\$700	1,000	\$0.70
7	101 4th Avenue	APT	\$600	1,000	\$0.60
Two Bedroom Average			\$756	867	\$0.92

Source: zillow.com, rent.com, apartments.com

In addition to the scattered site rentals noted above, RRPg was also able to survey one property management company (Ramsey-Weeks), which manages a total of 20 units in Grinnell. Ramsey-Weeks reported one vacancy among these 20 units with average rents of \$550 for studios, \$550 to \$700 for one-bedroom units, \$650 to \$900 for two-bedroom units, and \$900 to \$1,200 for three to four-bedroom units. The scattered site rentals managed by Ramsey-Weeks include apartments, duplexes, and single-family detached homes.

F. Survey of Senior Housing Communities

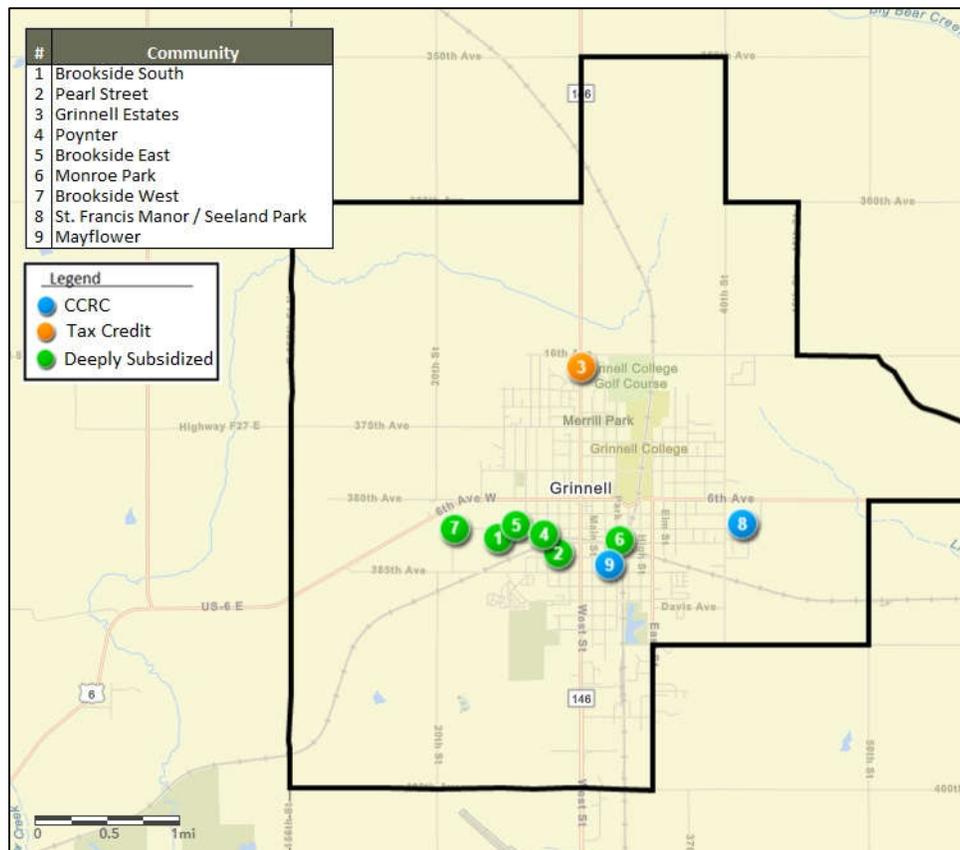
1. Introduction

As part of the Grinnell Housing Market Assessment, RPRG examined the senior rental market in Grinnell. In total, nine senior rental communities were identified including seven deeply subsidized/disabled properties and two continuing care retirement communities (CCRC). One additional assisted living / memory care senior community, Windsor Manor, was also identified in the Grinnell Market Area but refused to participate in our survey. Profile sheets with detailed information on each surveyed community, including photographs, are attached as Appendix 8.

2. Location

Six of the seven deeply subsidized/disabled senior communities and both senior CCRC's are in the southern half of Grinnell south of U.S. Highway 6 while one community (Grinnell Estates) is in the northernmost portion of the city along West Street. Among the senior communities in southern Grinnell, five deeply subsidized properties are clustered in the southwest quadrant of the city (along 4th Avenue, Pearl Street, and Center Street), one deeply subsidized property and one CCRC (Monroe Park and Mayflower) are located near downtown (along 3rd and 4th Avenue), and one CCRC is in southeast Grinnell along 4th Avenue and Penrose Street. All these senior communities share similar surrounding land uses and do not have a significant complete advantage or disadvantage in location.

Map 8 Surveyed Senior Rental Communities



3. Continuing Care Retirement Communities (CCRC)

Grinnell contains two Continuing Care Retirement Communities (CCRC), St. Francis Manor / Seeland Park and Mayflower, which comprise most senior housing units in the city. These CCRCs offer a variety of housing types and service packages designed so seniors can age in place within the community. To accomplish this, they contain both a for-sale (purchase price or entry fee) and rental (monthly service fee) component to cover the costs of development and maintenance. Given their high cost of entry and monthly service fees, the CCRC's primarily serve moderate- and upper-income senior households or seniors on fixed-incomes with a higher net worth or significant home equity.

Age, Size, and Structure Type

St. Francis Manor / Seeland Park and Mayflower are each restricted to seniors age 55 and older and offer a variety of unit types including assisted living and/or skilled nursing facilities, independent living apartments, duplexes / condominiums, and single-family detached homes (Table 35). Each community has been constructed in phases over many years with the first phases built in 1989 at St. Francis Manor / Seeland Park and in 1953 at Mayflower; however, both communities have newer phases with units constructed over the past three years. At St. Francis Manor / Seeland Park, the newest units include a handful of single-family detached homes and the Hammond Center, the latter of which offers 20 assisted living units. Mayflower constructed 26 condominium units in a three-story mid-rise building called Watertower Square at Mayflower in 2015 and has built a handful of new single-family homes over the past three years. Both CCRC's are also similar in size with an average of 72 assisted living / skilled nursing units and 152 independent living units per community.

Vacancy

The two surveyed CCRCs reported 31 of 144 assisted living / skilled nursing units vacant, a rate of 21.5 percent (Table 35). Vacancy rates among communities ranged from 19.0 percent at Mayflower to 25.0 percent at Seeland Park. It is important to note, turnover for these types of units is much higher than other senior housing types and can cause vacancy rates to fluctuate significantly. Property management for Seeland Park indicated that it is typical for nursing and assisted living facilities to have average occupancy rates in the 75 to 80 percent; however, both communities indicate they had a higher percentage of vacant units in part because of the need to keep units open for isolation for new residents quarantining and/or those testing positive for COVID-19.

Table 35 CCRC Rental Summary

Community Name	Year Built	Structure Types Offered	Total Units / Beds	Vacant Units / Beds	Vacancy Rate
Assisted Living / Nursing Care					
St. Francis Manor / Hammond Center	1989	Congregate	84	16	19.0%
Mayflower	1953	Congregate	60	15	25.0%
Total			144	31	21.5%
Average	1971		72		
Independent Living Units					
Seeland Park	Varies	Apt, Duplex, SFH	145	2	1.4%
Mayflower	Varies	Apt, Condo, SFH	158	6	3.8%
Total			303	8	2.6%
Average			152		

Source: Field Survey, Real Property Research Group, Inc. October and November 2017



Utility Structure and Unit Features

All assisted living / skilled nursing units at St. Francis Manor and Mayflower include the cost of all utilities, three meals daily, weekly housekeeping, and a variety of additional healthcare services (Table 36). All independent living units at Mayflower as well as duplexes and single-family homes at Seeland Park include the cost of basic cable while independent apartments at Seeland Park include water/sewer, trash, and basic cable in rent.

All independent and assisted living / nursing units at both CCRCs include grab bars in the bathrooms and emergency call systems in each unit. Independent living units at both communities also include refrigerators, ovens, dishwashers, and microwaves in the kitchens as well as washers and dryers in each unit. All the independent living apartments at Seeland Park and Mayflower contain free surface parking while all duplex and single-family detached homes have attached one or two-car garages. The condominium units at Mayflower (Watertower Square at Mayflower) offer underground garage parking with elevator and tunnel access to the residential units and the main portion of the Mayflower campus. Both CCRCs offer meals, housekeeping, and home healthcare services on an a la carte basis to independent living residents and have dining halls on-site.

Table 36 CCRC Utilities and Unit Features

Community	Type	Utilities included in Rent						Dish-washer	Micro-wave	Laundry	Grab Bar	Emerg. Call	Van	Meals	House keeping	Parking
		Heat	Cooking	Electric	Water	Trash	Basic Cable									
Assisted Living / Skilled Nursing Care																
St. Francis Manor	CCRC	☒	☒	☒	☒	☒	☒				STD	STD	STD	3 daily	Weekly	Surface
Mayflower	CCRC	☒	☒	☒	☒	☒	☒				STD	STD	STD	3 daily	Weekly	Surface
Independent Living Units																
Seeland Park - Apts.	CCRC	☐	☐	☐	☐	☒	☒	STD	STD	In-Unit	STD	STD	STD	Optional	Optional	Surface
Seeland Park - Duplex and SFH's	CCRC	☐	☐	☐	☐	☐	☒	STD	STD	In-Unit	STD	STD	STD	Optional	Optional	Garage
Mayflower	CCRC	☐	☐	☐	☐	☐	☒	STD	STD	In-Unit	STD	STD	STD	Optional	Optional	Surface / Garage

Source: Field Survey, Real Property Research Group, Inc. February & March 2017.

Community Amenities

St. Francis Manor / Seeland Park and Mayflower each offer a variety of community amenities including multi-purpose rooms, walking paths, game rooms, libraries, and health rooms at both properties. Mayflower also has an arts/crafts room, 50-seat movie theater, convenience store, barbershop/beauty salon, indoor driving range, and a nine-hole indoor miniature golf course.

Table 37 CCRC Community Amenities

Community	Multipurpose Room	Gardening	Walking Paths	Library	Arts & Crafts	Game Room	Theatre	Health Room	Conv. Store	Barber Shop	Bank
St. Francis Manor / Seeland Park	☒	☐	☒	☒	☐	☒	☐	☒	☐	☐	☐
Mayflower	☒	☐	☒	☒	☒	☒	☒	☒	☒	☒	☐

Source: Field Survey, Real Property Research Group, Inc. February & March 2017.



Rent Concession/Incentives and Absorption History

Neither of the surveyed CCRCs reported rent or pricing concessions or incentives. While exact data was unavailable, the 26 condominium units at Mayflower opened in the fall of 2015 and all were sold over roughly seventeen months. This equates to rough absorption rate of 1.5 units per month.

Unit Distribution

Seeland Park and Mayflower both offer primarily one- and two-bedroom units, with two-bedroom units accounting for a higher percentage of units at both properties. Mayflower also offers a small number of efficiencies and single-family homes with more than two bedrooms.

Pricing

Each independent living unit at Seeland Park and Mayflower require an entry or purchase price and monthly maintenance / service fee. As both communities offer similar services and unit types, pricing and monthly fees are comparable to one another; however, we have adjusted the one bedroom apartments at Seeland Park to include just the cost of basic cable in order to equalize the cost of utilities among all units. It should also be noted that pricing data for the independent living units are averages or ranges for various unit types as the individual characteristics of specific units can cause exact pricing to vary significantly in many cases similar to that of a for-sale home. Average prices and monthly fees at independent living units are as follows.

- **Efficiency and One Bedroom** units had an average entrance fee / list price of \$56,813 and an average monthly fee of \$734. Based on an average unit size of 640 square feet, efficiency and one-bedroom units have an average price per square foot of \$88.84 and an average rent per square foot of \$1.15.
- **Two-Bedroom** units had an average entrance fee / list price of \$159,694 and an average monthly fee of \$1,058. Based on an average unit size of 1,517 square feet, two-bedroom units have an average price per square foot of \$105.28 and an average rent per square foot of \$0.70.
- **Single-Family Homes** had average purchase prices ranging from \$275,000 to \$375,000 and an average monthly fee of \$623. Based on an average unit size of 2,737 square feet, the single-family homes have a price per square foot of \$125.62 and a rent per square foot of \$0.23.
- **All Units** have an average entrance fee / purchase price of \$156,593 and an average monthly fee of \$903. Based on an average unit size of 1,440 square feet, all units have an average price per square foot of \$108.71 and an average rent per square foot of \$0.63.

Rates for nursing / assisted living care at both properties vary significantly based on individual patient needs and the level of care provided.



Table 38 CCRC Price / Fee Summary for Independent Living Units

Community	Unit Type	Floor Plans		Unit Sizes			Entrance Fee / List Price			Price / Sq. Ft.	Monthly Fee			Rent / Sq. Ft.
		Beds	Baths	Low	High	Average	Low	High	Average		Low	High	Average	
Mayflower*	Apt.	0	1	365	500	433	\$29,000	\$39,750	\$34,375	\$79.48	\$850	\$950	\$900	\$2.08
Mayflower*	Apt.	1	1	558	605	582	\$48,750	\$53,000	\$50,875	\$87.49	\$975	\$1,100	\$1,038	\$1.78
Seeland Park	Apt.	1	1	772	-	772	\$68,000	-	\$70,000	\$90.67	\$500		\$500	\$0.65
Seeland Park	Apt.	1	1	772	-	772	\$72,000	-	\$72,000	\$93.26	\$500		\$500	\$0.65
Efficiency and One Bedroom Average						640	\$56,813			\$88.84	\$734			\$1.15
Mayflower*	Apt.	2	1.5 - 2	681	1,070	876	\$59,500	\$78,000	\$68,750	\$78.53	\$950	\$1,200	\$1,075	\$1.23
Mayflower*	Apt.	2	1.5 - 2	1,071	1,400	1,236	\$78,250	\$92,750	\$85,500	\$69.20	\$1,250	\$1,450	\$1,350	\$1.09
Seeland Park	Duplex	2	1.5	1,250	-	1,250	\$115,000	-	\$115,000	\$92.00	\$485		\$485	\$0.39
Seeland Park	Duplex	2	1.5	1,250	-	1,250	\$134,900	-	\$134,900	\$107.92	\$485		\$485	\$0.39
Seeland Park	Duplex	2	2	1,767	-	1,767	\$199,900	-	\$199,900	\$113.13	\$485		\$485	\$0.27
Mayflower*	Condo	2	2	1,652	\$1,975	1,652	\$261,000	-	\$261,000	\$157.99	\$1,825		\$1,825	\$1.10
Mayflower*	Condo	2	2	1,975	-	1,975	\$175,000	\$300,000	\$237,500	\$120.25	\$1,500	\$2,800	\$2,150	\$1.09
Mayflower	SFH	2	2	2,130	-	2,130	\$175,000	-	\$175,000	\$82.16	\$610		\$610	\$0.29
Two Bedroom Average						1,517	\$159,694			\$105.28	\$1,058			\$0.70
Seeland Park	SFH	3-4	2-4	2,500	3,500	3,000	\$275,000	\$350,000	\$312,500	\$104.17	\$585	685	\$635	\$0.21
Mayflower	SFH	4	3.5	2,473	-	2,473	\$375,000	-	\$375,000	\$151.64	\$610		\$610	\$0.25
SFH Average						2,737	\$343,750			\$125.62	\$623			\$0.23
Overall Average						1,440	\$156,593			\$108.71	\$903			\$0.63

Adjusted to include only basic cable

*Entrance fee shown for apartments is the non-refundable option. A refundable option is also available for a higher initial fee. The entrance fee for condos is refundable based on time of residency. Buyers can also retain up to 30 percent of net equity upon sale.

Source: RPRG Field Surveys, November 2020

4. Deeply Subsidized Senior / Disabled Communities

The remaining seven senior rental communities, two of which are designated for disabled persons, are deeply subsidized through the USDA Rural Development and/or LIHTC programs. These communities offer 152 rental units, 13 of which were reported vacant for a rate of 8.6 percent; however, vacancies at these communities are likely transitional as all reported waiting lists of varying lengths. These communities provide additional project based rental assistance and tenants are not bound by minimum income limits. As such, basic rents shown in Table 39 provided at each community are not based on actual market conditions.

Table 39 Rental Summary, Deeply Subsidized Senior and Disabled Communities

#	Community	Year Built/ Structure		Total Vacant Vacancy			AVG 1BR	AVG 2BR	Incentive
		Rehabbed	Type	Units	Units	Rate	Rent (1)	Rent (1)	
1	Brookside South**	1982	Gar	51	9	17.6%	\$839		None
2	Pearl Street**	1990	Gar	9	1	11.1%	\$688		None
3	Grinnell Estates*	1992	Gar	24	0	0.0%	\$618		None
4	Poynter**	1999	Gar	8	0	0.0%	\$526		None
5	Brookside East**	1977	Gar	21	0	0.0%	\$428	\$508	None
6	Monroe Park**	1975	Gar	16	2	12.5%	\$428		None
7	Brookside West**	1978	Gar	23	1	4.3%	\$428		None
Total				152	13	8.6%			
Average				22			\$565	\$508	
LIHTC Total				24	0	0.0%			
LIHTC Average				24			\$618		

(1) Rent is contract rent, and not adjusted for utilities or incentives

LIHTC Communities*

Source: Field Survey, RPRG, Inc. October and November 2020.

Deep Subsidy Communities**

G. For-Sale Housing Analysis

1. Introduction and Data Sources

To evaluate the for-sale housing market in Grinnell, RPRG analyzed Poweshiek County Multiple Listing Service (MLS) data from the Poweshiek County Board of Realtors. This analysis includes monthly trends for Grinnell (city limits) over the last 24 months. RPRG also compiled and analyzed recent sales and lot pricing of active for-sale communities in the Grinnell Market Area.

2. Monthly MLS Trends

A total of 303 homes were sold in Grinnell from December 2018 to November of 2020. The median sales price was \$145,000 and the average Median Days on Market (DOM) was 107 (Table 40).

Table 40 MLS Data – Monthly MLS Data, Grinnell

Grinnell				
Year	Month	Units Sold	Median Sales Price	Median DOM
2018	Dec	13	\$156,000	164
2018	Jan	7	\$105,000	203
2019	Feb	7	\$112,500	153
2019	Mar	6	\$212,000	66
2019	Apr	9	\$111,500	75
2019	May	16	\$151,450	81
2019	Jun	22	\$197,500	75
2019	Jul	12	\$118,500	124
2019	Aug	29	\$134,000	64
2019	Sep	16	\$131,950	161
2019	Oct	11	\$148,000	86
2019	Nov	9	\$150,000	38
2019	Dec	15	\$120,000	59
2020	Jan	13	\$169,000	85
2020	Feb	6	\$248,250	117
2020	Mar	8	\$120,000	143
2020	Apr	5	\$149,000	150
2020	May	12	\$146,500	98
2020	Jun	17	\$151,000	120
2020	Jul	17	\$165,000	81
2020	Aug	13	\$162,000	134
2020	Sep	18	\$99,250	92
2020	Oct	11	\$145,000	88
2020	Nov YTD	11	\$167,500	
Average/Total		303	\$145,000	107

Source: Poweshiek County Board of Realtors

Notable monthly trends in units sold, median sales price, and median DOM over the past 24 months include:

- The number of units sold in Grinnell has gradually increased over the last two years with peak sales activity occurring from June to August of 2019 and June to September of 2020 (Figure 8). Based on typical seasonal fluctuations, home sales were lowest from January to March of 2019 and February to April of 2020.



- Similar to sales volume trends, the median sales price in Grinnell has also increased slightly over the last two years with prices peaking in March of 2019, June of 2019, and February of 2020 (Figure 9).
- The Median Days on Market (DOM) in Grinnell has slowly declined over the last 24 months with similar seasonal fluctuations as the other metrics (Figure 10). The median DOM fell below the overall average for the period in four of the last six months but spiked in the early part of the year likely due to the onset of the COVID-19 pandemic.

Figure 8 Number of Units Sold, Grinnell

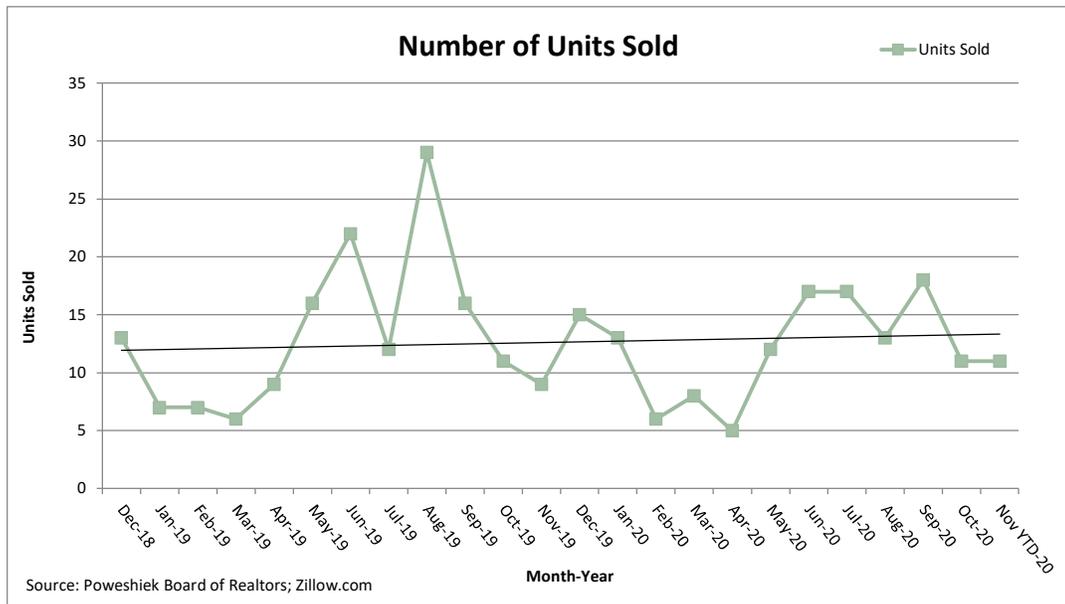


Figure 9 Median Sales Price, Grinnell

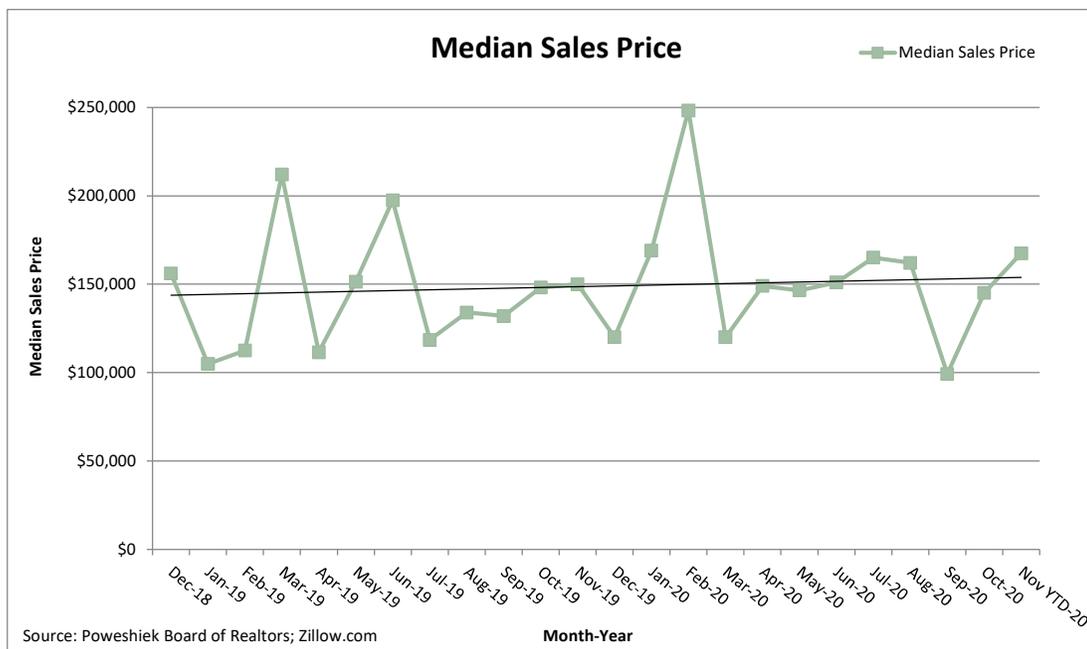
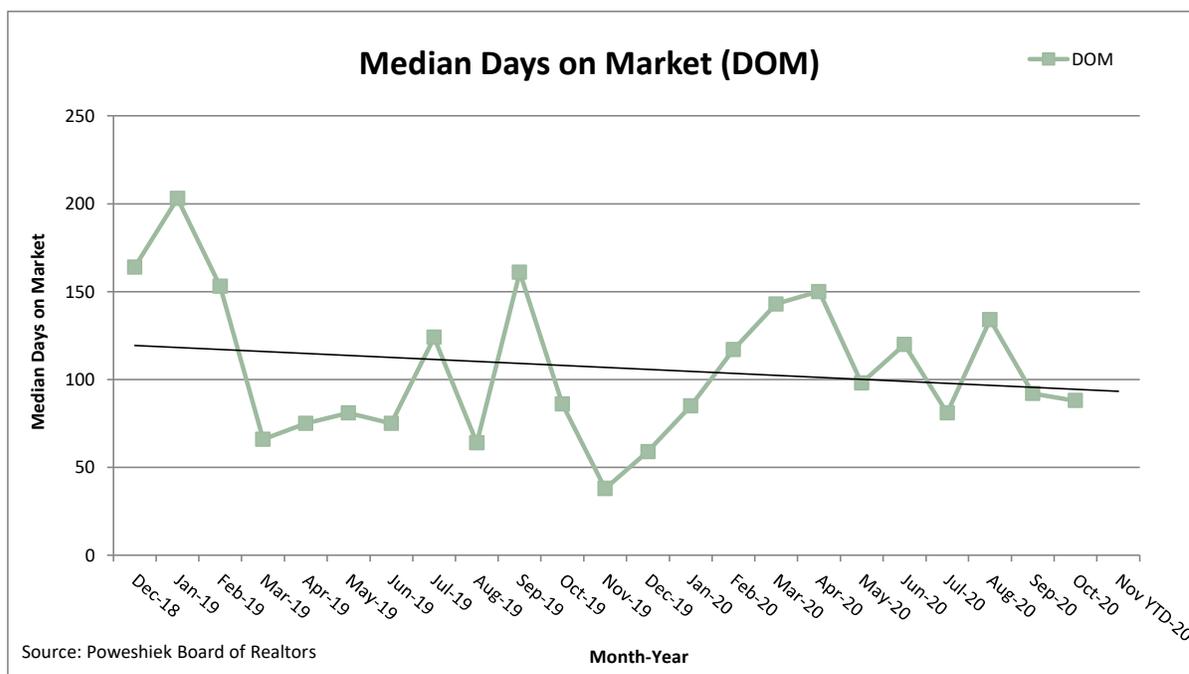




Figure 10 Median Days on Market, Grinnell



3. Recent Sales Trends in Grinnell City Limits

Grinnell had 155 home sales within the past 12 months (excludes land sales) with a median sales price of \$151,000, an average unit size of 1,520 square feet, and a median sales price per square foot of \$99.34 across all sales. The weighted average months of inventory (based on 38 active listings) was 2.9. Notable findings/trends by price point are as follows:

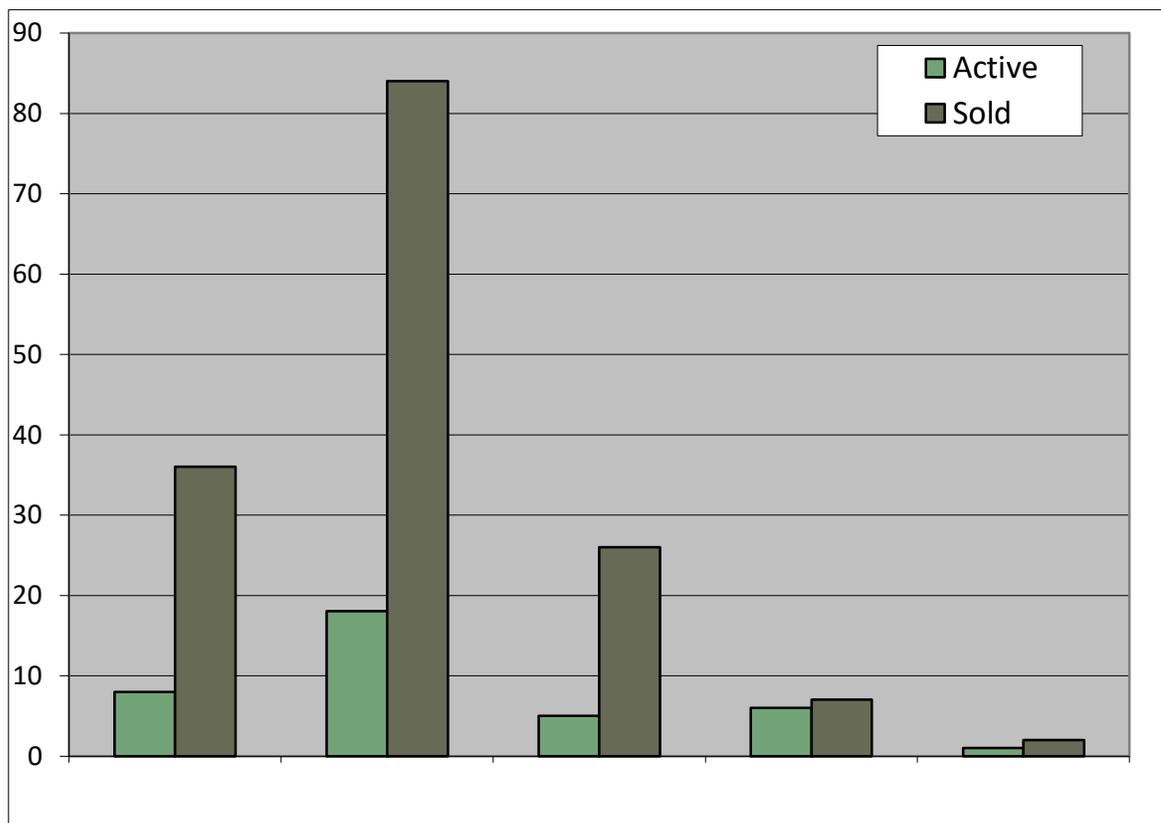
- Noticeably higher sales activity was evident at the two lowest price segments (less than \$100,000 and \$100,000 to 199,999) while the two highest price segments (\$300,000 to \$400,000 and \$400,000+) had significantly lower volume. Current listings are distributed relatively proportionate to sales activity with most listings at lower price segments. The only segment of the market that is not true for is homes priced from \$300,000 to \$399,999 with the number of listings nearly equaling the total number of homes sold in this price point for the year.
- The months of inventory, which measures how long current listings would take to sell based on the average sales pace for the period, ranged from 2.3 months to 10.3 months with an overall weighted average months of inventory of 2.9 across all listings combined. The three lowest price segments in the market (under \$300,000) all had less than three months of inventory while the two highest price segments had roughly six to ten months of inventory. In general, 0 to 4 months of inventory would indicate a “sellers” or strong market, 5 to 7 would indicate a balanced market, and 8 to 12 would indicate a “buyers” or weak market. At present, the three lowest price segments are sellers’ markets, the highest price segment is a balanced market, and the price segment from \$300,000 to \$399,999 is a buyers’ market.
- On a price per square foot basis, homes at the highest and lowest price segments offered the most value for size, though likely for different reasons. The lowest priced homes have a significantly lower average sale price without as much of drop off in average square footage, suggesting the condition / age of the properties is a significant factor in the sale prices of the homes. Conversely, the most expensive homes were substantially larger. The



highest priced homes on a price per square foot basis were those from \$300,000 to \$400,000, which may be contributing to the slower sales pace of this price segment.

Table 41 Current Active Listings and Sales Activity over the Past 12 Months, City of Grinnell

<i>From</i>	\$0 \$99,999	\$100,000 \$199,999	\$200,000 \$299,999	\$300,000 \$399,999	\$400,000 +	Total	Average
Active	8	18	5	6	1	38	8
Sold	36	84	26	7	2	155	31
Months Inventory	2.7	2.6	2.3	10.3	6.0	2.9	4.8
Median Sales Price	\$70,000	\$151,000	\$235,000	\$337,000	\$582,000	-	\$151,000
Average Sq. Ft.	1,258	1,389	1,803	2,473	4,776	-	1,520
Median Price / Sq. Ft.	\$55.64	\$108.71	\$130.34	\$136.27	\$121.86	-	\$99.34



Source: Poweshiek County Board of Realtors; Zillow.com

4. Active For-Sale Communities

Overview, Sales, and Pricing

RPRG identified five single-family detached home communities with lots available for sale in Grinnell. In most instances, these communities were subdivided by a developer and sold to multiple builders or individuals to construct custom homes. Overall, lots were gradually developed and sold over an extended period going as far back as 1998. Given the protracted period of land/home sales and unique floor plans for each home, standardized pricing and absorption of new homes in these communities was not available. A brief description of each active for-sale community, along with assorted housing data compiled from the Poweshiek County Tax Assessor, builder interviews, field observations, and listing data, is provided below and in Table 42. The locations of each for-sale community are depicted in Map 9.

- **Prairie Pointe Estates** is a 25-lot single-family home community developed by VanderLinden Construction and is located just north of Ahrens/Paschall Memorial Park in northeastern Grinnell. Situated in an attractive area of the city, near Grinnell College, Prairie Estates contains the highest priced homes of the five active for-sale communities in Grinnell. Prairie Pointe Estates has sold 49 of its 54 lots (90.7 percent) since 2009 though not all have been developed. Sales/construction prices ranged from \$286,500 to \$630,150 with an average of \$458,325.
- **Prairie Street** contains 25 lots in northwestern Grinnell, located north of 14th Avenue and west of Reed Street. Also located in an attractive area of Grinnell, Prairie Street also offers higher priced newly constructed single-family homes in the city. Since 1998, Prairie Street has sold 19 of its 25 lots or 76 percent. Sales/construction prices ranged from \$155,000 to \$460,000 with an average of \$307,500.
- **East Gate Estates I-III** is a 43-lot single-family home community located on the southeastern side of Grinnell. Developed in three phases along Michael Avenue, Patricia Avenue, Bailey Street, and Brandon Street, East Gate Estates contains more moderately priced homes than both single-family communities in northern Grinnell. From 2000 to 2020, East Gate Estates sold 38 of its 43 lots or 88.4 percent. Sales/construction prices ranged from \$110,000 to \$481,391 with an average of \$295,696.
- **Melrose Lane** offers 22 single-family home lots in southeast Grinnell, just north of East Gate Estates, and contains some of the most affordable new homes in Grinnell. From 2000 to 2020, 13 of the 22 home lots on Melrose Lane were sold (59.1 percent). Sales/construction prices ranged from \$120,000 to \$220,000 with an average of \$170,000.
- **Grinnell Garden Cottages** is the newest single-family subdivision in Grinnell, beginning development in 2016. The 4.8-acre community, located immediately north of Grinnell Middle School in the southeast portion of the city, has 15 total lots of which 12 have been sold. Sales/construction prices ranged from \$184,000 to \$277,300 with an average of \$230,650.
- **Reed Row** is an 7-lot community located on the east side of Reed Street adjacent to Grinnell Regional Medical Center. Two of the seven lots have been sold to date. Sales/construction prices ranged from \$146,000 to \$152,000 with an average of \$149,000.



Lot Pricing

In an effort to determine the current pricing of finished lots in the Grinnell Market Area, RPRG researched sales data through the Poweshiek County Tax Assessor. As most sales took place throughout the past 10 to 15 years and may not necessarily reflect current market prices, we also evaluated 2020 tax assessment data.

Prairie Pointe Estates offers the largest median lot size of the active for-sale communities by a significant margin at roughly three-quarters of an acre (Table 43). Prairie Street and East Gate Estates offer the next largest lots with comparable median sizes of 0.27 acre and 0.25 acre, respectively. Melrose Lane, Reed Row, and Grinnell Garden Cottages have the smallest lot sizes at 0.19-acre, 0.16 acre, and 0.10 acre, respectively. Lot pricing by sales price and 2020 assessment value for each active for-sale community are as follows:

- **Prairie Estates** had an average sales price of \$70,750 and a median 2020 assessment value of \$71,429. Based on a median lot size of 0.70, Prairie Estates had a median sales price per acre of \$101,071 and a median 2020 assessment value per acre of \$71,429.
- **Prairie Street** had an average sales price of \$35,500 and a median 2020 assessment value of \$39,770. Based on a median lot size of 0.27, Prairie Street had a median sales price per acre of \$131,481 and a median 2020 assessment value per acre of \$147,296.
- **East Gate Estates** had an average sales price of \$32,250 and a median 2020 assessment value of \$29,020. Based on a median lot size of 0.25, East Gate Estates had a median sales price per acre of \$129,000 and a median 2020 assessment value per acre of \$116,080.
- **Melrose Lane** had an average sales price of 26,680 and a median 2020 assessment value of \$30,165. Based on a median lot size of 0.19, Melrose Lane had a median 2020 assessment value per acre of \$158,763.
- **Grinnell Garden Cottages** had an average 2020 assessment value of \$45,000. Based on a median lot size of 0.19, Grinnell Garden Cottages had a median 2020 assessment value per acre of \$450,000.
- **Reed Row** had an average sales price of \$24,000 and a median 2020 tax assessment of \$9,900. Based on a median lot size of 0.16, Reed Row had a median sales price per acres of \$150,000 and a 2020 assessment value per acre of \$61,875.



Table 42 Active For-Sale Communities, Sales and Pricing

Neighborhood	Total Lots	Sold Lots	% of Sold Lots	Lot Size			First Sale / Construction Date		First Sale / Construction Price		
				Low	High	Median	First	Last	Low	High	Average
Prairie Pointe Estates	54	49	90.7%	0.18	1.22	0.70	5/1/2009	6/26/2020	\$286,500	\$630,150	\$458,325
Prairie Street	25	19	76.0%	0.13	0.53	0.27	1/15/1998	7/12/2018	\$155,000	\$460,000	\$307,500
East Gate Estates I-III	43	38	88.4%	0.23	0.65	0.25	8/15/2000	1/31/2020	\$110,000	\$481,391	\$295,696
Melrose Lane	22	13	59.1%	0.17	0.50	0.19	11/16/2000	6/28/2019	\$120,000	\$220,000	\$170,000
Grinnell Cottages	15	12	80.0%	0.08	0.12	0.10	12/2/2016	7/14/2020	\$184,000	\$277,300	\$230,650
Reed Row	7	2	28.6%	0.16	0.16	0.16	6/13/2019	6/13/2019	\$146,000	\$152,000	\$149,000
Total/Average	166	133	80.1%	0.08	1.22	0.28	1/15/1998	1/31/2020	\$110,000	\$630,150	\$268,528

Source: Poweshiek County Tax Assessor

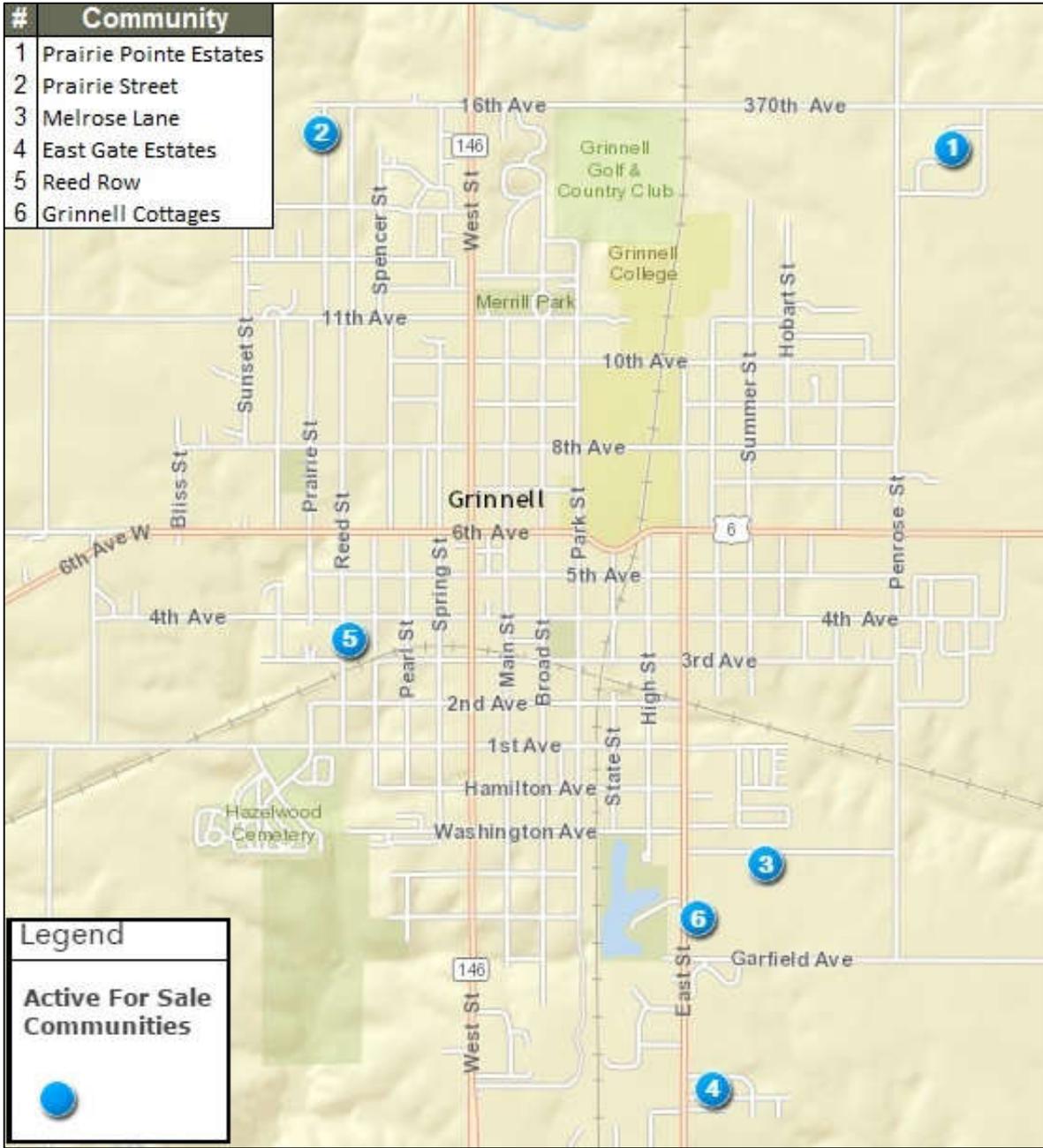
Table 43 Active For-Sale Communities, Lot Pricing

Neighborhood	Lot Sales Price			Average Price Per Acre	2020 Lot Assessment Value			2020 Ass. Value Per Acre
	Low	High	Average		Low	High	Average	
Prairie Pointe Estates	\$66,500	\$75,000	\$70,750	\$101,071	\$25,000	\$75,000	\$50,000	\$71,429
Prairie Street	\$25,000	\$46,000	\$35,500	\$131,481	\$34,630	\$44,910	\$39,770	\$147,296
East Gate Estates I-III	\$20,000	\$65,000	\$32,250	\$129,000	\$27,740	\$30,300	\$29,020	\$116,080
Melrose Lane	\$24,480	\$31,400	\$26,680	\$140,421	\$27,540	\$32,790	\$30,165	\$158,763
Grinnell Cottages	-	-	-	-	\$45,000	\$45,000	\$45,000	\$450,000
Reed Row	\$24,000	-	\$24,000	\$150,000	\$9,900	\$9,900	\$9,900	\$61,875
Total/Average	\$20,000	\$75,000	\$37,836	\$135,938	\$28,302	\$39,650	\$33,976	\$167,574

Source: Poweshiek County Tax Assessor



Map 9 Active For-Sale Communities





H. Housing Pipeline

RPRG identified three multi-family rental communities and one new for-sale community in various stages of development in the Grinnell Market Area. These include:

Rental Communities:

- **Stella Ridge – Phase 1** is a proposed 52-unit LIHTC community on the site of the former Iowa Telecom building. Hubbell Development submitted a nine percent tax credit application in the 2020 competitive round but the project did not score high enough to receive funding. Hubbell Plans to resubmit its LIHTC application in the 2021 round. Stella Ridge – Phase 1 will offer one, two, and three-bedroom units targeting households earning at or below 30 percent, 40 percent, and 60 percent of the Area Median Income and will also offer some market rate units.
- **Merge Grinnell** is a planned mixed-use development in downtown that will consist of two four to five-story mid-rise buildings with ground floor commercial space and 96 total apartments. All apartments are expected to be market rate. The project is still in the preliminary stages but has submitted a concept plan to the city.
- **Grinnell College** has plans to build a new residence hall in downtown Grinnell adjacent to the Merge Grinnell development. The project will be able to house up to 150 students and is expected to commence next year.

For-Sale Communities:

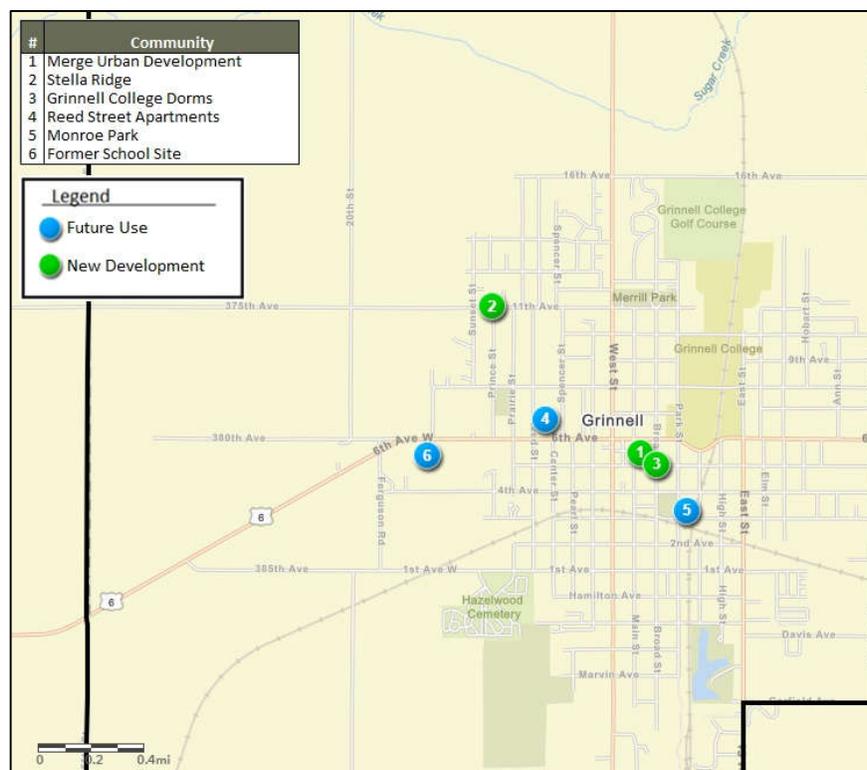
- **Stella Ridge – Phase 2** is a proposed for-sale community that would offer up to 48 homes on roughly one-quarter acre lots on the remaining portion of the Iowa Telecom site. The project is in the early stages and may or may not come to fruition. If built, homes would likely target moderate price points.

7. PIPELINE ANALYSIS AND FUTURE HOUSING SITE REVIEW

A. Introduction

To determine the suitability and potential impact of new housing developments proposed and planned in the Grinnell Market Area, RRPG has conducted a more detailed site/project specific analysis of each development discussed previously in the pipeline section of this report. These include Stella Ridge, Merge Grinnell, and the new Grinnell College Residence Hall. As part of this analysis, we have also provided a brief review of three additional sites which are potential targets for future housing development/redevelopment. The locations of each project/site are shown on Map 10. While the examination of pipeline projects in this analysis is intended to provide a more detailed overview of each new potential housing development, it is not a comprehensive project specific market feasibility analysis and should not be relied upon as such.

Map 10 Pipeline Projects and Potential Sites for Future Housing Development



B. Stella Ridge

1. Project Description

Stella Ridge is a proposed multi-phase residential project by Hubbell Development, which as currently envisioned will include multi-family rental and for-sale housing components on the former Iowa Telecom site in northwest Grinnell. The multi-family rental component of the project would be the initial phase and would help subsidize the cost of the remaining development by obtaining Low Income Housing Tax Credits. As proposed, the rental portion of the project consists of two three-story garden-style buildings offering a total of 52 units. Based on the LIHTC application submitted in the 2020 competitive round, which ultimately did not receive an allocation, Stella Ridge would offer units targeted to households earning at or below

30 percent, 40 percent, and 60 percent of the Area Median Income (AMI) as well as a small portion of unrestricted market rate units (Table 44). Given the small size of the project and rural nature of the area, Stella Ridge would not offer any community amenities other than a playground; however, the project would adhere to all required LIHTC standards and would offer a new modernized product superior to most market rate units in Grinnell. As the project did not receive a tax credit allocation in 2020, Hubbell intends to resubmit their application in the 2021 competitive round; however, without an allocation of tax credits, this project is unlikely to move forward. If the project does receive a tax credit allocation in 2021, it is expected to enter the market in the spring of 2023.

Table 44 Stella Ridge Proposed Unit Mix, Unit Sizes, and Rents

Unit Mix/Rents								
Type	Bed	Bath	Income Target	Units	Square Feet	Developer Rent	Utility Allowance	Gross Rent
Gar	1	1	30%	2	645	\$280	\$107	\$387
Gar	1	1	40%	5	645	\$405	\$107	\$512
Gar	1	1	60%	7	645	\$620	\$107	\$727
Gar	1	1	Market	2	645	\$750	-	\$750
Gar	2	2	30%	4	954	\$335	\$129	\$464
Gar	2	2	40%	6	954	\$485	\$129	\$614
Gar	2	2	60%	7	954	\$750	\$129	\$879
Gar	2	2	Market	3	954	\$895	-	\$895
Gar	3	2	30%	2	1,214	\$395	\$145	\$540
Gar	3	2	40%	5	1,182	\$565	\$145	\$710
Gar	3	2	60%	6	1,182	\$875	\$145	\$1,020
Gar	3	2	Market	3	1,203	\$1,025	-	\$1,025
Total				52				

Source: Hubbell Development

Rents include the cost of water/sewer and trash.

The second component of the proposed Stella Ridge development is the potential construction of 48 for-sale homes (Figure 11). Lots within this for-sale portion would be relatively small (one-quarter acre or less) and would contain moderately priced homes in the \$200,000 to \$250,000 range targeting moderate income buyers. This portion of the Stella Ridge development is still in the preliminary stages and may or may not forward as originally proposed. Hubbell is exploring alternative possibilities for housing development on this portion of the site should single-family home construction not be feasible. Either way, the for-sale component of Stella Ridge would likely to begin development until after the rental portion is complete.

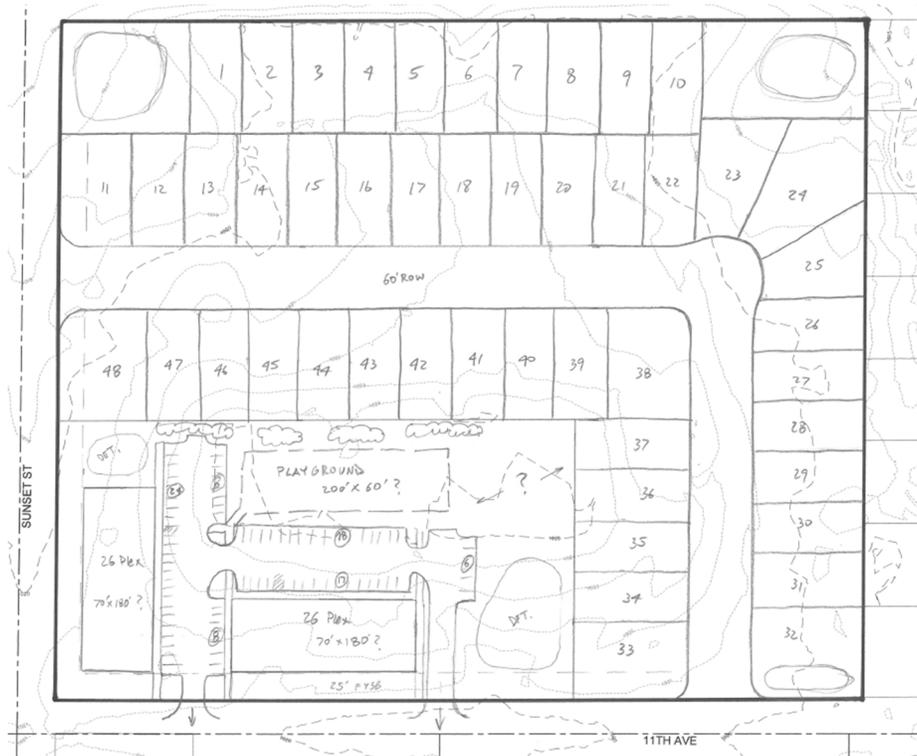
2. Site Description

The site for Stella Ridge is in northwest Grinnell, bounded by 13th Avenue to the north, Sunset Street to the west, and 11th Avenue to the south (Figure 12). The subject site contains two existing structures formerly used by Iowa Telecommunications Services, Inc. – a main building (containing 30,875 square feet) and a small two vehicle detached garage. Both structures were built in 1967 and are no longer in use. The remainder of the site consists of grassy land with scattered mature trees, a large parking lot, and three access roads connecting to Sunset Street to the west, 11th Avenue to the south, and 13th Avenue to the north (Figure 13). The subject site encompasses 12.77 acres in a rectangular shape and has a flat topography.

The subject site is in a residential area of northwest Grinnell, surrounded by a mixture of older and newer moderate to high value single-family detached homes that appear generally well

maintained. Sunset Apartments, an older market rate rental community consisting of two three-story garden style buildings and Grinnell Community Senior High school border the site to the southwest. Other notable land uses within one-half mile include Immanuel Lutheran Church, Iowa Valley Community College, the Grinnell Mutual Family Aquatic Center, Bailey Park Elementary School, and three parks (Lions, Bailey, and Merrill).

Figure 11 Stella Ridge Preliminary Site Plan



Source: City of Grinnell, Hubbell Development

Figure 12 Satellite Images of the Stella Ridge Site

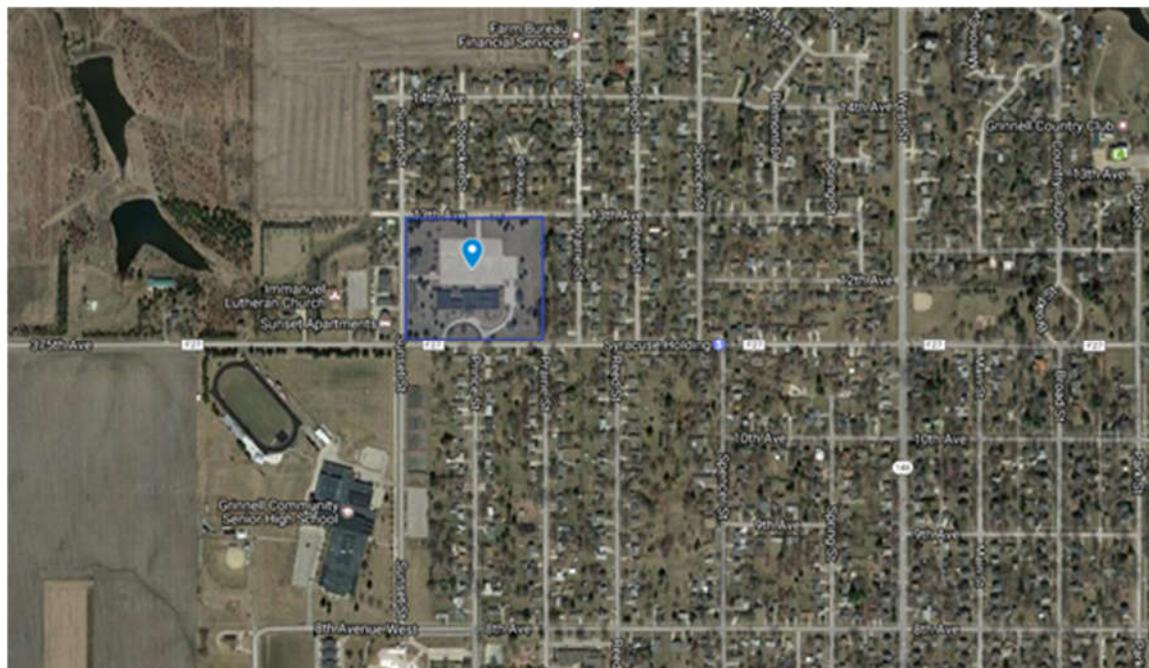


Figure 13 Views of Stella Ridge Site



The site facing northwest from site interior



The site and an existing building facing north



An existing building on the site facing west from the site interior



Sunset Street facing north, site on right



The site and an existing building facing south from site interior



11th Avenue facing east, site on left



3. Product Evaluation and Feasibility

The rental portion of Stella Ridge will target a wide range of low- and moderate-income renter households in the Grinnell Market Area and will fill a need for more affordable and market rate rental housing targeted to families and couples. The proposed three-bedroom units will be especially well received as there is a lack of quality and affordable three-bedroom rental units targeted to low-income families in Grinnell. This project would address a variety of rental housing needs in the market area due to the wide range of income levels targeted. Based on the proposed unit mix and rents, affordability capture rates for the project range from 1.2 percent to 7.0 percent with an overall project capture rate of 4.9 percent. All these capture rates are within reasonable and acceptable levels indicating sufficient income-qualified rental households will exist in the market area to support the proposed units. More than 1,000 renter households would be income qualified for one or one units at Stella Ridge.

Table 45 Stella Ridge Rental Affordability Analysis

Income Target	# Units	Renter Households = 1,566				
		Band of Qualified Hhlds		# Qualified HHs	Capture Rate	
30% AMI	8	<i>Income Households</i>	\$13,269 1,240	\$22,785 948	292	2.7%
40% AMI	16	<i>Income Households</i>	\$17,554 1,115	\$30,380 805	310	5.2%
60% AMI	20	<i>Income Households</i>	\$24,926 880	\$45,570 594	285	7.0%
LIHTC Units	44	<i>Income Households</i>	\$13,269 1,240	\$45,570 594	645	6.8%
120% AMI	8	<i>Income Households</i>	\$29,383 819	\$91,140 176	643	1.2%
Total Units	52	<i>Income Households</i>	\$13,269 1,240	\$91,140 176	1,063	4.9%

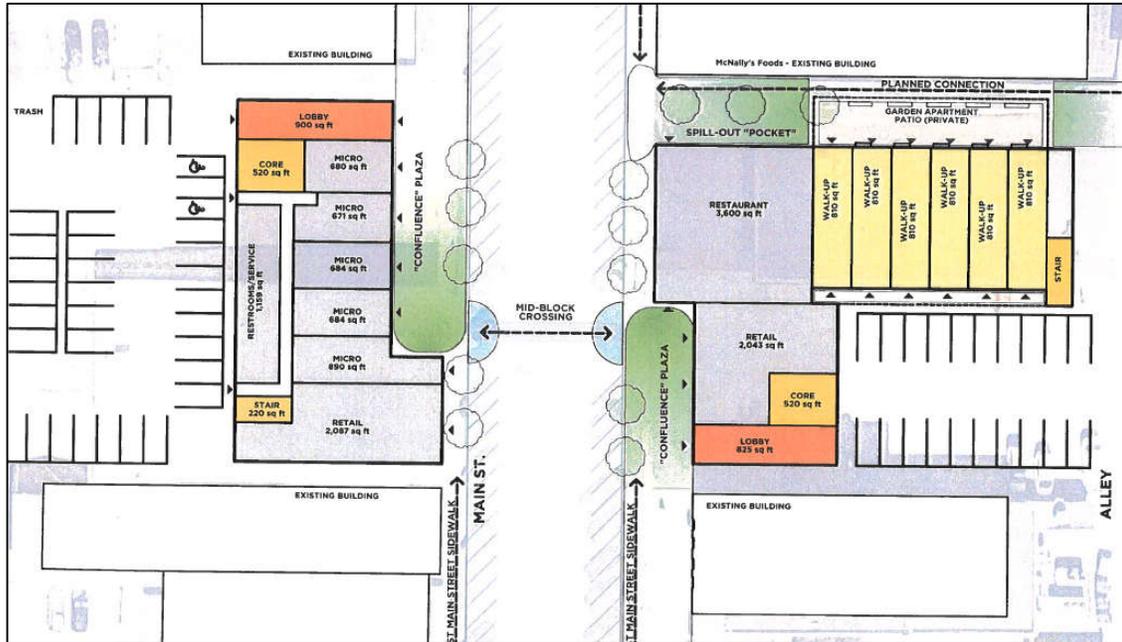
Source: Income Projections, RPRG, Inc.

C. Merge Grinnell

1. Project Description

Merge Urban Development Group is planning to construct two mid-rise mixed-use buildings on two sites across from each other on Main Street in downtown Grinnell. Building one (four stories) will be on the eastern side of Main Street and will offer roughly 5,600 square feet of ground-floor restaurant and retail space as well as a lobby and 53 market rate apartments six of which will have terraces opening up to a pocket park between the development and a building on its north side. The second building (five stories) will be on the west side of Main Street and will offer roughly 5,400 square feet of ground floor retail space, a lobby, and 43 market rate apartments. Both buildings will have elevators and will offer modern upscale finishes but no community amenities. The development is still in the preliminary stages, but the developer has submitted a concept plan to the city. It is likely the construction of this project would be phased.

Figure 14 Preliminary Site Plan



Source: City of Grinnell

2. Site Description

The two sites for Merge Grinnell encompass roughly one-half acre each on the east and west sides of Main Street immediately north of 5th Avenue in downtown. Both sites have roughly rectangular shapes, flat topographies, consist of grass throughout and are situated in between existing buildings along Main Street.

The two sites are in a predominantly commercial area in downtown and are surrounded by a mixture of local retailers, offices, and restaurants. As the sites are on the northern edge of downtown, single-family homes become common just one-tenth of a mile to the north and a handful of apartments on the second floors of existing commercial buildings exist within one-quarter mile. The sites are also one block southwest of the Grinnell College campus and are within a short walking distance of numerous nearby amenities and shopping opportunities in and around downtown.

Figure 15 Views of Merge Grinnell Sites



The eastern site facing east



The eastern site facing southeast



The western site facing west



The western site facing northwest

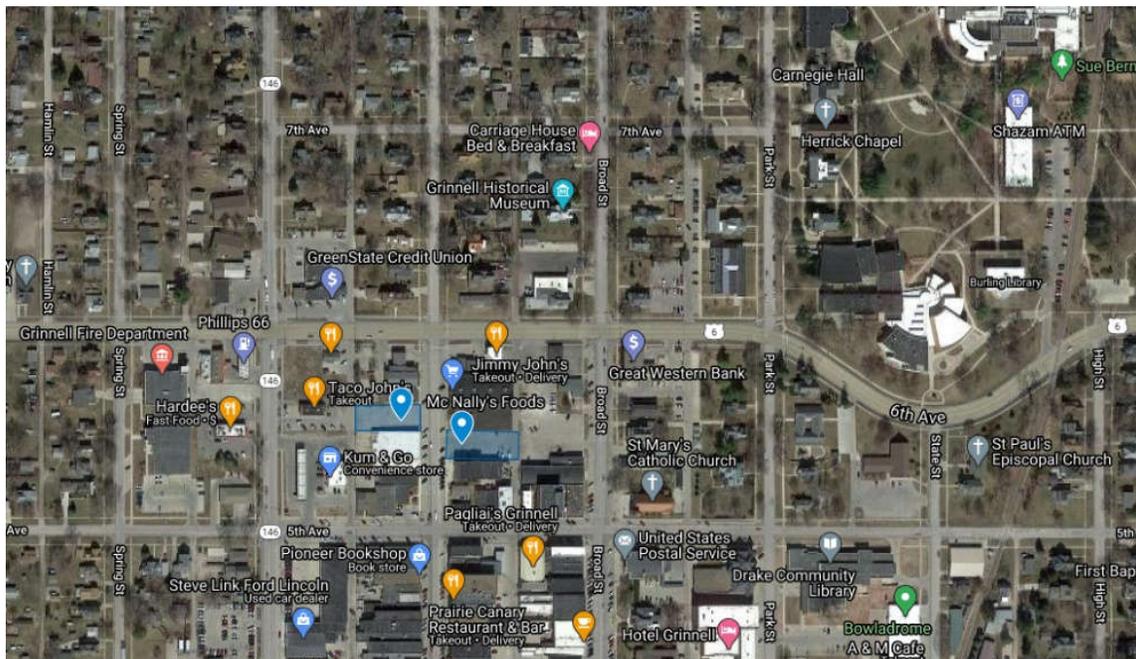


Main Street facing north, eastern site on right, western site on left



Main Street facing south, western site on right, eastern site on left

Figure 16 Satellite Images of the Merge Grinnell Sites



3. Product Evaluation and Feasibility

The proposed upscale market rate units and mixed-use design of Merge Grinnell will address the city's need for quality market rate rental units targeted to moderate- and upper-income renters. The location of the community in downtown and close to Grinnell College will make it attractive to young professionals, professors/staff at Grinnell college, and some students in roommate situations. While the exact unit mix and proposed rents for the project have not yet been determined, this type of rental housing will fill a void in the Grinnell rental market which is lacking quality market rate rental units. The smaller size of the buildings (in terms of number of units) and the likely phased nature of the project will help prevent the Grinnell rental market from being overwhelmed and appear appropriate in terms of size, scope, and design for the market area. Upon completion, Merge Grinnell would be among the most attractive rental communities in the city.

D. Grinnell College Residence Hall

1. Project Description

Grinnell College is planning to construct a new residence hall on the west side of Broad Street just south of 6th Avenue and adjacent to the planned Merge Grinnell in downtown. The residence hall site will connect via a pocket park to Merge Grinnell and is just one block west of the Grinnell College campus. The new residence hall will be able to house up to 150 students and may have some ground-floor commercial office space to be used by the college. The project is still in the design stage, but is projected to start construction in January 2022 with completion in July 2023 and first move-ins expected in fall of 2023.

2. Site Description

The site for the new residence hall is currently an existing surface parking lot, encompassing roughly three-quarters of an acre between existing commercial buildings to the north, west, and south. The site has a flat topography and is accessible from both the west side of West Broad Street and the south side of 6th Avenue.

Surrounding land uses are comparable to those of Merge Grinnell and primarily consist of local retailers, restaurants, service providers, and offices in and around downtown. Residential uses are common within one-tenth of a mile to the north and largely consist of older moderate-value single-family detached homes in good condition. The closest multi-family rental development to the site are apartments over retail space throughout downtown.

Figure 17 Views of Grinnell Residence Hall Site



The site facing east



The site facing northeast



The site facing north



The site facing south

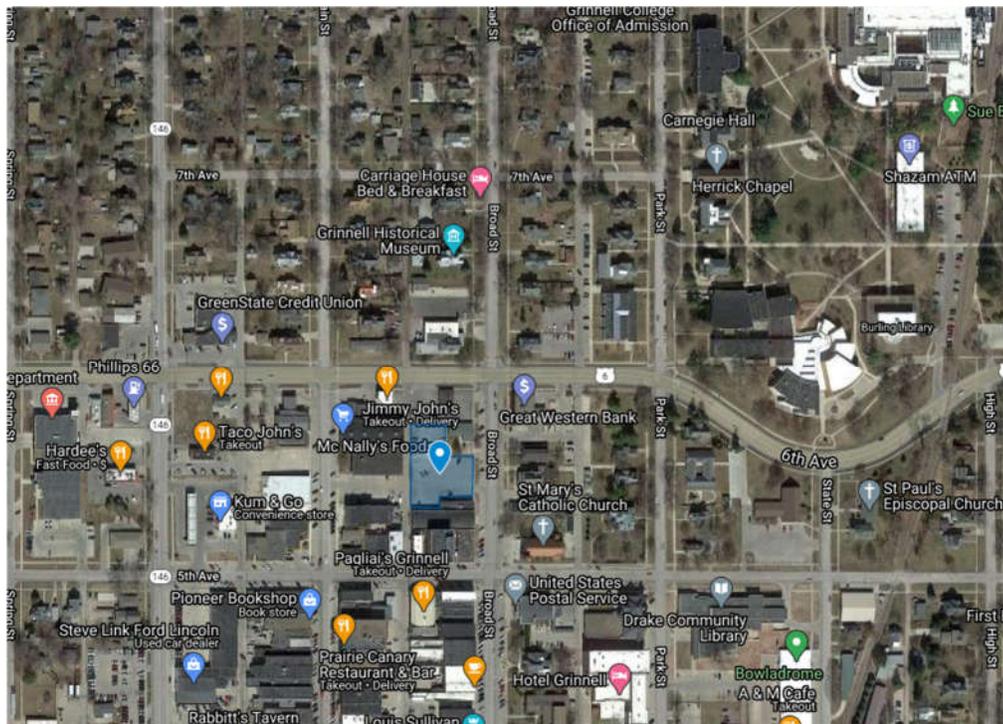


Broad Street facing south, site on right



Broad Street facing north, site on left

Figure 18 Satellite Image of the Grinnell Residence Hall Site



3. Product Evaluation and Feasibility

Grinnell College's existing residence halls can currently house 1,380 students at full capacity and 1,415 students at stretch capacity, which is roughly 80 percent of Grinnell College's previous enrollment high's in the 1,700 to 1,800 student range pre-COVID-19. Current 2020 enrollment for the college is 1,493 students. Among the remaining students, roughly 201 to 225 students get approval to live off campus in Grinnell and have a significant impact on Grinnell's local rental market as they occupy a substantial portion of the city's existing rental stock. As such, the construction of a new residence hall will help alleviate some pressure placed upon the Grinnell rental market by students and allow existing rentals to serve more families and workers commuting to Grinnell for work.

E. Other Sites for Future Development

1. 1120 Reed Street

The site at 1120 Reed Street contains the existing apartment community Reed Street Apartments, a 46-unit market rate community that was originally constructed in 1977. Despite being one of only a handful of market rate rental communities in Grinnell, Reed Street has some of the lowest rents in the market due to its advanced age and deteriorating condition. Given the somewhat larger size of the community, this site/project would be best utilized with a large-scale rehabilitation rather than redevelopment. Many existing programs could aid with rehabilitation costs, including the LIHTC program, and if this community were to receive tax credits for rehabilitation it would likely target largely the same tenant base given its current market rate rents are lower than the 60 percent rents at both general occupancy properties in Grinnell. Rehabilitating Reed Street Apartments would improve the quality of the existing rental stock and help preserve an affordable housing resource.



2. 802 Park Street



The site at 802 Park Street contains the existing rental community Monropark Apartments, a deeply subsidized senior rental community that is still operating under the USDA Section 515 program. Like Reed Street Apartments, Monropark was built in the 1970's and needs rehabilitation. The smaller size and single-story nature of the buildings at Monroe Park could make it a candidate for redevelopment; however, it is likely in the best interests of the community to preserve an existing affordable housing resource for seniors long-term. The site

is in a residential area just east of downtown and could support of variety of multi-family rental uses of a higher density if redevelopment is the preferred option.

3. 400 Sixth Avenue West

The site at 400 Sixth Avenue West is a large former brownfield site that was decontaminated by the public school system (current owner) in anticipation of constructing a new school but was never developed. The site is located on the western edge of town and could support a variety of residential development including for-sale homes and/or multi-family rental uses. As surrounding residential uses include a mixture of for-sale homes and apartment communities, a mixture of development types similar to what is proposed at the Stella Ridge project would be appropriate.



8. FINDINGS AND CONCLUSIONS

A. Key Findings

Based on the preceding review of economic, demographic and competitive housing trends in the Grinnell Market Area, RPRG offers the following key findings:

1. Site and Neighborhood Analysis

Grinnell is a modest-sized community in East Central Iowa that serves as both the population center and economic hub of rural Poweshiek County. The city offers ample access to community amenities, major employers, and traffic arteries within the region, and is easily accessible via Interstate 80. Overall, the city contains the necessary infrastructure and facilities to support growth but has been historically limited by a lack of quality housing units and higher land/homeownership costs.

2. Economic Context

Poweshiek County's economy has been stable over past decade, maintaining a modest unemployment rate and a consistent At-Place Employment base. Poweshiek County's economy is primarily anchored by several moderate-size major employers, which serve as stabilizing influences on the county's overall economy and attract a significant percentage of in-commuting workers from throughout the region.

- Poweshiek County's unemployment rate has closely mirrored state trends over the past ten years and remained well below national levels. The county's most recent annual unemployment rate was 2.7 percent in 2019, which was equal to the state's unemployment rate and well below the national unemployment rate of 3.7 percent. While the county's monthly unemployment rate spiked to as high as 10.7 percent in May due to the COVID-19 pandemic, it has remained lower than state and national unemployment rates over the last six months and receded back down to just 3.4 percent as of September. While the county has not yet fully recouped the labor forces losses that occurred because of the COVID-19 pandemic, the county has significantly less affected than other parts of the state and nation.
- Poweshiek County's net job growth was limited to just nine jobs from 2008 to 2019 due primarily to large job losses in 2009 and 2019 offsetting steady job growth in eight of the past eleven years; however, the reclassification of 500 jobs at Grinnell Regional Medical Center likely accounted for the bulk of job losses reported in the county in 2019 even though no such losses actually occurred. As a result, the county has added an estimated net total of 509 jobs since 2008.
- Education-Health (20.8 percent), Manufacturing (17.7 percent), and Trade-Transportation-Utilities (17.7 percent) are Poweshiek County's three largest employment sectors, accounting for 56.2 percent of all jobs in the county compared to 43 percent nationally. The county contains a significantly higher percentage of Education-Health and Manufacturing jobs relative to the nation including a percentage of Manufacturing jobs that is more than double the national rate.
- Seven of eleven industry sectors in Poweshiek County added jobs since 2011, the most notable of which was the 13.9 percent growth in Manufacturing. The Trade-Transportation-Utilities and Financial Activities sectors also experienced steady growth of roughly six to nine seven percent during this period.
- Roughly two-thirds of Grinnell's workforce lived outside the city as of 2017, many of whom commute from the surrounding rural areas or nearby communities including Newton, Marshalltown, Brooklyn, and Montezuma. The demographics of commuters skewed more

heavily toward younger, low to moderate wage workers in the “Goods Producing” and “Trade-Transportation-Utilities” industries.

3. Growth Trends

The Grinnell Market Area remained relatively stable from 2000 to 2010 with limited population and household growth. While Esri estimates indicate the Grinnell Market Area’s population and household growth rates increased slightly from 2010 to 2020, population and household growth is projected to be minimal over the next five years. Older adult and senior households are also expected to increase at a modest pace primarily due to aging in place.

- The Grinnell Market Area added 70 people (0.8 percent) and 38 households (1.1 percent) from 2000 to 2010, which equate to annual growth rates of 0.1 percent for both population and households. Based on Esri estimates, the Grinnell Market Area added 286 people and 55 households from 2010 to 2020. Esri projects that the Grinnell Market Area will add 27 people and 18 households from 2020 to 2025, which equate to annual growth rates of 0.1 percent.
- Esri estimates Grinnell Market Area households 55+ and 62+ increased at annual rates of 1.2 to 1.3 percent per year from 2010 to 2020. Senior households are projected to increase at annual rates of 0.3 percent for those ages 55 and older and 0.9 percent for those ages 62 and older in the Grinnell Market Area through 2025. Based on projected declines among younger seniors and gains among older seniors, projected senior household growth is likely to be driven by aging in place rather than net migration.

4. Demographic Analysis

The demographics of the Grinnell Market Area are representative of a small college community with a high percentage of young adults and one and two-person households. Outside of students, however, the Grinnell Market Area contains many young and working age professionals, families, and seniors with moderate to high incomes and an increasing propensity to rent.

- Grinnell Market Area’s population is relatively evenly distributed among age cohorts with each cohort accounting for approximately 23 to 27 percent of the population. Relative to the Secondary Market Area, the Grinnell Market Area has a notably higher percentage of young adults age 20 to 24 (23.5 percent versus 18.2 percent), due in large part to Grinnell College, and a lower percentage of adults age 35 to 61 (26.6 percent versus 32.3 percent). The Grinnell Market Area contains roughly the same percentage of children/youth under the age of 20 (25 percent) and seniors age 62 and older (25 percent) as the Secondary Market Area.
- Single persons and households with at least two adults and no children each accounted for roughly 36 percent of households in the Grinnell Market Area and nearly 73 percent of all Grinnell Market Area households combined as of the 2010 Census. The Grinnell Market Area had a much higher percentage of single persons (36.3 percent versus 29.2 percent) than the Secondary Market Area, due to the presence of Grinnell College, and a notably lower percentage of households with children (27.2 percent).
- Roughly 58 percent of households in the Grinnell Market Area owned their home as of 2020, a decline from a roughly 65 percent rental rate in 2000 and 2010. This was due to an increase of 282 renter households and a loss of 227 owner households in the Grinnell Market Area over the last ten years. Over the next five years, Esri projects renter households will account for 75 percent of net household growth.
- The 2020 renter percentages for households with householders 62+ as estimated by Esri are 30.3 percent in the Grinnell Market Area and 22.5 percent in the Secondary Market Area.



- Older adults and seniors age 55 or older comprise approximately 64 percent of all owner householders in the Grinnell Market Area while working-age adults (35-54 years) account for the next largest percentage at 29.9 percent.
- Among renter householders in the Grinnell Market Area, 34.2 are children/young adults (age 15-34), 27.6 percent are working age adults (age 35-54), and 38.2 percent are older adults/seniors (age 55+).
- Approximately 69 percent of all owner households and 74.6 percent of all renter households contained one or two persons as of the 2010 Census. Roughly 24 percent of owner households and 21 percent of renter households had three or four persons. Large households (5+ persons) comprised approximately five to six percent of all owner and renter households.
- RPRG estimates that the 2020 median household income in the Grinnell Market Area is \$47,442, which is \$6,905 or 12.7 percent below the \$54,347 median income in the Secondary Market Area. Roughly 36 percent of all households in the Grinnell Market Area had annual incomes of less than \$35,000 in 2020 and roughly one-third have moderate incomes of \$35,000 to \$74,999. Roughly 30 percent of households in the Grinnell Market Area have annual incomes of \$75,000 or more.
- The Grinnell Market Area had an owner median household income of \$59,934 in 2020, which is nearly twice the renter median income of \$31,789. Roughly 40 percent of all owner households in the Grinnell Market Area have annual incomes of \$75,000 or more compared to just 17.8 percent of renter households. Conversely, nearly half (44.2 percent) of renter households have low to very low incomes (less than \$35,000) compared to just 11.6 percent of owner households.
- The 2020 median incomes for senior households (62+) in the Grinnell Market Area were \$24,972 for renters and \$44,730 for owners. Half of all senior renter households in the Grinnell Market Area have annual incomes of \$25,000 or less while 43.2 percent of senior owner households earn at least \$50,000 per year.

5. General Occupancy Rental Analysis

RPRG surveyed six general occupancy rental communities in the Grinnell Market Area including two that are deeply subsidized, two that are income/rent restricted through the Low Income Housing Tax Credit Program, and two that are market rate. Given the limited multi-family rental stock, RPRG also collected data on scattered site rental in the Grinnell Market Area to supplement rental analysis. Overall, rental market conditions in the Grinnell Market Area were generally tight with limited vacancies in the market.

- The four non-subsidized rental communities surveyed in the market area offer 179 rental units, of which five or 2.8 percent were reported vacant. All five vacancies reported occurred at the two LIHTC communities. The two deeply subsidized properties were both fully occupied at the time of our survey.
- Among the non-subsidized multi-family communities surveyed, average effective rents and rents per square foot by floor plan are as follows:
- **One-bedroom** effective rents averaged \$642 per month. The average one-bedroom square footage was 700 square feet, resulting in a net rent per square foot of \$0.92. The range for one-bedroom effective rents was \$550 to \$810.
 - **Two-bedroom** effective rents averaged \$657 per month. The average two-bedroom square footage was 1,027 square feet, resulting in a net rent per square foot of \$0.64. The range for two-bedroom effective rents was \$498 to \$1,100.



- **Three-bedroom** effective rents averaged \$668 per month. The average three-bedroom square footage was 1,200 square feet, resulting in a net rent per square foot of \$0.56. The range for three-bedroom effective rents was \$655 to \$680.
- RPRG identified seven scattered site rentals currently available in the market area. Average asking rents by size were as follows:
 - **One-bedroom** asking rents ranged from \$740 to \$900 with an average of \$813 for 575 square feet or \$1.64 per square foot.
 - **Two-bedroom** asking rents ranged from \$600 to \$1,000 with an average of \$756 for 867 square feet or \$0.92 per square foot.
- RPRG was also able to survey one property management company (Ramsey-Weeks), which manages a total of 20 scattered site rental units in Grinnell. Ramsey-Weeks reported one vacancy among these 20 units with average rents of \$550 for studios, \$550 to \$700 for one-bedroom units, \$650 to \$900 for two-bedroom units, and \$900 to \$1,200 for three to four-bedroom units.
- RPRG identified three rental communities and one for-sale community in various stages of development within the Grinnell Market Area.

6. Senior Rental Analysis

As part of the Grinnell Housing Market Assessment, RPRG also examined the senior rental market in Grinnell. In total, nine senior rental communities were identified including seven deeply subsidized properties and two continuing care retirement communities (CCRC). One additional senior assisted living community (Windsor Manor) declined to participate in our survey.

- St. Francis Manor / Seeland Park and Mayflower Homes are continuing care retirement communities (CCRC) that contain for-sale (up-front fee or purchase price) and rental (monthly fee) components. Both communities offer a variety of unit types including one- and two-bedroom apartments, duplexes, patio homes, and assisted living / skilled nursing beds. The two CCRC's reported an aggregate vacancy rate of 21.5 percent among skilled nursing and assisted living units, which is due in part to the high turnover of these housing types and the need for isolation units during the COVID-19 pandemic. CCRC entrance fees / purchase prices range from \$29,000 to as much as \$375,000 (depending upon the unit) with monthly rates ranging from \$485 to \$1,825.
- Seven senior rental communities, two of which are designated for disabled persons, are all deeply subsidized through the USDA Rural Development and/or LIHTC programs. These communities offer 152 rental units, 13 of which were vacant (8.6 percent) at the time of our survey; however, vacancies at these communities are likely transitional as all reported waiting lists of varying lengths.

7. For-Sale Analysis

RPRG evaluated MLS data for Grinnell, including overall trends and recent sales. RPRG also compiled housing data on six active for-sale communities in the city from the Poweshiek County Tax Assessor.

- The number of units sold in Grinnell has largely been stable over the last two years with a slight upward trend during this period. Peak sales activity occurred in the late summer months of 2019 during which home sales exceeded 20 per month twice in a three-month period.



- Like sales volume trends, the median sales price in Grinnell has also increased slightly over the last two years with the highest median sales price of \$250,000 occurring in February of this year. In most months, the median home sales price ranged from \$100,000 to \$150,000.
- The Median Days on Market (DOM) in Grinnell has slowly declined over the last 24 months despite a spike during the onset of the COVID-19 pandemic.
- Grinnell had a total of 155 home sales over the past 12 months with a median sale price of \$151,000, an average unit size of 1,520 square feet, and an average price per square foot of \$99.34. The average months of inventory is just 2.9 months at present, which is partly due to a lack of inventory driven by the COVID-19 pandemic. All homes priced under \$300,000 had months of inventory of less than three months (seller's markets) while those priced over \$300,000 had roughly six to ten months of inventory (balanced to buyer's market).
- Grinnell has six active for sale subdivisions with lots or homes available – Prairie Point Estates, Prairie Street, East Gate Estates, Melrose Lane, Grinnell Garden Cottages, and Reed Row. Combined these six subdivisions contain 167 lots, 131 of which (80.1 percent) have been sold. The homes in each community have varying price points with many in the Prairie Pointe Estates, Prairie Street, and East Gate Estates subdivisions in the \$300,000 to \$500,000 range. Melrose Lane, Grinnell Garden Cottages, and Reed Row generally contain more affordable homes, though most homes are custom built by residents and can vary significantly in value within the same neighborhood. Homes in these communities typically range from \$200,000 to \$300,000 with homes in Grinnell Garden Cottages at the bottom of that range.

B. Derivation of Total Rental Demand

1. Methodology

In this section, RPRG presents a Derivation of Demand calculation which is intended to gauge whether sufficient demand from renter households would be available to absorb a proposed rental community and any pipeline rental communities expected to be brought on-line over a coming three-year period.

The three-year period in question for this analysis is November 2020 through November 2023. We restrict the analysis to a three-year period in part to avoid artificially inflating demand by incorporating demand that would not be created until well after a subject project was introduced to the market and in part due to the difficulty in accurately predicting the likely supply of competing rental units beyond the three-year period.

RPRG's Derivation of Demand calculation is a gross analysis, meaning that the calculation balances the demand for new rental housing units of all types (i.e. luxury market-rate, more affordable market-rate, tax credit, and rent-subsidized) versus the upcoming supply of rental housing units of all types. Considerations such as household incomes and the floor plan types and proposed rents for the subject and other pipeline projects are not factored into the Derivation of Demand.

RPRG sums demand generated from three broad sources to arrive at 'Total Demand for New Rental Units' over the November 2020 through November 2023 period:

- **Projected Change in the Household Base.** Recall that in the Growth Trends section of this report, we presented projections of household change within the primary market area over the 2010 to 2025 period. We factor in three years' worth of the household change suggested by the annual rate of household growth or decline (2020 to 2021, 2021 to 2022, and 2022 to 2023). Note that net household change incorporates growth or decline stemming from both organic changes within existing households (i.e. new household formation as children move out of their parents' homes, divorces, roommates electing to begin renting separately) and household migration into and out of the market area.
- **Need for Housing Stock Upgrades.** Demand for new housing units within a primary market area is generated when the stock of available housing units ceases to meet the housing needs of households that wish to remain residents of that primary market. In such instances, the housing stock needs to be upgraded either through the renovation of existing units or the construction of new units. That a particular housing unit has ceased to meet the housing needs of a market area's households becomes evident in any number of ways, including:
 - **Physical Removal or Demolition.** Clearly, if a unit is demolished or otherwise physically removed from a market, it is no longer available to serve local households. Several factors contribute to the removal of housing units. Housing units are occasionally removed from any given market through disasters such as fires and various types of weather phenomenon. While such disasters occur somewhat randomly, the decision whether to repair or demolish a unit is based on the economic value of the property. Thus, a unit being permanently lost in a disaster should be correlated with factors such as its age, structure type, and physical condition. Demolitions can also be instigated through the loss of economic value or in response to a situation where vacant land has become more valuable than the land plus its existing structure. Based on American Housing Survey data, researchers have analyzed Components of Inventory Change (CINCH). CINCH data indicated that renter-occupied or vacant units were far more likely to be demolished than owner-occupied units; among renter-occupied and vacant units, single-family detached units were more likely to be demolished than multifamily units.



- **Permanent Abandonment.** Housing units can be technically removed from the stock available to serve households without being physically removed. This happens when a housing unit's owner elects to permanently abandon the unit – due to obsolescence, overwhelming repair costs, or other factors – without going through the steps (and costs) of demolishing it. If a dilapidated unit was occupied up until the time of permanent abandonment, the former occupant represents a source of demand for other units in the area.
- **Overcrowding.** As defined by the U.S. Census Bureau, a housing unit is classified as overcrowded if the household occupying the unit has more people than the housing unit has rooms. Particularly in markets with high housing costs, lower-income individuals and families are often driven into an overcrowded housing situation. Overcrowded households constitute pent-up demand for new housing units not typically captured in household growth projections; were two affordable units to become available, an overcrowded household would very likely split into two households and generate an additional net unit of housing demand.
- **Mismatch between Household Incomes and Housing Stock Quality.** While permanent abandonment and overcrowding are two factors likely to lead to net new demand for affordable housing units, limited recent housing construction in a stable, long-established neighborhood can be an indicator of pent-up demand for new housing units serving middle- to upper-income households. Areas that exhibit this phenomenon are often downtown, inner city, or inner ring suburban locations that currently have – and have had for years – limited to no undeveloped land available for new housing construction/growth. When a neighborhood is stable in terms of overall household numbers but near the point of build-out for many years, many resident households develop a desire for a modern housing unit and the wherewithal to rent or purchase one, but have no stock of modern units from which to choose. Such households are 'underhoused' in that the quality of the housing stock in the area where they live (and wish to remain) does not match the type of housing they demand and could afford. Such pent-up demand is rarely captured in public projections of household growth and is difficult to translate to specific calculations. However, this pent-up demand is a very real factor driving demand for new housing units in stable, established residential neighborhoods.
- **Competitive Multifamily Vacancy Rates.** The final source of demand that factors into RPRG's calculation of demand for rental units is the observed vacancy rate in the primary market area's competitive rental market. RPRG assumes that a 5.0 percent vacancy rate is required to keep a rental market relatively elastic. Elasticity in this context means that an adequate number of quality housing units are vacant and available at any given time so that households seeking rental units can be accommodated and can have some choice among units. When the market vacancy rate is below 5.0 percent, additional units are needed to ensure an adequate number of available units from which to choose. When the market vacancy rate is above 5.0 percent, the market has the capacity to absorb some additional demand (whereby that amount of demand would not need to be met through the development of new units).
- In considering competitive vacancy rates, we focus on multifamily units for several reasons. One of the primary reasons is that the scattered market in single-family homes, condominiums, and other properties is extremely fluid and cannot be relied upon to consistently serve renter households, since the inventory can convert to homeownership very quickly. We leave rent-subsidized multifamily properties out of this calculation to avoid overestimating demand, as we know that the subsidized rental market is generally fully subscribed with waiting lists.



Table 46 Components of Inventory Change in Housing (CINCH)

A. Characteristics	C. Present in 2011	D. 2011 units present in 2013	2011 Unit change							TOTAL Lost to Stock	Total exclude MH	2011-13 Annual
			E. Change in characteristics	F. lost due to conversion /merger	G. house or mobile home moved out	H. changed to non residential use	I. lost through demolition or disaster	J. badly damaged or condemned	K. lost in other ways			
Total Housing Stock	132,420	130,852		98	161	202	470	212	424	1,567	1,406	703
				0.07%	0.12%	0.15%	0.35%	0.16%	0.32%	1.18%	1.06%	0.53%
Occupancy												
Occupied units	114,907	105,864	8,313	58	99	68	238	59	207	729	630	315
				0.05%	0.09%	0.06%	0.21%	0.05%	0.18%	0.63%	0.55%	0.27%
Vacant	13,381	5,123	7,642	38	50	85	175	110	158	616	566	283
				0.28%	0.37%	0.64%	1.31%	0.82%	1.18%	4.60%	4.23%	2.11%
Seasonal	4,132	2,132	1,778	2	11	49	57	43	59	221	210	105
				0.05%	0.27%	1.19%	1.38%	1.04%	1.43%	5.35%	5.08%	2.54%
Region (All Units)												
Northeast	23,978	23,718		38	0	28	55	40	99	260	260	130
				0.16%	0.00%	0.12%	0.23%	0.17%	0.41%	1.08%	1.08%	0.54%
Midwest	29,209	28,849		14	28	49	117	56	95	359	331	166
				0.05%	0.10%	0.17%	0.40%	0.19%	0.33%	1.23%	1.13%	0.57%
South	50,237	49,526		29	120	75	235	94	159	712	592	296
				0.06%	0.24%	0.15%	0.47%	0.19%	0.32%	1.42%	1.18%	0.59%
West	28,996	28,759		17	13	50	63	23	71	237	224	112
				0.06%	0.04%	0.17%	0.22%	0.08%	0.24%	0.82%	0.77%	0.39%
Owner occupied	76,092	69,324	6,418	14	83	14	116	26	97	350	267	134
				0.02%	0.11%	0.02%	0.15%	0.03%	0.13%	0.46%	0.35%	0.18%
Renter occupied	38,815	31,181	7,253	45	16	54	122	33	110	380	364	182
				0.12%	0.04%	0.14%	0.31%	0.09%	0.28%	0.98%	0.94%	0.47%
Metro Status												
In Central Cities	37,400	36,974		49	3	70	124	67	112	425	422	211
				0.13%	0.01%	0.19%	0.33%	0.18%	0.30%	1.14%	1.13%	0.56%
In Suburbs	65,872	65,311		26	57	54	169	69	186	561	504	252
				0.04%	0.09%	0.08%	0.26%	0.10%	0.28%	0.85%	0.77%	0.38%
Outside Metro Area	29,148	28,567		23	101	78	177	76	125	580	479	240
				0.08%	0.35%	0.27%	0.61%	0.26%	0.43%	1.99%	1.64%	0.82%

Source: American Housing Survey, Components of Inventory Change 2011-2013; Prepared by Ecometrica, Inc. for U.S. Department of Housing & Urban Development Office of Policy Development & Research; April 2016. Note: Data in Thousands

2. Demand Analysis

In Table 47, we apply the discussion of sources of demand for new rental units to the Grinnell Market Area. The steps in our Derivation of Rental Demand analysis are as follows:

- Per the household trend information discussed earlier, Esri estimates 3,682 households resided in the Grinnell Market Area as of January 2020, a number that is projected to increase to 3,700 by January 2025. Based on this estimate and projection, RPRG derived the number of households in the market area as of November 2020 and November 2023 through interpolation. RPRG estimates 3,685 households reside in the Grinnell Market Area as of November 2020, a number projected to increase to 3,696 households by November 2023. Allowing for rounding, the Grinnell Market Area would thus gain 11 net households during the three-year study period.
- The second broad source of demand in our analysis is the need for housing stock upgrade. Based on national statistical observations from 2011-2013 Components of Inventory Change (CINCH) data, the average loss of occupied housing units due to all factors except the moving of mobile homes was determined to be 0.27 percent annually; however, given the old vintage of the Grinnell Market Area’s housing stock we have elected to use the removal rate of 0.82 percent for locations Outside Metro Areas. Applying the removal rate to the dwelling unit base over the three years in question, we estimate that a total of 100 units are likely to be lost.
- Adding units removed from the market to net the household loss, the net demand for new housing units between November 2020 and November 2023 is expected to total 111 units.

Table 47 Derivation of Demand

Demand			
<i>Projected Change in Household Base</i>			Units
November 2020 Households			3,685
November 2023 Households			3,696
Net Change in Households			11
	Housing Stock	Removal Rate	Units Removed
Add: Units Removed from Housing Stock			
2020 Housing Stock	4,051	0.82%	33
2021 Housing Stock	4,061	0.82%	33
2022 Housing Stock	4,070	0.82%	33
Total Units Removed from Housing Stock			100
New Housing Demand			111
Average Percent Renter Households over Analysis Period			75.0%
New Rental Housing Demand			83
Add: Multifamily Competitive Vacancy	Inventory		Vacant
Stabilized Multifamily Communities	179		5
Deep-Subsidy Multifamily Communities	36		0
Scattered Site	20		1
Total Competitive Inventory			6
Market Vacancy at 5%			12
Less: Current Vacant Units			-6
Vacant Units Required to Reach 5% Market Vacancy			6
Total Demand for New Rental Units			89
Planned Additions to the Supply			
		Total Units	95% Occupancy
Merge Building 1		53	50
Merge Building 2		43	41
Total New Rental Supply		96	91
Excess Demand for Rental Housing			-2

Source: RPRG, Inc.

- Esri projects renter households will contribute 75 percent of net household growth in the market area over the next three years, reflective of both recent trends and current rental development activity. Applying this renter percentage to new housing demand results in demand for 83 new rental units over the next three years.
- The surveyed competitive supply of stabilized general occupancy rental units in the Grinnell Market Area includes a total of 235 units of which 6 or 2.6 percent were vacant.
- Typically, it is assumed that a 5.0 percent vacancy rate is required to keep a rental market relatively fluid. There must be some number of quality units vacant and available at any given time so that households seeking rental units can be accommodated and can have some choice among units. Given the market of 235 units, 12 vacancies would result in a 5.0 percent vacancy rate. Subtracting the six existing vacant units from this number reveals the market could have six additional vacant rental units before reaching 5.0 percent vacancy.



- Adding these six units to new rental housing demand results in a total demand for 89 rental units in the Grinnell Market Area considering household growth trends, necessary unit replacement, and the preferred structural vacancy rate.
- Total rental demand must be balanced against new rental stock likely to be added between November 2020 and November 2023. Three pipeline projects are proposed or planned in the market area; however, one project (Stella Ridge) is dependent on receiving an allocation of nine percent Low Income Housing Tax Credits to move forward and did not receive one in the 2020 funding. Another project is a student dormitory for Grinnell College, demand for which is driven by other factors and is not applicable to this demand model. The remaining project is a planned market rate rental community to include two buildings and 96 total units. Subtracting 95 percent of the planned units at this community (91 units) from the total projected rental demand of 89 rental units results in a balanced market with a projected oversupply of just two units.

3. Conclusions on Demand

Based on the analysis above, the rental market would be in balance if both buildings of the planned market rate community Merge Grinnell came to fruition within the next three years. Should Stella Place also come to fruition within the next three years, the market area would have a projected oversupply of 52 units; however, it is likely that the two buildings of Merge Grinnell will be phased, spreading out the introduction of rental units over a longer period than three years. Furthermore, it is likely these new developments would attract a portion of commuting workers not accounted for in household growth estimates, reducing the likelihood of an actual oversupply. A more detailed breakdown of potential regional demand is provided on page 82. While COVID-19 has had a significant impact on the national economy in at least the short-term, Grinnell has not yet been significantly impacted in terms of permanent job losses and the county's monthly unemployment rate has since rebounded to levels prior to the pandemic. Furthermore, the projected housing demand in the Grinnell Market Area is not relying on significant household growth projections and is more the result of a natural attrition of the city's aging housing stock. As such, we do not believe the COVID-19 pandemic will have a significant impact on the demand for rental housing in the market area.

C. Derivation of Independent Senior Rental Demand

1. Senior Demand Methodology

This section examines potential demand for rental senior housing in the Grinnell Market Area over a three-year period. Like a derivation of demand for general occupancy rental housing, this methodology examines need for rental housing product such as a senior market rate rental community or elderly tax credit community. It does not address demand for retirement housing products that serve frail elderly, including service-enriched independent living, assisted living, continuing care retirement facilities and the like. (In fact, "unhealthy" seniors are factored out of the demand.) Also, as is the case in the general occupancy rental demand, the senior rental demand methodology is not income specific; the impact of pricing and qualified target market is examined within our affordability and penetration analyses.

Demand for new senior rental housing in the market is based on two components: growth in older adult households and removal of housing stock occupied by older adults. Demand from these two components is then adjusted for vacancies at existing senior housing properties in the market. Again, this considers only rental products that address healthy and independent older adults. Older adult households that require assistance with activities of daily living (ADLs) and/or instrumental activities of daily living (IADLs) are then factored out of the demand pool. The overall demand over the three-year period is then reconciled against new/planned product serving this market that is

projected to come online over the next three years. The result is a net demand for “independent” senior rental housing in the market.

We note that the underlying dynamics of the supply and demand equation for seniors housing are not the same as for general occupancy rental housing. Whereas the concept in the general occupancy market is that the projected new growth and demand is indicative of true “need” to build additional housing and units to address this demand, this is not necessarily the case with seniors housing. Many older adult households already have a place of residence in the market (as opposed to new households created that need housing) and/or have multiple housing options, which include for-sale arrangements. Furthermore, not all older adult households will elect to relocate into an age-qualified community; in fact, the majority will not. Therefore, there is still an element of choice and a discretionary decision factor to move into such a community that cannot be accounted for in this analysis. Consequently, in our experience it is common via this methodology for a market to exhibit a significant surplus of demand for senior rental housing. For the reasons previously enumerated, this should not be interpreted to mean that this surplus demand for new units can or need to be built to meet demand.

2. Senior Demand Analysis

The steps in the derivation of demand for senior rental housing are detailed below (Table 48):

- Per the household trend information discussed previously, Esri estimates that 1,483 households with householder age 62 or older resided in the Grinnell Market Area as of January 2020. By January 2025, Esri projects households with householder age 62 or older will increase to 1,550. Based on this estimate and projection, RPRG derived the number of senior households in the market area as of 2020 and 2023 via interpolation. RPRG then computed an estimate of demand for seniors’ rental housing in the Grinnell Market Area.
- RPRG projects that the number of senior households in the Grinnell Market Area will increase from 1,483 householders in 2020 to 1,523 householders by 2023. Thus, the market area will gain 40 senior households (62+) during this three-year period.
- Several factors contribute to the removal of housing units. Disasters, such as fires and tornadoes, occur somewhat randomly. However, the decision whether to repair or demolish a unit is based on the economic value of the property. Thus, a unit being permanently lost in a disaster should be correlated with factors such as its age, structure type, and physical condition. Demolitions can also be instigated through the loss of economic value or in response to a situation where vacant land has become more valuable than the land plus its existing structure.
- Based on American Housing Survey data, researchers have analyzed Components of Inventory Change (CINCH). CINCH data indicated that renter-occupied or vacant units were far more likely to be demolished than owner-occupied units (Table 46). Based on two recent years of statistical observations (2011-2013), the average loss was computed at 0.27 percent of the total occupied housing stock per year; however, as with total rental demand we have elected to use the higher 0.82 percent demolition rate for Outside Metro Areas given the significant age of the Grinnell Market Area’s existing rental stock.
- We determined the size of the elderly-occupied housing stock in 2021, 2022, and 2023 via interpolation of housing stock estimates for 2020. Applying the removal rate of 0.82 percent over the three years in question, RPRG estimates that 40 housing units occupied by senior householders (62+) are likely to be lost. Combining this figure with household changes, there will be a total demand for 80 new senior housing units in the market between January 2020 and January 2023.
- Based on Esri projections, we estimate and apply a renter percentage for households age 62+ and older of 30.3 percent for 2020, with a resulting estimated demand for 24 units of senior rental housing in the market area over the next three years.



- Based on ACS estimates roughly 5.4 percent of senior households (62+) move each year and 11.5 percent move from owner-occupied housing to rental housing. Furthermore, 64.6 percent of senior households that moved within the past year, relocated to within 50 miles of their original home. Applying these percentages to the number of senior owner households (62+) in the market area as of 2020 (1,033), an estimated 12 senior homeowners in the market area are likely to convert from owner-occupied to rental housing over the next three years.
- Typically, it is assumed that a 5.0 percent vacancy rate is required to keep a rental market relatively fluid as there must be some number of quality units vacant and available at any given time so that households seeking rental units can be accommodated and can have some choice among units. Given the market of 152 senior-oriented units, eight vacancies would be required to arrive at a 5.0 percent vacancy rate. Subtracting the 13 senior units that are vacant, the market would need to absorb an additional five rental units to reach a 5.0 percent vacancy rate.
- Adding the 12 senior homeowners expected to convert to rental housing over the next three years and subtracting the five senior rental units that will need to be leased in order to reach five percent vacancy, there will be a total demand for 31 additional senior rental units in the Grinnell Market Area considering household growth trends, necessary unit replacement, homeowner conversion, and the preferred structural vacancy rate.
- To ensure that only “independent” households are considered in demand, we screen out for households that would be dealing with frailty issues. Based upon the National Health Interview Survey data from 2003 - 2007¹, an estimated 4.2 percent of individuals between the ages of 55 and 64 are limited in terms of IADLs (Instrumental Activities of Daily Living) IADL’s include everyday household chores such as grocery shopping. Additionally, 6.2 percent of individuals 65 to 74 are limited in terms of IADLs, 13.8 percent of individuals 75 to 84 are limited in terms of IADLs, and 35.3 percent of individuals 85 and older are limited in terms of IADLs. Applying these percentages to the 2020 age distribution of the Grinnell Market Area, we estimate independent living rental units would not be suitable for 14.0 percent of the age 62+ households in the market area. Thus, we apply to the Senior Rental Demand screen of 86.0 percent to factor out for frailty and the population that would be seeking housing that addresses these frailty issues. This yields a total “independent” Senior Rental Demand of 27 units.

3. Conclusions on Senior Demand

The Grinnell Market Area can absorb up to 27 additional independent senior rental units over the next three years and remain in balance.

¹ Centers for Disease Control and Prevention, Limitations in Activities of Daily Living and Instrumental Activities of Daily Living, 2003-2007.

Table 48 Derivation of Senior Demand

Senior Rental Demand					
I. 62+ Household Growth					Units
2020 Households					1,483
2023 Households					1,523
Net Change in Households					40
II. Add: Elderly Units Removed from Market					
	62+ Hsg Stock	Annual Removal Rate	Annual Units Removed	Analysis Period (Years)	
Assumed Housing Stock (2021)	1,619	0.820%	13	3	40
Net New Demand for Elderly Units					80
Percent 62+ Renter Households in 2022					30.3%
Net New Demand for Elderly Renter Units					24
III. Add: Senior Renters Converting From Homeownership					
	62+ Homeowners	Movership Rate	HO to Renter Rate	Analysis Period (Years)	New Renters
Assumed Senior Homeowners (2020)	1,033	5.4%	11.5%	3	19
Net New Senior Demand Converting to Renter Units					19
Percent of Elderly Owner Movers Relocating Within 50 miles					64.6%
Net New Senior Demand Converting to Renter Units from Within the Market					12
IV. Add: Senior Apartment Vacancy					
		Inventory		Vacant	
Stabilized Senior Rental Communities (Market and LIHTC)					
Stabilized Elderly LIHTC Communities (Market and LIHTC)					
		0			
Stabilized Elderly Deep Subsidy Communities					
		152		13	
Subtotal Stabilized Communities		152		13	
			Currently Vacant	Vacant as of Jan 1, 2020	
Communities under lease up		0	0	0	
Total Competitive Inventory		152		13	
Market Vacancy at 5%				8	
Less: Current Vacant Units				-13	
Vacant units required to reach 5% Market Vacancy					-5
Total Senior Rental Demand					31
Adjustment for Frailty (62+ No Limitation with IADL or ADL)				86.0%	
Total "Independent" Senior Rental Demand					27
Planned Competitive Additions to the Supply					
				Total Units	95% Occupancy
					0
Total New "Independent" Senior Rental Supply				0	0
Excess Demand for "Independent" Senior Rental Housing					27

Source: Real Property Research Group, Inc.



D. In-Commuting Housing Demand

1. Demand Methodology

In this section, RPRG presents a Derivation of Demand calculation intended to quantify the potential housing demand from the Grinnell Market Area’s commuting workers over a projected three-year period. The three-year period in question for this analysis is from November 2020 through November 2020. We restrict the analysis to a three-year period in part to avoid artificially inflating demand by incorporating demand that would not be created until well after new housing was introduced to the market and in part due to the difficulty in accurately predicting the likely supply of housing units beyond the three-year period. For the purposes of the in-commuter demand component, we utilized LED on the Map Data from 2017, U.S. Census Bureau figures, 2014-2018 ACS estimates, and Esri estimates and projections.

2. Demand Analysis

In Table 49, we use a scenario based approach to calculate the potential housing demand from Grinnell Market Area in-commuting households over a three-year period (2020 to 2023). This demand methodology assumes suitable housing options are constructed within the market area that would attract between two percent and ten percent of in-commuting workers (as of 2017 estimates) during this time frame. The steps for deriving this demand are as follows:

- As of 2017, U.S. Census on the Map data estimates 4,179 people work in Grinnell but live elsewhere. Assuming in-commuters living in rural areas of the region and/or more than 50 miles away from Grinnell do so for other reasons than a lack of housing, we apply the percentage of in-commuting workers traveling from within the region but not from rural areas (27.6 percent) to total in-commuting workers. The result is 1,153 in-commuting workers that are likely to consider relocation to Grinnell.
- Under the scenario new housing options would attract two percent of the 1,153 in-commuting workers that would consider relocating, 23 workers would relocate to Grinnell. Diving the total workers by the average number of workers per household, total in-commuter demand would be 20 new households.
- To estimate the tenure distribution of this in-commuter demand, we apply the estimated renter percentage of households in the Grinnell Market Area for 2020 to 2025 (75.0 percent), derived from the total rental demand section previously. The result is demand for 15 rental units and five for sale units from in-commuter relocation.

Table 49 Derivation of Demand

Additional Three-Year Housing Demand Scenarios, Grinnell Market Area					
In-Commuter Demand					
Market Area In-Commuting Workers (2017)		4,179	4,179	4,179	4,179
In-Commuters living in the Region but not in rural areas	*	27.6%	27.6%	27.6%	27.6%
In-Commuters likely to consider Relocatoin	=	1,153	1,153	1,153	1,153
In-Commuter Relocatoin Capture Percentage, 2020 -2023	*	2%	4%	6%	8%
Total in-Commuters to Relocate	=	23	46	69	92
Avg. Workers per HH in Iowa (2010)	/	1.16	1.16	1.16	1.16
Total In-Commuter Demand	=	20	40	60	80
Distribution of In-Commuter Demand by Tenure					
Total In-Commuter Demand		20	40	60	80
Estimated Market Area Renter Percentage, 2020-2023	*	75.0%	75.0%	75.0%	75.0%
Total In-Commuter Rental Demand	=	15	30	45	60
Total In-Commuter Owner Demand	=	5	10	15	25

Source: U.S. Census Bureau, LED On the Map Data, 2014-2018 ACS Estimates, Esri



3. Conclusions on In-Commuting Housing Demand

Using in-commuter capture percentages ranging from two to ten percent, potential housing demand exists for 15 to 75 rental units (in addition those projected from household growth, unit replacement, and the structural vacancy rate) and five to 25 for sale units. While the exact percentage of in-commuter households that would relocate to the Grinnell Market Area if suitable housing was available is difficult to quantify, this range of demand from in-commuting households provides a frame of reference for the development of new housing communities.

E. Product Recommendations

Based on net demand estimates, the Grinnell Market Area is projected to be in balance assuming both phases of the planned market rate community come to fruition in the next three years. Should that not occur, the market area would have demand for roughly 40 to 50 general rental units. The market area is also projected to have demand for up to 27 senior rental housing over the next three years. The rental demand in the market area continues to be driven by housing unit replacement, which is reasonable given the significantly older age of the market area's housing stock. Given the Grinnell Market Area's stability, in-commuting workers are also likely to have some impact on housing demand both in the rental and for-sale markets. Taking these factors into consideration along with the demographics of the market area and recent housing development, we offer the following general product recommendations and pricing for rental and for-sale housing opportunities in the Grinnell Market Area:

1. Rental Housing

The success of Spaulding Lofts over the past three years demonstrates the pent-up demand for quality rental units in the market area, both among lower and moderate-income households. The addition of Spaulding Lofts' 77 units, which primarily target renters earning at or below 60 percent of the Area Median Income, helped address the market area's need for more modernized affordable housing. It is also noteworthy that the 20 market rate units at Spaulding Lofts are able to achieve rents \$300 to \$400 above the top of the rental market, illustrating the ability and willingness of moderate-income households to spend more for quality housing units. This underscores the need for additional market rate rental units in the market area, as most moderate-income households in the Grinnell Market Area (earning \$35,000 to \$74,999) would not be income qualified for 60 percent LIHTC units based on 2020 HUD income limits for Poweshiek County. Should the planned Merge Grinnell development come to fruition, it would fully address this need; however, in the event this project did not move forward, we offer the following product recommendations for alternative rental housing communities.

Product Recommendations:

Over the next three years, we recommend focusing on market rate rental housing to address projected rental demand in the market area. This will help address the needs of nearly 40 percent of renter households in the Grinnell Market Area who earn from \$35,000 to \$74,999 per year and are among the most underserved by the existing rental stock. The planned Merge Grinnell development and possibly some units the proposed Stella Ridge development will address this demand. Should some or all these projects not move forward, the market area would have a projected rental demand for roughly 40 to 90 units and as high as 150 units (depending on in-commuter housing demand). In this scenario, we recommend a 40 to 80-unit market rate rental community that offers (depending on the building type) one, two, and three-bedroom floor plans. The unit distribution of this community should be more heavily weighted toward smaller units given the high percentage of small renter households in the market area.

Ideal building types for a market rate rental community in the Grinnell Market Area include:

- **Single-Family Detached Homes** - While single-family detached rental homes would be well received within the community, the increased development costs and land requirements generally associated with this product type make large developments of single-family rentals less common. If such a community were developed, we would recommend building two- and three-bedroom homes offering roughly 1,100 to 1,300 square feet and 1,300 to 1,500 square feet, respectively. At a minimum, the homes should include an attached garage or carport, standard kitchen appliances (refrigerator, range/oven, dishwasher, and garbage disposal), and washer/dryer connections but do not need to include a basement. Given the attractiveness of this product type, no community amenities would be necessary; however, the inclusion of a playground or recreational space would enhance the overall appeal of the community. The target market of this product type would primarily be couples and small to large families. In recent years, single-family home rental communities comparable to what is described have become increasingly popular and viable in many markets across the country. Several larger developers of these types of communities now exist and operate in the Midwest including Redwood Homes.
- **Townhomes/Attached Homes** - Townhome units or attached homes (duplexes, tri-plexes, etc.) would be an ideal product type for market rate rental housing in Grinnell. They would fit well with the existing housing stock and overall character of development within the city, while providing a denser housing type often necessary for rental development. We would recommend a community comprised of two- and three-bedroom floor plans for duplex buildings or one, two, and three-bedroom units for multi-unit attached buildings. Each unit should offer roughly 750 to 1,250 square feet, standard kitchen appliances (refrigerator, range/oven, dishwasher, and garbage disposal), and washer/dryer connections. As with single-family homes, community amenities would not be required but would enhance the overall appeal of the property. The target market of this product type would include couples, roommates, and small to large families.
- **Garden-Style Buildings** – A two-story garden-style community would also be suitable for new market rate rental housing in Grinnell and would offer more flexibility to include smaller unit types. We recommend a garden-style community include a mix of one, two, and three bedroom units, offering roughly 750 to 1250 square feet, with all standard unit appliances mentioned with the other product types as well as moderate community amenities (a community room, business/computer center, fitness center, and playground). This type of housing community would be consistent with the existing garden-style communities in Grinnell while offering a new modernized alternative with greater unit features and community amenities. The target market of this product type would include single persons, couples, roommates, and small to large families.
- **Downtown Loft Apartments** – Additional loft apartments in downtown would also be suitable for new market rate rental units in the city and would be ideal for small households, most of which are likely to be single persons. The target market of this product type would primarily be single persons and some couples or possible roommates.

Pricing:

Assuming an appropriate product based on the recommendations above, RPRG judges a new market rental community in Grinnell can be priced at the top of the rental market comparable to the market rate units at Spaulding Lofts. Regardless of product type and location, a newly constructed rental community will be attractive to prospective renters in and around the Grinnell Market Area and will be among the most attractive in the market upon construction. Among the product types



recommended, single-family detached homes would have the highest achievable rents followed by townhomes/attached homes. The rent premium for single-family detached homes and townhomes/attached homes is based on the increased levels of privacy, larger unit sizes, and access to a yard. In most markets, single-family detached homes can generally achieve rents 10 to 15 percent higher than traditional multi-family apartments all else being equal. RPRG’s recommended rents for an apartment community assume that residents are responsible for all utilities except the cost of trash removal (Table 50).

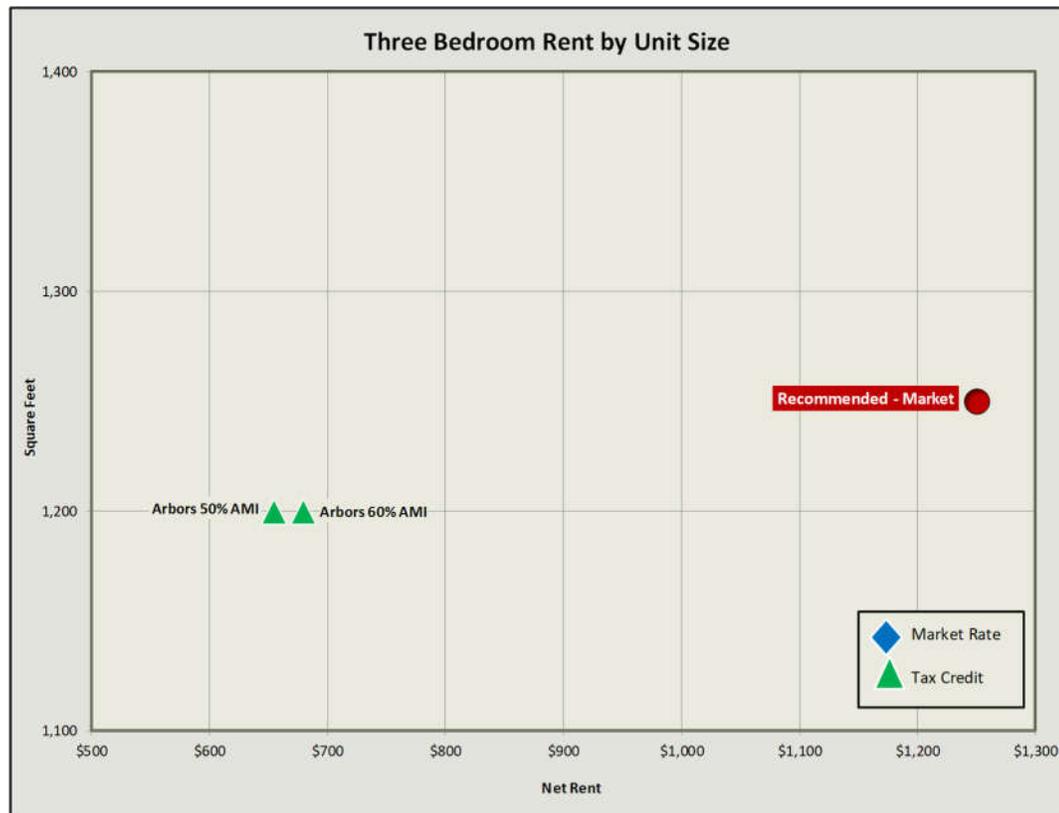
Table 50 RPRG Recommended Market Rate Community, Grinnell Market Area

Unit Type	Building Type	Units	Bed	Bath	Avg. Square Feet	Net Rent	Rent/Sq Ft
Market	Apartment	20	1	1	750	\$850	\$1.13
Market	Apartment	28	2	2	1,100	\$1,150	\$1.05
Market	Apartment	12	3	2	1,250	\$1,250	\$1.00
Total/Avg.		60			1,157	\$827	\$0.71

Rents include: trash removal

Table 51 Price Position, Recommended Rents





2. For-Sale Housing

Most of the existing owner-occupied housing stock in the Grinnell Market Area is of an older vintage, as nearly two-thirds (62.1 percent) of owner-occupied housing units were built prior to 1970 and 83.2 percent were built prior to 1990. The quality of these units varies significantly, though many are in what would be considered below average condition. Over the past few years, the Grinnell Market Area experienced modest for-sale housing growth; however, some of the newer homes in the market area are priced in the high \$200,000s or above \$300,000, making them less affordable for most moderate-income households. Based on recent sales data, the velocity of home sales is significantly slower above the \$300,000 price point. Based on the demographics of the Grinnell Market Area and recent sales trends, we recommend continuing to build single-family detached homes in the \$175,000 to \$275,000 price range to satisfy for-sale housing demand over the next three years.

Product Recommendations:

- **Single-Family Detached Homes** – Single-family detached homes are the most common owner-occupied housing units in the Grinnell Market Area and would be the most desirable product type for new for-sale housing units. We would recommend building three-bedroom homes offering roughly 1,800 to 2,200 of finished square feet. The homes should include attractive exterior features (brick/stone accents), attached garages, standard kitchen appliances (refrigerator, range/oven, dishwasher, and garbage disposal), washer/dryer connections, a patio/deck, and an unfinished basement. The target market of this product type would primarily be couples and small to large families.
- **Townhomes/Attached Homes** - Townhome units or attached homes (duplexes, tri-plexes, etc.) are best suited for moderate income households, offering a semi-detached product with a partial yard and more privacy but a smaller more affordable housing unit overall. Attached homes and townhomes could target middle income price points and offer an alternative to more expensive single-family detached homes. These unit types also require less land for development and can work as both a separate community or as an infill development, if necessary. We would recommend two-story units for townhomes and one-story units for attached homes with attractive exterior features (brick/stone accents), attached garages, standard in-unit kitchen appliances (refrigerator, range/oven, dishwasher, and garbage disposal), washer/dryer connections, and patios. Units should include both two- and three-bedroom floor plans with approximate sizes ranging from 1,200 to 1,800 square feet, respectively. The target market of this product type would include couples, roommates, and small to large families.

Pricing:

Assuming an appropriate product based on the recommendations above, RPRG's recommended prices for each product type are as follows:

Table 52 RPRG Recommended For-Sale Pricing, Grinnell Market Area

Grinnell Market Area For-Sale Units - Recommended Pricing					
Product Type	Bed	Bath	Square Feet	Sales Price	Sales Price/Sq. Ft.
Attached Home / Townhome	2	1.5	1,200	\$175,000	\$145.83
Attached Home / Townhome	2	2.5	1,600	\$210,000	\$131.25
Attached Home / Townhome	3	2.5	1,800	\$230,000	\$127.78
Single-Family Detached Home	3	2.5	2,000	\$250,000	\$125.00
Single-Family Detached Home	3	2.5	2,200	\$270,000	\$122.73
Average			1,900	\$240,000	\$126.32

The pricing and unit sizes of each product type are based on recent sales data (2020) at each price point, with a comparable average sales price of roughly \$122 to \$145 per square foot. These newly constructed for-sale units will be competitive in the marketplace and attractive to prospective moderate- and upper-income owner households living in and around the Grinnell Market Area.

3. Senior Housing

The Grinnell Market Area contains an established older adult and senior household base that is likely to age in place over the next five to ten years. This aging in place will continue to drive demand for the two CCRC's in the market area, which are ideally suited to meet the needs of these established seniors, especially as all projected senior household growth is expected to occur among senior households with a householder age 65 and older. Given the entrance / purchase requirements of the CCRC's, these unit types will be filled by moderate to high income seniors many of whom are likely to convert from homeownership. The Grinnell Market Area also contains seven deeply subsidized senior / disabled rental communities, who serve the lowest income seniors in the market area. Notably absent are senior housing communities targeting low to moderate income seniors (earning \$15,000 to \$34,999) who comprise roughly one-third of all senior renter households. Taking this into consideration, we believe a small senior LIHTC community (30 to 40 units) or generally LIHTC with a portion of units targeted to seniors would be well received in the market area and would provide an age and income restricted rental alternative for low to moderate income seniors living in scattered site or less affordable general occupancy rental housing. If a senior LIHTC community were to be pursued, we would recommend it include units restricted to 40 percent, 50 percent, and 60 percent Area Median Income levels to adequately address the \$15,000 to \$34,999 senior income cohort.

F. Affordability Analysis

1. Methodology

To understand the depth of the market for rental and for-sale units at their proposed price positions, RPRG has conducted a series of affordability analyses reflecting the potential demand from the Grinnell Market Area. For rental housing, the affordability analysis reflects the number of income qualified households and income qualified renter households who could afford to rent a unit at the market rate rental community recommended.

The first component of the affordability analyses involves looking at total income and renter income among Grinnell Market Area households for the target year. We anticipate that the earliest potential rental or for-sale units could be placed in service is in 2022.

Using 2021 as our target year for this analysis, RPRG calculated the income distribution for both total households and renter households based on the relationship between owner and renter household incomes by income cohort from the 2014-2018 American Community Survey with estimates and projected income growth since the Census (Table 53).

A particular housing unit is typically said to be affordable to households that would be expending a certain percentage of their annual income or less on the expenses related to living in that unit. In the case of rental units, these expenses are generally of two types – monthly contract rents paid to landlords and payment of utility bills for which the tenant is responsible. The sum of the contract rent and utility bills is referred to as a household’s ‘gross rent burden’. For the rental analysis, RPRG employs a 35 percent gross rent burden; however, the for-sale affordability analysis uses a 30 percent cost burden to account for tighter lending restrictions and homeowners’ unwillingness to take on a higher percentage of debt relative to their income.

For the purposes of the rental analysis, we have artificially capped market rate units at 150% of the AMI. LIHTC units are limited to 40 percent, 50 percent, and 60 percent of the AMI for the recommended senior community. Utility allowances are estimated at \$110 for one-bedroom units, \$125 for two-bedroom units, and \$145 for three-bedroom units.

Table 53 2022 Income Distribution, Grinnell Market Area

Grinnell Market Area		2022 Total Households		2022 Renter Households	
2022 Income		#	%	#	%
less than	\$15,000	497	13.5%	368	23.5%
	\$15,000 \$24,999	430	11.6%	318	20.3%
	\$25,000 \$34,999	387	10.5%	133	8.5%
	\$35,000 \$49,999	622	16.9%	214	13.6%
	\$50,000 \$74,999	622	16.9%	250	16.0%
	\$75,000 \$99,999	443	12.0%	166	10.6%
	\$100,000 \$149,999	431	11.7%	99	6.3%
	\$150,000 Over	259	7.0%	20	1.3%
Total		3,689	100%	1,568	100%
Median Income		\$47,818		\$32,363	

Source: American Community Survey 2014-2018 Projections, RPRG, Inc.

2. Rental Affordability Analysis

The affordability analysis is based on the recommended rents for a market rate rental community in the Grinnell Market Area. The steps in the affordability analysis (Table 54) are as follows:

- Looking at one-bedroom units, the overall average shelter cost for would be \$957 (\$850 shelter rent plus an \$107 allowance to cover all utilities other than trash removal).
- By applying a 35 percent rent burden to this gross rent, we determined that a one-bedroom unit would be affordable to households earning at least \$32,811 per year. The projected number of Grinnell Market Area renter households earning at least this amount in 2022 is 773.



- Assuming an average household size of 1.5 persons per bedroom, the maximum income limit for a one-bedroom unit at our artificial cap of 150 percent of AMI would be \$82,125. According to the interpolated income distribution for 2022, 235 renter households will reside in the Grinnell Market Area with incomes exceeding this artificial income limit.
- Subtracting the 235 renter households with incomes above the maximum income limit from the 773 renter households that could afford to rent this unit, RPRG computes that an estimated 538 renter households in the Grinnell Market Area will fall within the band of affordability for the recommended market rate community. The 20 one-bedroom units would need to capture 3.7 percent of these income-qualified renter households to absorb all 20 units.
- Using the same methodology, the renter capture rates for two- and three-bedroom units were 5.7 percent and 2.5 percent, respectively.
- Overall, all 60 market rate units have a capture rate of 8.8 percent.

Table 54 Market Rate Income Qualified Households (150 Percent AMI), Grinnell Market Area

150% AMI	35% Rent Burden	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
Number of Units		20		28		12	
Net Rent		\$850		\$1,150		\$1,250	
Gross Rent		\$957		\$1,279		\$1,395	
Income Range (Min, Max)		\$32,811	\$82,125	\$43,851	\$98,550	\$47,829	\$113,925
Renter Households							
Range of Qualified Hhlds		773	235	619	128	562	91
# Qualified Households		538		491		471	
Renter HH Capture Rate		3.7%		5.7%		2.5%	

Income Target	# Units	Renter Households = 1,566				
		Band of Qualified Hhlds		# Qualified HHs	Capture Rate	
150% AMI	60	<i>Income Households</i>	\$32,811 773	\$113,925 91	682	8.8%

Source: Income Projections, RPRG, Inc.

3. For-Sale Affordability Analysis

For the purposes of this analysis, we assumed a five percent down payment, a 30-year fixed loan term, a 4.0 percent interest rate, the current Grinnell property tax rate of 1.35, a \$400 per year homeowner’s association fee, and an underwriting criteria of 28 percent (percentage of total housing cost to annual income). Based on the recommended pricing, a significant number of income-qualified owner households are projected to reside in the Grinnell Market Area in 2022 (Table 55). The number of income qualified owner households ranges from 1,481 households for the most affordable floor plan to 962 owner households for the most expensive floor plan.

Table 55 Income Qualified Owner Households, Grinnell Market Area

Product	Att. Home	Att. Home	Att. Home	SFH	SFH
Sales Price	\$175,000	\$210,000	\$230,000	\$250,000	\$270,000
% Down Payment	5%	5%	5%	5%	5%
\$ Down Payment	\$8,750	\$10,500	\$11,500	\$12,500	\$13,500
Term	30	30	30	30	30
Interest Rate	4.00%	4.00%	4.00%	4.00%	4.00%
Local Property Tax Rate	1.35	1.35	1.35	1.35	1.35
HOA Fee	\$400	\$400	\$400	\$400	\$400
Payment	\$1,414	\$1,617	\$1,733	\$1,848	\$1,964
Income Range	\$60,596	\$69,287	\$74,253	\$79,219	\$84,185
# Qualified Hslds	1,481	1,265	1,141	1,048	962

Source: 2010 U.S. Census, Esri, Estimates, RPRG, Inc.

4. Conclusions on Affordability

Affordability estimates and capture rates for both rental and for-sale housing are reasonable and would be achievable in the market. The estimates shown for the Grinnell Market Area are also conservative, as they do not include portions of the surrounding counties from which the recommended housing communities would likely draw some tenants / owners. Overall, sufficient income qualified households exist to support the recommended housing types in the market area as of 2021.

G. Impact on Existing Market

Based on the projected rental demand, the Grinnell Market Area will be able to support both phases of the planned market rate rental community Merge Grinnell over the next three years and remain in balance. Should Stella Ridge also move forward during the same time period, it is possible the market area could have a modest oversupply of rental housing; however, given these rental communities are likely to attract at least a portion of in-commuting demand, the Grinnell Market Area can likely support both Merge Grinnell and Stella Ridge and remain in relative balance over the next three years. The construction of a new residence hall for Grinnell College will also have some impact on the rental market, as it will likely free up some existing rental units previously occupied by students; however, the varying target markets of all three pipeline projects in the market area will help minimize competition between communities. As new high-quality market rate rental units are scarce not only in the market area but in the region, we believe it is likely Merge Grinnell will attract a high percentage of in-commuters. Should some or all these pipeline projects not move forward, demand will still exist for both rental and for-sale housing in the Grinnell Market Area.

H. Conclusion / Recommendation

Grinnell is home to a diverse group of major employers, making it a regional economic hub for workers living throughout the surrounding counties, nearby cities, and major metropolitan areas of Des Moines, West Des Moines, and Iowa City. While Grinnell has not experienced significant population or household growth over the past ten years, it has maintained relative stability and continues to have the potential for growth if it can effectively attract just a small portion of its workforce that chooses to commute rather than live in the city. The proposed and planned pipeline projects are ideally suited to address the city's specific housing needs and will be well received by their intended target markets if constructed. Based on the limited changes that have occurred in the city over the last three years, we believe Grinnell should continue to target moderate income households with new housing development and gradually replace the city's aging housing, most of which is at least 40 years old. Sufficient demand will exist in the Grinnell Market Area over the next



three years to support all potential pipeline projects though given the smaller size of the rental market it may be helpful if development is staggered rather than built all at once. While high development costs and a potential ceiling on achievable rents due to lower household incomes present challenges to new development, the success of Spaulding Lofts and the Grinnell Cottages for-sale community demonstrate pent-up demand for new housing units exists in the market area.

A handwritten signature in black ink, appearing to read 'Michael Riley', written in a cursive style.

Michael Riley
Senior Analyst

A handwritten signature in black ink, appearing to read 'Tad Scepaniak', written in a cursive style.

Tad Scepaniak
Managing Principal



APPENDIX 1 UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

In conducting the analysis, we will make the following assumptions, except as otherwise noted in our report:

1. There are no zoning, building, safety, environmental or other federal, state or local laws, regulations or codes which would prohibit or impair the development, marketing or operation of the subject project in the manner contemplated in our report, and the subject project will be developed, marketed and operated in compliance with all applicable laws, regulations and codes.
2. No material changes will occur in (a) any federal, state or local law, regulation or code (including, without limitation, the Internal Revenue Code) affecting the subject project, or (b) any federal, state or local grant, financing or other program which is to be utilized in connection with the subject project.
3. The local, national and international economies will not deteriorate, and there will be no significant changes in interest rates or in rates of inflation or deflation.
4. The subject project will be served by adequate transportation, utilities and governmental facilities.
5. The subject project will not be subjected to any war, energy crisis, embargo, strike, earthquake, flood, fire or other casualty or act of God.
6. The subject project will be on the market at the time and with the product anticipated in our report, and at the price position specified in our report.
7. The subject project will be developed, marketed and operated in a highly professional manner.
8. No projects will be developed which will be in competition with the subject project, except as set forth in our report.
9. There are no existing judgments nor any pending or threatened litigation, which could hinder the development, marketing or operation of the subject project.



The analysis will be subject to the following limiting conditions, except as otherwise noted in our report:

1. The analysis contained in this report necessarily incorporates numerous estimates and assumptions with respect to property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates and the variations may be material.
2. Our absorption estimates are based on the assumption that the product recommendations set forth in our report will be followed without material deviation.
3. All estimates of future dollar amounts are based on the current value of the dollar, without any allowance for inflation or deflation.
4. We have no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal matters, environmental matters, architectural matters, geologic considerations, such as soils and seismic stability, and civil, mechanical, electrical, structural and other engineering matters.
5. Information, estimates and opinions contained in or referred to in our report, which we have obtained from sources outside of this office, are assumed to be reliable and have not been independently verified.
6. The conclusions and recommendations in our report are subject to these Underlying Assumptions and Limiting Conditions and to any additional assumptions or conditions set forth in the body of our report.



APPENDIX 2 ANALYST CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is my personal, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- My compensation is not contingent on an action or event resulting from the analysis, opinions, or conclusions in, or the use of, this report.
- The market study was not based on tax credit approval or approval of a loan. My compensation is not contingent upon the reporting of a predetermined demand that favors the cause of the client, the attainment of a stipulated result, or the occurrence of a subsequent event.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice as set forth in the Uniform Standards of Professional Appraisal Practice (USPAP) as adopted by the Appraisal Standards Board of the Appraisal Foundation.
- I have made a personal inspection of the area that is the subject of this report.

A handwritten signature in black ink, appearing to read 'Michael Riley', is positioned above the typed name.

Michael Riley
Senior Analyst
Real Property Research Group, Inc.

Warning: Title 18 U.S.C. 1001, provides in part that whoever knowingly and willfully makes or uses a document containing any false, fictitious, or fraudulent statement or entry, in any manner in the jurisdiction of any department or agency of the United States, shall be fined not more than \$10,000 or imprisoned for not more than five years or both.



APPENDIX 3 NCAHMA CERTIFICATION

This market study has been prepared by Real Property Research Group, Inc., a member in good standing of the National Council of Housing Market Analysts (NCHMA). This study has been prepared in conformance with the standards adopted by NCHMA for the market analysts' industry. These standards include the Standard Definitions of Key Terms Used in Market Studies for Housing Projects and Model Content Standards for the Content of Market Studies for Housing Projects. These Standards are designed to enhance the quality of market studies and to make them easier to prepare, understand, and use by market analysts and by the end users. These Standards are voluntary only, and no legal responsibility regarding their use is assumed by the National Council of Housing Market Analysts.

Real Property Research Group, Inc. is duly qualified and experienced in providing market analysis for Housing. The company's principals participate in NCHMA educational and information sharing programs to maintain the highest professional standards and state-of-the-art knowledge. Real Property Research Group, Inc. is an independent market analyst. No principal or employee of Real Property Research Group, Inc. has any financial interest whatsoever in the development for which this analysis has been undertaken.

While the document specifies Real Property Research Group, Inc., the certification is always signed by the individual completing the study and attesting to the certification.

Real Property Research Group, Inc.



Tad Scepaniak

Name

Managing Principal

Title

November 20, 2020

Date



APPENDIX 4 ANALYST RESUMES

TAD SCEPANIAK Managing Principal

Tad Scepianiak assumed the role of Real Property Research Group's Managing Principal in November 2017 following more than 15 years with the firm. Tad has extensive experience conducting market feasibility studies on a wide range of residential and mixed-use developments for developers, lenders, and government entities. Tad directs the firm's research and production of feasibility studies including large-scale housing assessments to detailed reports for a specific project on a specific site. He has extensive experience analyzing affordable rental communities developed under the Low-Income Housing Tax Credit (LIHTC) program and market-rate apartments developed under the HUD 221(d)(4) program and conventional financing. Tad is the key contact for research contracts many state housing finance agencies, including several that commission market studies for LIHTC applications.

Tad is Immediate Past Chair of the National Council of Housing Market Analysts (NCHMA) and previously served as National Chair and Co-Chair of Standards Committee. He has taken a lead role in the development of the organization's Standard Definitions and Recommended Market Study Content, and he has authored and co-authored white papers on market areas, derivation of market rents, and selection of comparable properties. Tad is also a founding member of the Atlanta chapter of the Lambda Alpha Land Economics Society.

Areas of Concentration:

- Low Income Tax Credit Rental Housing: Mr. Scepianiak has worked extensively with the Low-Income Tax Credit program throughout the United States, with special emphasis on the Southeast and Mid-Atlantic regions.
- Senior Housing: Mr. Scepianiak has conducted feasibility analysis for a variety of senior oriented rental housing. The majority of this work has been under the Low-Income Tax Credit program; however, his experience includes assisted living facilities and market rate senior rental communities.
- Market Rate Rental Housing: Mr. Scepianiak has conducted various projects for developers of market rate rental housing. The studies produced for these developers are generally used to determine the rental housing needs of a specific submarket and to obtain financing.
- Public Housing Authority Consultation: Tad has worked with Housing Authorities throughout the United States to document trends rental and for sale housing market trends to better understand redevelopment opportunities. He has completed studies examining development opportunities for housing authorities through the Choice Neighborhood Initiative or other programs in Florida, Georgia, North Carolina, South Carolina, Texas, and Tennessee.

Education:

Bachelor of Science – Marketing; Berry College – Rome, Georgia



ROBERT M. LEFENFELD
Founding Principal

Mr. Lefenfeld, Founding Principal of the firm, with over 30 years of experience in the field of residential market research. Before founding Real Property Research Group in 2001, Bob served as an officer of research subsidiaries of Reznick Fedder & Silverman and Legg Mason. Between 1998 and 2001, Bob was Managing Director of RF&S Realty Advisors, conducting residential market studies throughout the United States. From 1987 to 1995, Bob served as Senior Vice President of Legg Mason Realty Group, managing the firm's consulting practice and serving as publisher of a Mid-Atlantic residential data service, Housing Market Profiles. Prior to joining Legg Mason, Bob spent ten years with the Baltimore Metropolitan Council as a housing economist. Bob also served as Research Director for Regency Homes between 1995 and 1998, analyzing markets throughout the Eastern United States and evaluating the company's active building operation.

Bob provides input and guidance for the completion of the firm's research and analysis products. He combines extensive experience in the real estate industry with capabilities in database development and information management. Over the years, he has developed a series of information products and proprietary databases serving real estate professionals.

Bob has lectured and written extensively about residential real estate market analysis. Bob has created and teaches the market study module for the MBA HUD Underwriting course and has served as an adjunct professor for the Graduate Programs in Real Estate Development, School of Architecture, Planning and Preservation, University of Maryland College Park. He is the past National Chair of the National Council of Housing Market Analysts (NCHMA) and currently chairs its FHA Committee.

Areas of Concentration:

- **Strategic Assessments:** Mr. Lefenfeld has conducted numerous corridor analyses throughout the United States to assist building and real estate companies in evaluating development opportunities. Such analyses document demographic, economic, competitive, and proposed development activity by submarket and discuss opportunities for development.
- **Feasibility Analysis:** Mr. Lefenfeld has conducted feasibility studies for various types of residential developments for builders and developers. Subjects for these analyses have included for-sale single-family and townhouse developments, age-restricted rental and for-sale developments, large multi-product PUDs, urban renovations and continuing care facilities for the elderly.
- **Information Products:** Bob has developed a series of proprietary databases to assist clients in monitoring growth trends. Subjects of these databases have included for sale housing, pipeline information, and rental communities.

Education:

Master of Urban and Regional Planning; The George Washington University.
Bachelor of Arts - Political Science; Northeastern University.



MICHAEL RILEY
Senior Analyst

Michael Riley entered the field of Real Estate Market Research in 2006, joining Real Property Research Group's (RPRG) Atlanta office as a Research Associate upon college graduation. During Michael's time as a Research Associate, he gathered economic, demographic, and competitive data for market feasibility analyses and other consulting projects completed by the firm. Since 2007, Michael has served as an Analyst for RPRG, conducting a variety of market analyses for affordable and market rate rental housing communities throughout the United States. In total, Michael has conducted work in eleven states and the District of Columbia with concentrations in the Southeast and Midwest regions.

Areas of Concentration:

- **Low Income Housing Tax Credit Rental Housing** – Michael has worked extensively with the Low-Income Housing Tax Credit program, evaluating general occupancy, senior oriented, and special needs developments for State allocating agencies, lenders, and developers. His work with the LIHTC program has spanned a wide range of project types, including newly constructed communities, adaptive reuses, and rehabilitations. Michael also has extensive experience analyzing multiple subsidy projects, such as those that contain rental assistance through the HUD Section 8/202 and USDA Section 515 programs.
- **Market Rate Rental Housing** – Michael has analyzed various projects for lenders and developers of market rate rental housing including those compliant with HUD MAP guidelines under the FHA 221(d)(4) program. The market rate studies produced are often used to determine the rental housing needs of a specific submarket and to obtain financing.
- In addition to market analysis responsibilities, Michael has also assisted in the development of research tools for the organization, including a rent comparability table incorporated in many RPRG analyses.

Education:

Bachelor of Business Administration – Finance; University of Georgia, Athens, GA



APPENDIX 5 MARKET AREA RENTAL COMMUNITY PROFILES

Arbors

Multifamily Community Profile

401 Washington Ave.
Grinnell, IA

CommunityType: LIHTC - General
Structure Type: Garden

42 Units 7.1% Vacant (3 units vacant) as of 11/22/2020

Opened in 2001



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	66.7%	\$568	1,000	\$0.57	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	33.3%	\$673	1,200	\$0.56	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking Fee: --	Parking 2: Detached Garage Fee: \$45
Property Manager:	--
Owner:	--

Comments

Floorplans (Published Rents as of 11/22/2020) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	1	2	\$498	1,000	\$0.50	LIHTC/ 40%	11/22/20	7.1%	--	\$568	\$673
Garden	--	2	1	7	\$555	1,000	\$0.56	LIHTC/ 50%	2/24/17	23.8%	--	\$581	\$673
Garden	--	2	1	16	\$580	1,000	\$0.58	LIHTC/ 60%	10/31/12	4.8%	--	--	--
Garden	--	2	1	3	\$580	1,000	\$0.58	Market					
Garden	--	3	2	4	\$655	1,200	\$0.55	LIHTC/ 50%					
Garden	--	3	2	10	\$680	1,200	\$0.57	LIHTC/ 60%					

Adjustments to Rent	
Incentives:	None
Utilities in Rent:	Heat Fuel: Electric
Heat: <input type="checkbox"/>	Cooking: <input type="checkbox"/> Wtr/Swr: <input checked="" type="checkbox"/>
Hot Water: <input type="checkbox"/>	Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>

Arbors

IA157-018280

Center Street

Multifamily Community Profile

506 Center St.
Grinnell, IA

CommunityType: Deep Subsidy-General
Structure Type: Garden

12 Units 0.0% Vacant (0 units vacant) as of 11/22/2020

Opened in 1980



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	100.0%	\$643	696	\$0.92	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Ceiling Fan; Window A/C; Patio/Balcony	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager:	--
Owner:	--

Comments

Section 8 rent is contract rent.

Floorplans (Published Rents as of 11/22/2020) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	1	12	\$643	696	\$.92	Section 8	11/22/20	0.0%	--	\$643	--
									2/17/17	8.3%	--	\$575	--
									10/31/12	33.3%	--	--	--

Adjustments to Rent	
Incentives:	None
Utilities in Rent:	Heat Fuel: Electric
Heat: <input type="checkbox"/>	Cooking: <input type="checkbox"/> Wtr/Swr: <input checked="" type="checkbox"/>
Hot Water: <input type="checkbox"/>	Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>

Center Street

IA157-018278

Grinnell Park

Multifamily Community Profile

223 4th Ave. W
Grinnell, IA

CommunityType: Deep Subsidy-General
Structure Type: Garden

24 Units 0.0% Vacant (0 units vacant) as of 9/14/2020

Opened in 1990



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	50.0%	\$610	600	\$1.02	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	50.0%	\$705	720	\$0.98	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard:	--
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager:	--
Owner:	--

Comments

Rural development, rent is basic rent
All units have PBRA

Floorplans (Published Rents as of 9/14/2020) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	12	\$610	600	\$1.02	USDA	9/14/20	0.0%	\$610	\$705	--
Garden	--	2	1	12	\$705	720	\$0.98	USDA	2/24/17	8.3%	\$557	\$668	--
									10/31/12	4.2%	--	--	--

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Grinnell Park

IA157-018279

Reed Street

Multifamily Community Profile

1112-1120 Reed St.
Grinnell, IA 50112

Community Type: **Market Rate - General**

Structure Type: **Garden**

46 Units 0.0% Vacant (0 units vacant) as of 11/22/2020

Opened in 1977



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	39.1%	\$550	--	--	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	60.9%	\$650	--	--	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	
Features						
Standard: Patio/Balcony						
Select Units: Disposal						
Optional(\$): --						
Security: --						
Parking 1: Free Surface Parking			Parking 2: --			
Fee: --			Fee: --			
Property Manager: --						
Owner: --						

Comments

Sq. ft. not available.

Floorplans (Published Rents as of 11/22/2020) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	18	\$550	--	--	Market	11/22/20	0.0%	\$550	\$650	--
Garden	--	2	1.5	28	\$650	--	--	Market	3/9/17	0.0%	\$525	\$625	--

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: **Electric**

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Reed Street

IA157-024654

Spaulding Lofts

Multifamily Community Profile

827 Spring St.
Grinnell, IA 50112

CommunityType: LIHTC - General
Structure Type: 3-Story Adaptive Reuse

77 Units 2.6% Vacant (2 units vacant) as of 11/22/2020

Opened in 2016



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse: <input checked="" type="checkbox"/>	Pool-Outdr: <input type="checkbox"/>
Eff	--	--	--	--	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One	53.2%	\$751	700	\$1.07	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
One/Den	--	--	--	--	Elevator: <input checked="" type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two	46.8%	\$794	1,106	\$0.72	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Two/Den	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Three	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; In Unit Laundry (Full Size); Central A/C	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager: Hubbell Realty	
Owner: --	

Comments

Garden, sitting areas. Waiting list.

Bldg 1- 38 units opened 12/2016 & leased up 02/2017. Bldg 2 opened 02/2017- 39 units: 10 units occ, 30 units leased.

Floorplans (Published Rents as of 11/22/2020) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Mid Rise - Elevator	--	1	1	31	\$795	700	\$1.14	Market	11/22/20	2.6%	\$751	\$794	--
Mid Rise - Elevator	--	1	1	10	\$552	700	\$0.79	LIHTC/ 60%	3/13/17*	11.7%	\$759	\$779	--
Mid Rise - Elevator	--	2	2	23	\$656	1,155	\$0.57	LIHTC/ 60%	* Indicates initial lease-up.				
Mid Rise - Elevator	--	2	2	8	\$1,100	1,155	\$0.95	Market					
Mid Rise - Elevator	--	2	1	3	\$656	800	\$0.82	LIHTC/ 60%					
Mid Rise - Elevator	--	2	1	2	\$1,000	800	\$1.25	Market					

Adjustments to Rent

Incentives:

None.

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Spaulding Lofts

IA157-024660

Sunset

Multifamily Community Profile

1629 Sunset St.
Grinnell, IA

Community Type: Market Rate - General

Structure Type: Garden

14 Units 0.0% Vacant (0 units vacant) as of 9/14/2020

Opened in 1967



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	Centrl Lndry:	Tennis:
Two	100.0%	\$638	1,000	\$0.64	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Two/Den	--	--	--	--	Elevator:	Volleyball:
Three	--	--	--	--	Fitness:	CarWash:
Four+	--	--	--	--	Hot Tub:	BusinessCtr:
					Sauna:	ComputerCtr:
					Playground:	<input type="checkbox"/>

Features	
Standard: Dishwasher; Disposal; Central A/C; Patio/Balcony	
Select Units: Ceiling Fan	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: Detached Garage Fee: \$50
Property Manager: -- Owner: --	

Comments

Laminate counters, white appl.

Floorplans (Published Rents as of 9/14/2020) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	1.5	14	\$618	1,000	\$.62	Market	9/14/20	0.0%	--	\$638	--
									3/9/17	0.0%	--	\$583	--
									10/31/12	0.0%	--	--	--
Adjustments to Rent													
Incentives: None													
Utilities in Rent: Heat Fuel: Electric													
Heat: <input type="checkbox"/> Cooking: <input type="checkbox"/> Wtr/Swr: <input type="checkbox"/>													
Hot Water: <input type="checkbox"/> Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>													

Sunset

IA157-018277

Brookside East

Senior Community Profile

131 4th Ave. W
Grinnell, IA 50112

Community Type: Deep Subsidy-Elderly

Structure Type: Garden

21 Units 0.0% Vacant (0 units vacant) as of 11/6/2020

Opened in 1977



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	% Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Gardening:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One	85.7%	\$443	583	\$0.76	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	14.3%	\$528	704	\$0.75	<input type="checkbox"/>	<input type="checkbox"/>
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>

Features	
Standard: Window A/C; Patio/Balcony; Grabbar	
Select Units: Ceiling Fan	
Optional(\$): --	
Security: --	
Parking: Free Surface Parking	

Comments

RD & Section 8. Rent is contract rent. Vacancy is a 1BR. Processing applications to fill vacancy.

Waitlist.

Property Manager: Perry Reid

Owner: --

Floorplans (Published Rents as of 11/6/2020) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	18	\$428	583	\$0.73	USDA/Section 8	11/6/20	0.0%	\$443	\$528	--
Garden	--	2	1	3	\$508	704	\$0.72	USDA/Section 8	2/17/17	4.8%	\$443	\$528	--
									10/31/12	0.0%	--	--	--

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:
Hot Water: Electricity: Trash:

Brookside South

Senior Community Profile

214 4th Ave. W
Grinnell, IA 50112

Community Type: Deep Subsidy-Elderly

Structure Type: Garden

51 Units 17.6% Vacant (9 units vacant) as of 11/6/2020

Opened in 1982



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	% Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Gardening:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	100.0%	\$854	684	\$1.25	Comm Rm: <input type="checkbox"/>	Library: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Arts&Crafts: <input type="checkbox"/>
Two	--	--	--	--	Elevator: <input type="checkbox"/>	Health Rms: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	Guest Suite: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	Conv Store: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Walking Pth: <input type="checkbox"/>	Beauty Salon: <input type="checkbox"/>

Features	
Standard: Central A/C; Patio/Balcony; Grabbar; Emergency Response	
Select Units: Ceiling Fan	
Optional(\$): --	
Security: Keyed Bldg Entry	
Parking: Free Surface Parking	

Comments

Waitlist of 12 people.

Section 8, rent is contract rent

Property Manager: Perry Reid

Owner: --

Floorplans (Published Rents as of 11/6/2020) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	51	\$839	684	\$1.23	Section 8	11/6/20	17.6%	\$854	--	--
									2/17/17	0.0%	\$874	--	--
									10/31/12	0.0%	--	--	--

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Natural Gas

Heat: Cooking: Wtr/Swr:
Hot Water: Electricity: Trash:

Brookside South

IA157-018287

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(1) Effective Rent is Published Rent, net of utilities and concessions. (2) Published Rent is rent as quoted by management.

Brookside West

Senior Community Profile

131 4th Ave. W
Grinnell, IA 50112

Community Type: Deep Subsidy-Elderly

Structure Type: Garden

23 Units 4.3% Vacant (1 units vacant) as of 11/6/2020

Opened in 1978



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	% Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Gardening:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One	100.0%	\$443	543	\$0.82	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>

Features	
Standard: Window A/C; Patio/Balcony; Grabbar	
Select Units: Ceiling Fan	
Optional(\$): --	
Security: --	
Parking: Free Surface Parking	

Comments

Waitlist. Processing apps to fill vacancy.

Rural Development, rent is basic rent - All units have PBRA. Rent is contract rent.

Property Manager: --

Owner: --

Floorplans (Published Rents as of 11/6/2020) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	23	\$428	543	\$0.79	USDA/Section 8	11/6/20	4.3%	\$443	--	--
									2/17/17	4.3%	\$397	--	--
									10/31/12	0.0%	--	--	--

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:
Hot Water: Electricity: Trash:

Brookside West

IA157-018284

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(1) Effective Rent is Published Rent, net of utilities and concessions. (2) Published Rent is rent as quoted by management.

Grinnell Estates

Senior Community Profile

2020 West St.
Grinnell, IA 50112

Community Type: LIHTC - Elderly

Structure Type: Garden

24 Units 0.0% Vacant (0 units vacant) as of 11/6/2020

Opened in 1992



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	% Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Gardening:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One	100.0%	\$618	450	\$1.37	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One/Den	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Two	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Four+	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Features	
Standard: Patio/Balcony; Grabbar; Emergency Response	
Select Units: --	
Optional(\$): --	
Security: Keyed Bldg Entry	
Parking: Free Surface Parking	

Comments

Rural development, rent is basic rent

Waitlist

Utility allowance for electricity is \$71/month.

Property Manager: --

Owner: --

Floorplans (Published Rents as of 11/6/2020) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	24	\$618	450	\$1.37	USDA	11/6/20	0.0%	\$618	--	--
									10/8/20	0.0%	\$551	--	--
									3/9/17	0.0%	\$495	--	--
									10/31/12	0.0%	--	--	--

Adjustments to Rent	
Incentives: None	
Utilities in Rent: Heat Fuel: Electric	
Heat: <input type="checkbox"/>	Cooking: <input type="checkbox"/> Wtr/Swr: <input checked="" type="checkbox"/>
Hot Water: <input type="checkbox"/>	Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>

Monroe Park

Senior Community Profile

802 Park St.
Grinnell, IA 50112

Community Type: Deep Subsidy-Elderly

Structure Type: Garden

16 Units 12.5% Vacant (2 units vacant) as of 11/6/2020

Opened in 1975



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	% Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Gardening:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One	100.0%	\$428	572	\$0.75	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>

Features
Standard: Window A/C; Patio/Balcony; Grabbar

Select Units: Ceiling Fan

Optional(\$): --

Security: --

Parking: Free Surface Parking

Comments

Rural development & section 8; rent is contract rent. Wait list.

Property Manager: --

Owner: --

Floorplans (Published Rents as of 11/6/2020) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	16	\$428	572	\$.75	USDA/Section 8	11/6/20	12.5%	\$428	--	--
									2/17/17	0.0%	\$428	--	--
									10/31/12	0.0%	--	--	--

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(1) Effective Rent is Published Rent, net of utilities and concessions. (2) Published Rent is rent as quoted by management.

Pearl Street

Senior Community Profile

729 Pearl St.
Grinnell, IA

Community Type: Deep Subsidy-Disabled
Structure Type: Garden

9 Units 11.1% Vacant (1 units vacant) as of 11/6/2020

Opened in 1990



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	% Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Gardening:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	100.0%	\$583	514	\$1.13	Comm Rm: <input type="checkbox"/>	Library: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Arts&Crafts: <input type="checkbox"/>
Two	--	--	--	--	Elevator: <input type="checkbox"/>	Health Rms: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	Guest Suite: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	Conv Store: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Walking Pth: <input type="checkbox"/>	Beauty Salon: <input type="checkbox"/>

Features	
Standard: Ceiling Fan; Window A/C; Patio/Balcony; Grabbar	
Select Units: --	
Optional(\$): --	
Security: Keyed Bldg Entry	
Parking: Free Surface Parking	

Comments

Section 8, rent is contract rent.

Waitlist.

HUD Insured

Property Manager: --

Owner: --

Floorplans (Published Rents as of 11/6/2020) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	9	\$688	514	\$1.34	Section 8	11/6/20	11.1%	\$583	--	--
									2/17/17	0.0%	\$532	--	--
									10/31/12	0.0%	--	--	--

Adjustments to Rent

Incentives:
None

Utilities in Rent: Heat Fuel: Natural Gas

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Poynter

Senior Community Profile

412 3rd Ave.
Grinnell, IA 50112

Community Type: Deep Subsidy-Disabled

Structure Type: Garden

8 Units 0.0% Vacant (0 units vacant) as of 11/6/2020

Opened in 1999



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	% Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Gardening:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One	100.0%	\$541	514	\$1.05	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One/Den	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Two	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>

Features	
Standard: Central A/C; Patio/Balcony; Grabbar	
Select Units: Ceiling Fan	
Optional(\$): --	
Security: Keyed Bldg Entry	
Parking: Free Surface Parking	

Comments

Section 8, rent is contract rent.

Waitlist.

PRAC Community

Property Manager: --

Owner: --

Floorplans (Published Rents as of 11/6/2020) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	8	\$526	514	\$1.02	Section 8	11/6/20	0.0%	\$541	--	--
									2/17/17	0.0%	\$486	--	--
									10/31/12	0.0%	--	--	--

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:
 Hot Water: Electricity: Trash: