



REAL PROPERTY **RESEARCH** GROUP

WASHINGTON/BALTIMORE ■ ATLANTA

Housing Market Assessment

City of Grinnell Poweshiek County, Iowa

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Grinnell Chamber of Commerce

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Formerly known as
National Council of Affordable
Housing Market Analysts

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EXECUTIVE SUMMARY

The Grinnell Chamber of Commerce has retained Real Property Research Group, Inc. to conduct a Housing Market Assessment for the City of Grinnell. For the purpose 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 also suggested appropriate product types for potential development in Grinnell, including target market, structure type, and price position.

RPRG's expects this Housing Market Assessment to be utilized by the Grinnell Chamber of Commerce 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 October 16-18, 2012, we have arrived at the following findings:

Site and Neighborhood Analysis:

Grinnell is an attractive, modest-sized community in southeastern 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. Several sites in Grinnell are suitable for future housing development, most of which are infill or redevelopment opportunities. 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/home costs.

Economic Context:

Poweshiek County's economy has been relatively steady over past decade, maintaining a modest unemployment rate and a stable at-place employment base. Like most areas of the country, Poweshiek County suffered notable job loss and higher unemployment during the course of the most recent national recession (2008 to 2009), but has shown signs of stabilization over the past two years with the addition of 264 jobs. As home to several of the region's largest major employers, Poweshiek County is advantageously positioned to benefit from upcoming economic expansions, one of which will add 162 jobs to the county over the next three years.

- Following a decade high unemployment rate of 6.6 percent during the peak of the most recent national recession (2009), Poweshiek County's unemployment rate fell in consecutive years reaching 5.9 percent in 2011. This trend continued through the first half of 2012, during which the county's unemployment rate fell to 5.3 percent compared to rates of 5.5 percent and 8.3 percent in Iowa and the nation, respectively. Since 2000, Poweshiek County's unemployment rate has remained well below national figures and comparable to or slightly above the state, overall.
- Poweshiek County's At-Place Employment expanded in six of eleven years from 2001 to 2011; however, job gains were more than offset by losses as the county experienced a net loss of 285 jobs (2.9 percent) since 2000. Following the loss of 630 jobs in 2009, at the height of the most recent national recession, the county began to show signs of stabilization by recouping 264 jobs over the past two years.
- The two largest employment sectors in Poweshiek County are education-health and manufacturing, accounting for a combined 39.7 percent of all jobs within the county. By comparison, these two sectors comprise just 24 percent of jobs nationally. Poweshiek County

also has a significant percentage of jobs (15.8 percent) in the trade-transportation-utilities sector, though this is lower than the national average of 19.2 percent.

- Between 2001 and 2011, nine of eleven industry sectors in Poweshiek County experienced a net loss in jobs. Annualized losses of 0.8 percent in education-health, 0.8 percent in manufacturing, and 1.3 percent in trade-transportation utilities had the greatest overall impact as the county's three largest industries. The only two employment sectors to experience growth during this period were natural resources mining and professional business.
- Brownells, a firearm accessories manufacturer in Montezuma, recently announced it will construct a new 200,000 square foot facility in Grinnell and add at least 162 new jobs over a three-year period. The facility is expected to be complete by the fall of 2013 when the company begins hiring.

Growth Trends:

The Grinnell Market Area remained stable during the past decade (2000 and 2010), with limited population and household growth. While naturally occurring growth is expected to continue this trend over the next five years, the Grinnell Market Area's population and household bases will be augmented by upcoming economic expansions and the relocation of in-commuting workers. Overall, older adult and senior households are expected to increase at a faster rate than that of total households in the Grinnell Market Area on a percentage basis.

- Between the 2000 and 2010 Census counts, the Grinnell Market Area experienced minimal population and household growth. The net growth in the Grinnell Market Area during this decade was 70 people (0.8 percent) and 38 households (1.1 percent). Between 2012 and 2017, using Census growth rates, the Grinnell Market Area is projected to add 35 people and 19 households - increases of 0.4 percent and 0.5 percent, respectively.
- Between 2012 and 2017, households with householders age 55+ are projected to increase at an annual rate of 1.3 percent or 23 households. This would bring the total number of householders age 55+ in the Grinnell Market Area to 1,814. Households with a householder age 65+ will increase at an annual rate of 1.4 percent or 16 households per year.

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 a number of young professionals, families, and seniors with relatively high incomes and modest renter percentages.

- The population of the Grinnell Market Area is younger than that of the Secondary Market Area with median ages of 35 and 40, respectively. Overall, the Grinnell Market Area contains a relatively even population distribution with a notably higher percentage of young adults (relative to the Secondary Market Area) due to the presence of Grinnell College. Among the remaining age cohorts, adults (persons age 35-61 years), seniors (persons age 62+) and children (persons 19 years or younger) comprise roughly 23 to 28 percent of the population in the Grinnell Market Area.
- Single persons and married couples without children comprise nearly two-thirds (63.6 percent) of all households in the Grinnell Market Area, compared to 60.0 percent in the Secondary



Market Area. Overall, the Grinnell Market Area has a significantly lower marriage rate (44.0 percent versus 52.1 percent) and percentage of households with children (27.2 percent versus 30.8 percent) relative to the Secondary Market Area.

- As of the 2010 Census, 64.7 percent of households owned their home, compared to 35.3 percent of households who were renters. Based on 2000 and 2010 Census data, the Grinnell Market Area gained 39 renter households and lost one owner household for the decade. Based on Esri estimates, this trend in household tenure is expected to continue in the Grinnell Market Area as the rental rate is projected to increase from 35.5 percent in 2012 to 35.7 percent in 2017.
- Working age adults (age 35-59 years) and seniors (age 60+) each account for approximately 44 percent of all owner households in the Grinnell Market Area.
- Young adult households form the core of the market area's renters, as 39.0 percent of renter householders are ages 15-34. The Grinnell Market Area also has a notable proportion of working age adult renter householders (age 35 to 59 years) at 34.4 percent and senior renter householders (persons age 60 and older) at 26.6 percent.
- Approximately three-quarters of all renter households in the Grinnell Market Area contain one or two persons while 13 percent of Grinnell Market Area renter households contain three persons. Households with four or more persons account for just 12.4 percent of renter households in the Grinnell Market Area relative to 20.4 percent in the Secondary Market Area.
- RPRG estimates that the 2012 median household income in the Grinnell Market Area is \$50,219, which is \$2,064 or 3.9 percent below the \$52,283 median income in the Secondary Market Area. Overall, the household income distribution in the Grinnell Market Area is relatively even among income classifications; however, moderate to high income households (those earning \$35,000-\$74,999) are the most prevalent at 41 percent.
- The median income for renter households in 2012 is estimated to be \$31,970. This is 51.5 percent of the median income for homeowner households of \$62,117. Approximately 40 percent of all market area renter households have an annual income below \$25,000. Another 32.0 percent have incomes ranging from \$25,000 to \$49,999.

General Occupancy Rental Analysis:

RPRG surveyed seven multi-family rental communities located in the Grinnell Market Area. Of these seven properties, two are deeply subsidized through the USDA Rural Development Program, two are income and rent restricted through the Low Income Housing Tax Credit Program, and three are market rate. As a significant portion of Grinnell's existing rental stock is comprised of scattered site rental units, RPRG also surveyed six property management companies to supplement the multi-family rental analysis. Overall, the rental market is performing well with an average vacancy rate of 3.4 percent (excluding deeply subsidized properties).

- Combined, the five non-subsidized rental communities offer 209 rental units of which three or 1.4 percent were reported vacant. Overall, all five rental communities had vacancy rates below five percent and three of the five communities reported waiting lists. Of particular note is the LIHTC community Westfield, which indicated a waiting list of 130 people.
- Among the two deeply subsidized properties, five of 36 total units (13.9 percent) were available at the time of our survey. Given the subsidized nature of these communities, it is possible these vacancies may be transitional as communities with rental assistance often experience greater turnover than those without such subsidies. The older age and relatively poor condition of the

properties is also likely a factor. In either case, while the vacancy rate is high, it is only a reflection of five vacant units.

- Among the five 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 \$434 per month. The average one-bedroom square footage was 715 square feet, resulting in a net rent per square foot of \$0.61.
 - **Two-bedroom** effective rents averaged \$545 per month. The average two-bedroom square footage was 946 square feet, resulting in a net rent per square foot of \$0.58.
 - **Three-bedroom** effective rents averaged \$653 per month. The average three-bedroom square footage was 1,200 square feet, resulting in a net rent per square foot of \$0.54.
- Scattered site rentals have a variety of unit types which include smaller multi-family apartment buildings, townhomes, duplexes, loft apartments, and single-family detached homes. The average years built were not available on a unit by unit basis, but they are likely to be consistent with the age of the overall existing housing stock.
- In total, the six companies manage 175 scattered site units, of which 10 or 5.7 percent were reported vacant. Vacancy rates ranged from zero percent to 33.3 percent; however, the 33.3 percent vacancy rate was based on just one vacant unit (of three) managed by RJ Properties.
- Among the individual scattered site units, average rents, square footage, and rent per square foot are as follows:
 - **One bedroom units** reported an average rent of \$410 for 625 square feet, or \$0.66 per square foot.
 - **Two bedroom units** reported an average rent of \$576 for 1,022 square feet, or \$0.56 per square foot.
 - **Three bedroom units** reported an average rent of \$660 for 1,122 square feet, or \$0.59 per square foot.
 - **The lone four bedroom unit** reported a rent of \$700 for 1,250 square feet, or \$0.52 per square foot.
- While no rental communities were identified as planned or under construction, Southgate Apartments is currently vacant for rehabilitation. As a former USDA Rural Development property, South is converting their 12 units into market rate housing.

Senior Rental Analysis:

As part of the Grinnell Housing Market Assessment, RPRG also examined the senior rental market in Grinnell. In total, ten senior rental communities were identified including seven deeply subsidized properties, two continuing care retirement communities (CCRC), and one assisted living facility. The CCR properties and the assisted living community declined to provide occupancy data.



- Windsor Manor, an assisted living community located in south Grinnell, contains 40 total units/beds among one and two bedroom floor plans. Base rates, including a minimum level of care, three meals per day, and periodic housekeeping, range from \$3,975 for one bedroom units to \$5,470 for two bedroom units. One bedroom units offer 473 square feet and two bedroom units offer 668 square feet, resulting in prices per square foot of \$8.40 and \$8.19, respectively.
- Seeland Park/St. Francis Manor 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 of these communities offer a variety of unit types including one and two bedroom apartments, duplexes, patio homes, and assisted living units. Mayflower entrance fees / purchase prices range from \$46,000 to \$137,280 (depending upon plan) with monthly rates of \$750 to \$975. Seeland Park entrance fees / purchase prices range from \$68,900 to \$139,900 (based on listing of available homes) with a flat monthly fee of \$335 for the minimum level of care.
- 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 149 total rental units all of which were occupied at the time of our survey.

For-Sale Analysis:

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

- Looking at average quarterly sales in Grinnell, activity peaked in mid 2008 and has been cyclical since with peaks in mid 2010 and mid 2011. The cyclical nature of the sales volume is due in part to winter weather conditions, which make it difficult to move and buy/sell a home. Recent sales in Grinnell are down slightly relative to the previous two years, with 2012's 2nd quarter peak and 1st quarter valley falling below those in 2010 and 2011.
- The monthly median sales price has been relatively stable in Grinnell with the exception of the first quarter of 2009; however, as only ten homes were sold during the quarter, this was likely due to low volume during the height of the national housing market downturn. The only other noticeable price changes were dips in the first quarters of 2010 and 2011.
- Based on resale data in Grinnell, the ratio of sold properties to active listings was significantly higher at the four lowest price points (\$10,000 to \$160,000), suggesting a greater demand exists for low and moderately priced housing units. The average months in inventory for these lower priced units was just 3.8 months compared to 8.9 months
- Excluding East Street, which is still undergoing subdivision, Prairie Estates offers the largest median lot size of the active for-sale communities by a significant margin at roughly three-quarters of an acre. Prairie Street and East Gate Estates offer the next largest lots with comparable median sizes of 0.27 acre and 0.25 acre, respectively. As the most affordable community, Melrose Lane has the smallest median lot size of 0.19 acre. Lot pricing by sales price and 2012 assessment value for each active for-sale community are as follows:
 - **Prairie Estates** had a median sales price of \$69,000 and a median 2012 assessment value of \$84,835. Based on a median lot size of 0.76, Prairie Estates had a median sales price per acre of \$90,789 and a median 2012 assessment value per acre of \$111,625.



- o **Prairie Street** had a median sales price of \$37,850 and a median 2012 assessment value of \$36,850. Based on a median lot size of 0.27, Prairie Street had a median sales price per acre of \$140,185 and a median 2012 assessment value per acre of \$136,481.
- o **East Gate Estates** had a median sales price of \$32,250 and a median 2012 assessment value of \$32,440. 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 2012 assessment value per acre of \$129,760.
- o **Melrose Lane** had a median 2012 assessment value of \$26,680. Based on a median lot size of 0.19, Melrose Lane had a median 2012 assessment value per acre of \$140,421.

General Housing Demand:

Based on upcoming job growth and the desire of some commuting workers to relocate to the Grinnell Market Area, demand exists for both rental and for-sale housing units over the next three years. In total, we project the Grinnell Market Area will have a net demand for 83 rental units and 150 ownership units through January of 2016. While the Grinnell Chamber of Commerce focus group findings indicate up to 40 percent of commuting workers would consider moving to Grinnell if more housing options were available, it is difficult to project if and when these commuters would actually move. Given the typical slow pace of construction and natural absorption of housing units into the market, we believe a reasonable estimate for in-commuter relocation is six percent over three years or two percent per year; however, as the potential housing demand from in-commuters is significant, using more conservative or more aggressive in-commuter relocation percentages results in multiple alternate demand scenarios.

Senior Rental Housing Demand:

Overall, the independent senior rental market in the Grinnell Market Area is in relative balance with a small positive net demand for senior rental housing. Given the planned job growth in Grinnell is unlikely to add many senior renter households (62+) and seniors (62+) are much more likely to be at or near retirement age, opportunities to develop senior rental housing in the Grinnell Market Area will be limited over the next three years.

Product Recommendations:

Based on the existing housing stock, demographics of the region, planned job growth, and current market conditions, demand exists for both rental and for-sale housing in Grinnell over the next three years. General product recommendations and pricing for rental and for-sale housing opportunities are as follows:

Rental Housing:

Demand for quality market rate rental units is evident in the market, as upper income renters (incomes of \$50,000 to \$74,999 per year) and moderate income renters (incomes of \$35,000 to \$49,000 per year) comprise approximately 41 to 43 of all renter households in the Grinnell Market Area and the Secondary Market Area. Both renter household groups are also among the most underserved by the existing rental stock in the Grinnell Market Area. Over the next three years, the number of moderate and upper income renter households living in the Grinnell Market Area is expected to increase as two-thirds of Brownells projected workforce will be salaried employees in mid to upper management or professional level positions.

Demand is also strong for quality affordable housing units in the Grinnell Market Area. Currently, both LIHTC communities are performing well with a combined vacancy rate of 2.2 percent and significant

waiting lists. Nearly one-third (29-30 percent) of all renter households in both the Grinnell Market Area and the Secondary Market earn from \$15,000 to \$34,999 annually. As with the demand for market rate housing, the planned job growth in Grinnell will also bring additional hourly and lower paid service workers to the Grinnell Market Area, further increasing the demand for affordable housing units over the next three years.

Brief product recommendations to satisfy projected rental demand are as follows:

- Single-Family Detached Homes** - We 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. The target market of this product type would primarily be couples and small to large families.
- Townhomes/Attached Homes** - We recommend a 20 to 50 unit community comprised of two and three bedroom floor plans. Each unit should offer roughly 1,000 to 1,200 square feet (two bedroom units) and 1,200 to 1,400 square feet (three bedroom units), standard kitchen appliances (refrigerator, range/oven, dishwasher, and, garbage disposal), and washer/dryer connections. The target market of this product type would include couples, roommates, and small to large families.
- Garden-style Apartments** –We recommend a 40 to 60 unit community, consisting of two to three story garden style buildings with brick/stone and Hardiplank siding exteriors. The community should offer one, two, and three bedroom floor plans with approximate unit sizes of 650-750 square feet, 950-1,150 square feet, and 1,100-1,300 square feet, respectively. The unit distribution should include 50 percent two bedroom units, 35 percent one bedroom units, and 15 percent three bedroom units. Garden-style apartments will appeal to a wide variety of households including single persons, couples, roommates, small families, and possibly some seniors.
- Adaptive Reuse** –Grinnell offers several opportunities for adaptive reuse housing including school buildings that may be vacated and the Iowa Transportation Museum. Given its location one block from downtown, the Iowa Transportation Museum would be an ideal fit for loft style apartments targeting younger professionals living in and around the Grinnell Market Area. It could also be successful as a mixed-income or affordable housing community targeting single working-age adults and couples. The school buildings would likely work best as affordable housing communities.
- Pricing** – Assuming an appropriate product based on the recommendations above, RPRG's recommended rents for each product type, assuming that residents are responsible for all utilities except the cost of trash removal, are as follows.

Unit Type	Building Type	Bed	Bath	Avg. Square Feet	Net Rent	Rent/Sq Ft
Market	Garden	1	1	700	\$500	\$0.71
Market	Garden	2	2	1,050	\$650	\$0.62
Market	Townhome	2	2	1,100	\$675	\$0.61
Market	SF Detached	2	2	1,200	\$700	\$0.58
Market	Garden	3	2	1,200	\$700	\$0.58
Market	Townhome	3	2	1,300	\$725	\$0.56
Market	SF Detached	3	2	1,400	\$800	\$0.57
				1,136	\$679	\$0.60

Rents include: trash removal

Unit Type	AMI Level	Bed	Bath	Avg. Square Feet	Net Rent	Rent/Sq Ft
LIHTC	60%	1	1	700	\$450	\$0.64
LIHTC	60%	2	2	1,050	\$585	\$0.56
LIHTC	60%	3	2	1,200	\$685	\$0.57
Total/Avg.				1,136	\$609	\$0.54

Rents include: trash removal

For-Sale Housing:

Few quality housing units exist for moderate and upper income households in the Grinnell Market Area. Given moderate and upper income households comprise approximately 60 to 62 percent of all owner households in both the Grinnell Market Area and the Secondary Market Area, a distinct gap exists between the existing housing supply and the current housing demand. Over the next three years, housing demand from moderate and upper income households is expected to increase further as new workers from planned job growth consider a move to Grinnell.

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

- **Single-Family Detached Homes** – We recommend building three bedroom homes offering roughly 1,800 to 2,800 of finished square feet. At a minimum, 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** - We recommend two-story units for townhomes and one to two-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 1,100 to 1,300 square feet and 1,300 to 1,500 square feet, respectively. The target market of this product type would include couples, roommates, and small to large families.
- **Condominiums** – Based on field observations, interviews with community members, and our competitive surveys, households living in Grinnell generally prefer more space, privacy, and a yard. As such, higher density unit types, while necessary for many renter households, are not preferable to owner households. While it is possible some demand may exist for condominium units in the Grinnell Market Area, we believe the product types previously discussed are a better fit for the market at this time.
- **Pricing** - Assuming an appropriate product based on the recommendations above, RPRG's recommended prices for each product type are as follows:

Senior Rental Housing:

Based on net demand estimates, household growth projections, and the demographic characteristics of the Grinnell Market Area, the senior housing supply is likely to remain in relative balance with senior housing demand over the next three years. Given upcoming job growth and the potential relocation of in-commuting workers is unlikely to have a significant impact on the Grinnell

Market Area's senior household base (62+), we would not recommend the addition of senior specific housing at this time. The only exception would be for a deeply subsidized senior community, as a significant proportion of senior renter households in both the Grinnell Market Area and the Secondary Market Area have an annual income of less than \$25,000. This is supported by existing deeply subsidized senior rental communities in the Grinnell Market Area, all of which were fully occupied with waiting lists.

Grinnell Market Area For-Sale Units - Recommended Pricing						
Product Type	Bed	Bath	Square Feet	Base Price	Sales Price*	Sales Price/Sq. Ft.
Townhome	2	1.5	1,100	\$65,000	\$74,750	\$67.95
Townhome	2	1.5	1,200	\$80,000	\$92,000	\$76.67
Townhome	2	1.5	1,300	\$100,000	\$115,000	\$88.46
Townhome	3	2.5	1,300	\$100,000	\$115,000	\$88.46
Townhome	3	2.5	1,500	\$120,000	\$138,000	\$92.00
Attached Home	2	2	1,500	\$120,000	\$138,000	\$92.00
Attached Home	3	2	1,700	\$140,000	\$161,000	\$94.71
Single-Family Detached Home	3	2.5	1,800	\$150,000	\$172,500	\$95.83
Single-Family Detached Home	3	2.5	2,400	\$185,000	\$212,750	\$88.65
Single-Family Detached Home	3	2.5	2,800	\$215,000	\$247,250	\$88.30
Average			1,660	\$127,500	\$146,625	\$88.33

*Increased by 15% for options

Affordability:

Affordability estimates and capture rates, including income qualified households in both the Grinnell Market Area and those that could potentially relocate from the Secondary Market Area, are reasonable and achievable in the market for recommended rental and for-sale housing options. As such, sufficient income qualified households exist to support the projected rental and for-sale demand over the next three years. Affordability estimates for the Grinnell Market Area and Secondary Market Area are also conservative, as they do not include potential renter and owner households willing to relocate from other parts of Iowa and outside the state.

Final Conclusion / Recommendation

The City of 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. Despite its economic stability, Grinnell experienced minimal population and household growth over the past decade as roughly two-thirds of its workforce chooses to commute rather than live in the city. This decision is due in part to Grinnell's limited housing stock, most of which is at least 40 years old and not attractive to or suitable for its burgeoning skilled labor force. As land availability is also limited, particularly in the more affluent northern half of the city, higher development costs have raised prices for the newest and most attractive housing options (both rental and for-sale), largely excluding moderate and upper income households in the process. As these households have the means to obtain suitable housing at more affordable prices in Grinnell's immediately surrounding area, they have a greater deal of flexibility on where they choose to live and work.

The Grinnell Market Area's existing rental stock is performing well with an overall average vacancy rate of approximately three percent. The demand for high quality rental units is evident, as the newest of the rental communities are at or near full occupancy with waiting lists for some units.



Downtown loft apartments are also in high demand as they are also fully occupied with waiting lists, despite having some of the highest rents in the market. Overall, the lack of quality rental units in the Grinnell Market Area has led to higher rents and pent up demand for both affordable and market rate rental units. On the for-sale housing side, the construction of new housing units has been very limited over the past ten years. While four newly constructed single-family detached home communities have lots available for purchase, high land and development costs appear to be an impediment to new home construction for most households.

Over the next three years, Grinnell is expected to add approximately 170 to 230 jobs, most of which will occur at Brownell's new warehouse and distribution facility in the southern portion of the city (162 jobs). This new job growth will attract households with a wide range of incomes to the area, including a number of mid-level professionals who are likely to be moderate to upper income earners. In most instances, new workers will likely attempt to establish a residence in Grinnell first, creating additional housing demand above and beyond that of existing in-commuters and local residents. It is this component of demand in the Grinnell Market Area that is most likely to drive housing growth over the next three years as the existing housing stock is not currently capable of supporting these additional households. While substantial potential exists for Grinnell to attract in-commuting households to live in the city, we believe households relocating to Grinnell as a direct result of job growth should be the initial focus of housing development.

Based on current market conditions, projected job growth, and potential in-commuter relocation, we conservatively estimate the Grinnell Market Area will have a net demand for 83 rental units and 150 for-sale units over the next three years. We recommend that new housing units largely target moderate to upper income households, which form the core of the Grinnell Market Area's workforce, while also exploring affordable housing opportunities to serve low income households currently living in or relocating to the city. An assortment of product types are suitable for development within the Grinnell Market Area, including single-family detached homes, townhomes/attached homes, multi-family housing, and adaptive reuse communities. Based on all of the factors discussed above, we believe a variety of opportunities exist for housing development in Grinnell and would be well received in the community. Given the projected job growth and pent-up demand in the rental market, we do not expect new housing communities to have an adverse long-term impact on the existing housing stock.

1. INTRODUCTION

A. Purpose of Report

The Grinnell Chamber of Commerce has retained Real Property Research Group, Inc. to conduct a Housing Market Assessment for the City of Grinnell. For the purpose 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 also suggested appropriate product types for potential development in Grinnell, including target market, structure type, and price position. 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 as a result of a product specific study may differ from those presented here.

C. Client, Intended User, and Intended Use

The Client is the Grinnell Chamber of Commerce. RPRG's expects this Housing Market Assessment to be utilized by the Grinnell Chamber of Commerce 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.

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).

- Michael Riley (Analyst) conducted a visit to the City of Grinnell on October 16-18th, 2012.
- Primary information gathered through field and phone interviews was used throughout the various sections of this report. The interviewees included rental community property managers, Angela Harrington – President of the Grinnell Chamber of Commerce, Russ Behrens – City Manager of Grinnell, Monica Chavez-Silva – Director of Community Enhancement for Grinnell College, Kevin Kolbe – Broker Manager for Ramsey-Weeks, Inc., Deb Collum-Calderwood – Executive Director of Poweshiek Iowa Development, Duane Neff – Director of the Grinnell Building and Planning Department, Sharon Van Dyke – Director of the Grinnell Low Rent Housing Department, Meg Ruzek – Vice President of Human Resources at Brownells, and Becky Yoose – Systems Librarian at Grinnell College.
- 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 actually 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

None.

2. SITE AND NEIGHBORHOOD ANALYSIS

A. Area Overview

1. Introduction and Background

The City of Grinnell is located in southeastern Iowa, approximately 50 miles east of the Des Moines Metropolitan Area. While modest in size, 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 Iowa's primary east/west thoroughfare, Interstate 80. As of the 2010 Census, Grinnell contained a population of approximately 9,200 people and an employment base of 5,200 jobs.

At the heart of Grinnell is Grinnell College, a private liberal arts and sciences school founded in 1846. With an estimated enrollment of 1,600 students, Grinnell College has a significant impact on the community, whose household base includes a number of younger professionals and students. As many major employers in the Grinnell area require a skilled labor force, Grinnell is also home to a number of 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 will examine whether or not Grinnell's existing housing stock is sufficient to meet these needs, both now and in the future, and if not what housing development opportunities should be pursued to best suit the community.

2. General Description of Existing Land Uses

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. Above these commercial establishments, loft apartments are common and are especially popular with younger professionals. 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.

Moving outward from downtown, residential development becomes the dominant land use. Overall, Grinnell offers a varied housing stock with a wide range of building ages, styles, conditions, and values. The most common residential unit type is single-family detached dwellings, which include everything from early 1900's Victorian style homes to modern brick ranches. 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 Country Club, 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.

Among larger multi-family residential communities, Grinnell's housing stock is generally limited to deeply subsidized or income restricted properties that are generally older and in fair to poor condition. The largest cluster of apartments can be found just northwest of Grinnell Medical Center along 4th Avenue. Communities in this vicinity include several USDA Rural Development properties, targeting families and seniors, and a general occupancy Low Income Housing Tax Credit (LIHTC) community (Westfield) that offers some market rate units. The only two completely market rate rental communities with more than 25 units are Gracie Park and Prairie Jewel, both of which are

located on the city's southeast side. Other multi-family housing types in Grinnell include two condominium communities, townhomes, attached homes (duplexes), senior assisted living facilities, a senior LIHTC community, and two senior Continuing Care Retirement Communities (CCRC) with duplexes, apartments, and assisted living units.

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 light industrial facilities housing some of the area's major employers (JELD-WEN Doors and Windows, Donaldson). 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.

B. Site Analysis

1. Sites of Current and Potential Housing Development

For the purposes of this analysis, local government and community officials identified several sites in Grinnell that could be used for new housing development. While new housing development will not necessarily be limited to these areas, these are likely opportunities for development. A brief description of each site, along with pictures, aerial photographs, and a map of each site location, are provided below (Map 1, Figure 1 - Figure 4).

1. **The Iowa Transportation Museum** – Originally funded through a 3.6 million dollar federal grant, The Iowa Transportation Museum was developed as part of an adaptive reuse of the former Spaulding Manufacturing Company building in downtown Grinnell; however, government and community officials indicated the project is nearing the end of its financial resources and is unlikely to move forward despite the completion of phase I. Given the site's location at 4th and Spring Street (one block west of downtown), it has great potential as a possible housing community. At the time of the site visit, two developers were considering the site for such a use, though immediate development plans did not exist.
2. **Reed Street** – Twelve vacant lots are currently available for residential development on the eastern side of Reed Street, immediately adjacent to Grinnell Regional Medical Center. At present, a developer has plans to construct twelve townhome units on the site that could be either rental or for-sale housing; however, the development has been delayed by contractual issues with the hospital, which originally bought and razed existing dilapidated homes on the site. If the current development plan falls through, this site would be well suited for a variety of new housing types.
3. **RC Industries** – The 122,000 square foot industrial warehouse, previously operated by RC industries, is vacant and available for redevelopment in western Grinnell. Located on the south side of U.S. Highway 6 near its intersection with Bliss Street, the RC Industries site encompasses nine acres. While this site would likely be subject to significant development costs as a Brownfield remediation, it is in an excellent location close the recently constructed aquatic center, Grinnell High School, and Lions Park. It is also bordered by both single-family homes and multi-family apartment communities, allowing for a wide range of potential housing possibilities.
4. **Iowa Telecom** – A 63,416 square foot commercial office building, once home to Iowa Telecom, is vacant and available for redevelopment in northern Grinnell at the intersection of Sunset Street and 11th Avenue. Similar to the RC Industries site, it would likely take substantial capital to redevelop the site, but it is located in a desirable neighborhood

surrounded by single-family detached homes, multi-family apartments, and Grinnell High School.

5. **Prairie Street** – An existing and active single-family detached neighborhood, developed by Chad Beck Construction, is located along Prairie Street in the northwestern corner of Grinnell. As one of the most desirable areas of the city, homes along Prairie Street are typically newer and more expensive than in most portions of the city. A handful of buildable lots still remain along the western side of Prairie Street, which are being offered for-sale for \$41,000 to \$51,500. An 8.5 acre tract of buildable land also owned by Chad Beck Construction exists immediately to the west of Prairie Street, which could serve as the logical next phase of the neighborhood but is not currently being developed.
6. **Prairie Pointe (Estates and Mayflower)** – Prairie Pointe Estates is a new single-family detached home community developed by Vanderlinden Construction. Located in the northeastern tip of Grinnell, Prairie Pointe Estates offers perimeter lots ranging in size from 0.4 acre to 1.2 acres with prices starting at \$45,000. In the center of Prairie Point Estates is Mayflower at Prairie Pointe, a smaller lot community designed for more moderately priced homes. The Prairie Pointe neighborhoods are located in an excellent location, next to Ahrens/Paschall Memorial Park. According to the most recent Poweshiek County tax assessment data, only four of Prairie Pointe Estates 25 lots had been sold. The number of lots available in Mayflower at Prairie Pointe had yet to be determined as it has not been subdivided.
7. **Willows Mobile Home Park** – Willows is an existing mobile home community that rents lots to residents at a rate of \$200 per month. Willows contains a total of 130 lots, 60 of which are currently vacant. The City of Grinnell has had ongoing discussions with the owner regarding possible redevelopment, as the community is in extremely poor condition and contains numerous substandard housing units. Located on the southeast side of Grinnell at the eastern terminus of 1st Avenue, the Willows site is bordered by multi-family apartments and single-family detached homes. As such, it would support a variety of housing types, all of which would improve the existing land use and overall appeal of the neighborhood.
8. **Melrose Lane** – Also developed by Chad Buck Construction, Melrose Lane is a single-family detached home community on the southeast side of Grinnell. Located on the south side of Davis Avenue between East Street and Penrose Street, Melrose Lane still has 13 lots available which are being offered for-sale for approximately \$25,000 to \$28,000.
9. **East Gate** – East Gate is an active single-family home community with 12 buildable lots still available. Located in the southeastern corner of Grinnell just south of East Street's intersection with Garfield Avenue, East Gate is convenient to major employers along State Highway 146 including the JELD-WEN Doors and Windows and Donaldson plants within one-half mile.
10. **East Street** – East Street is a 4.7 acre parcel of land bought and being subdivided by the City of Grinnell as part of their Housing Initiative Program. The City is selling the lots at cost (approximately \$15,000) in order to facilitate the construction of new homes at affordable prices. At the time of the site visit, one home was currently under construction.
11. **West Street Greenfield** – West Street Greenfield is a 12.3 acre tract of buildable land located just west of State Highway 146 and south of Anytime Fitness. While no plans exist at this time, the site is suitable for housing development and would be convenient to major employers located on State Highway 146.



12. **Public Schools** – The Grinnell-Newburg Community School District is currently considering a plan for consolidation of its school buildings. While no final decision has been made, the school district could vacate one or more buildings among its elementary and middle schools. All of the school buildings are of an older vintage and may be eligible for historic tax credits. The buildings could be adaptively reused into new housing units or completely redeveloped. The schools each have varying size lots, but Grinnell Middle School is by far the largest. A significant portion of the middle school site also consists of undeveloped land, which could be immediately ready for new development.

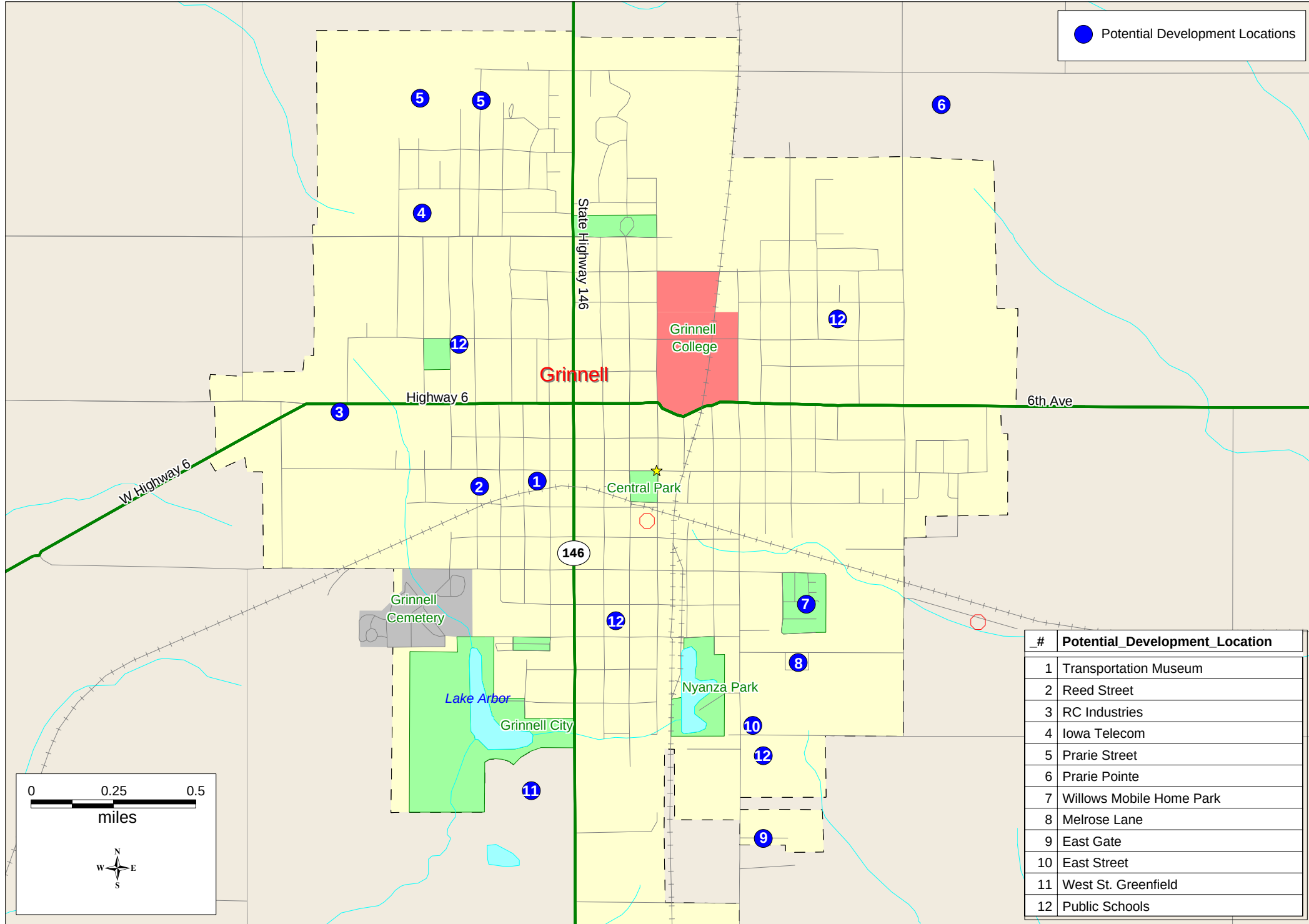


Figure 1 Aerial Images of Potential Housing Development Sites, South of U.S. Highway 6

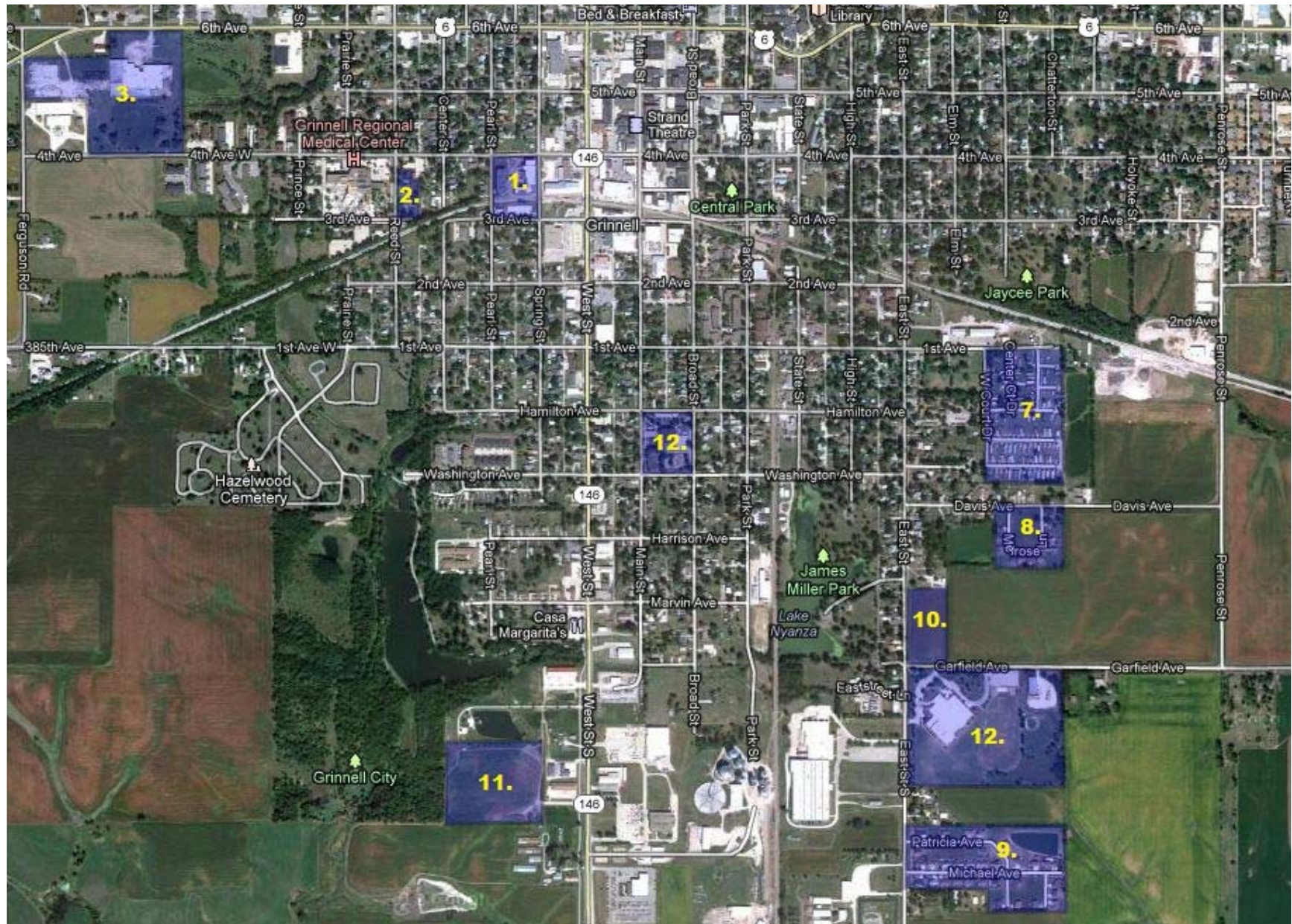


Figure 2 Aerial Images of Potential Housing Development Sites, North of U.S. Highway 6

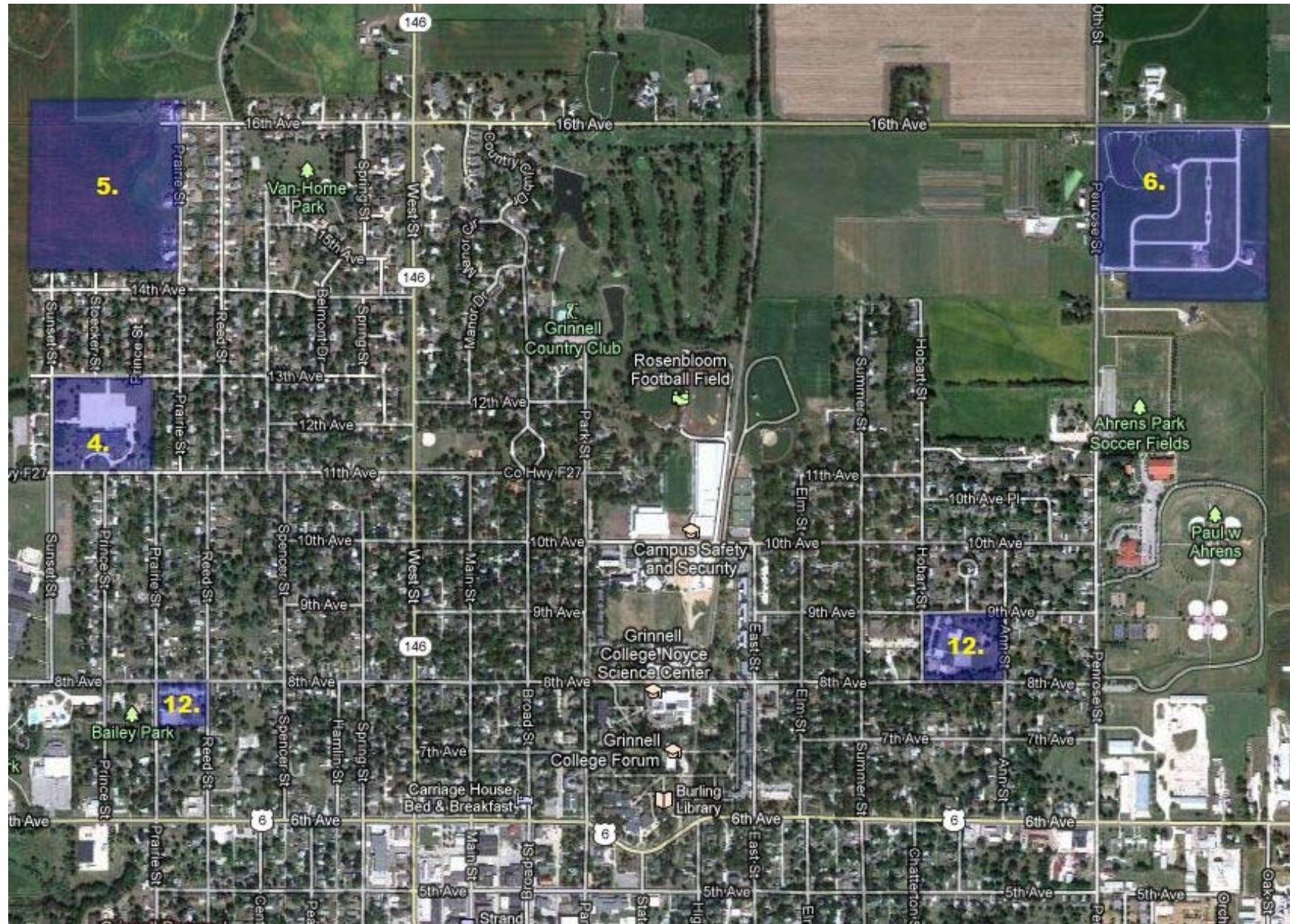


Figure 3 Views of Potential Development Sites



1. View of the Transportation Museum (Building 1)



1a. View of the Transportation Museum (Building 2)



2. View of Reed Street Site facing southeast



3. View of RC Industries site facing south



3a. View of RC Industries site facing southeast



4. View of Iowa Telecom site facing southwest

Figure 4 Views of Potential Development Sites



5. View of an existing home near Prairie Street and 16th Avenue



5a. View of buildable lots on Prairie Street



6. View of an existing home in Prairie Pointe



7. View of a mobile home and available lot in Willows Mobile Home Park



8. View of an existing home on Melrose Lane



9. View of an existing home in East Gate

C. Neighborhood Analysis

1. Neighborhood Investment and Planning Activities

While new development in Grinnell has been relatively limited over the past decade, the city currently has five active single-family subdivisions with buildable lots available (scattered throughout the city) and a handful of homes currently under construction. Other recent or new investment are also evident, including the recently constructed Grinnell Mutual Aquatic Center and two retail strip centers under construction adjacent to the Wal-Mart Supercenter on State Highway 146. Among planning activities, the city and county are working on several potential development possibilities in southern Grinnell including a commercial hub along Interstate 80. The construction of Brownell's new Grinnell facility is also expected to be completed in southern Grinnell by the fall of 2013.

2. Public Safety

In 2009, a total of 413 crimes were reported in Poweshiek County (most recent data available). Based on a 2009 population of 18,423, the crime rate was 22.42 crimes per 1,000 persons (Table 1). Approximately 93 percent of crimes reported in Poweshiek County were burglaries, larceny-theft, or motor vehicle theft. A small percentage of crimes in Poweshiek County were violent crimes. Based on this data and field observations, we do not expect crime or the perception of crime to negatively impact housing development within the city. Extensive security measures, such as gated access or security cameras, are not prevalent among the multi-family rental stock in Grinnell.

Table 1 2009 Crime Statistics, Poweshiek County

Crimes Reported in Poweshiek County, IA in 2009		
Crime	Number	Rate*
Total	413	22.42
Murder	0	0.00
Rape	9	0.49
Robbery	0	0.00
Aggravated Assault	18	0.98
Burglary	126	6.84
Larceny-Theft	243	13.19
Motor Vehicle Thefts	17	0.92

*Rate is per 1,000 persons

Source: Iowa Department of Public Safety

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, the vast majority of 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. Overall, no impediments to ingress or egress to/from Grinnell were observed at the time of the site visit.

4. Availability of Public and Inter Regional Transit

Given the small size of the city, 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.

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.

5. Pedestrian Access

The City of 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

Roadway 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.

Transit and Other Improvements Planned or Under Construction

None identified.

D. 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 on a daily basis. Key facilities and services and their distances from the center of Grinnell are listed in Table 2. The location of those facilities is plotted on Map 2.

Table 2 Key Facilities and Services

Establishment	Type	Address	Distance*
Grinnell Police Department	Police	1020 Spring St.	0.1 mile
Grinnell Fire Department	Fire	1020 Spring St.	0.1 mile
Casey's General Store	Convenience Store	1002 West St.	0.1 mile
Medicap Pharmacy	Pharmacy	320 6th Ave.	0.3 mile
Drake Community Library	Library	930 Park St.	0.3 mile
New Horizons Alternative School	Public School	927 4th Ave.	0.3 mile
Grinnell Senior Center	Senior Center	927 4th Ave.	0.3 mile
Post Office	Post Office	932 Broad St.	0.3 mile
Fareway	Grocery	727 West St.	0.4 mile
Grinnell Medical Association	Doctor/Medical	210 4th Ave.	0.4 mile
Bailey Park Elementary School	Public School	210 8th Ave W.	0.4 mile
Casey's General Store	Convenience Store	217 6th Ave.	0.4 mile
Grinnell Family Medicine	Doctor/Medical	224 3rd Ave.	0.5 mile
Grinnell Regional Medical Center	Hospital	210 4th Ave.	0.5 mile
Grinnell High School	Public School	1333 Sunset St.	0.6 mile
Davis Elementary School	Public School	818 Hamilton Ave.	0.7 mile
Fairview Elementary School	Public School	1310 Hobart St.	0.8 mile
Casey's General Store	Convenience Store	1718 6th Ave.	0.8 mile
Ahrens Family Center	Community Center	1510 Penrose St.	1 mile
Dollar General	General Retail	114 West St. S	1.1 miles
Grinnell Middle School	Public School	132 East St. S	1.2 miles
Hy-Vee	Grocery	320 West St. S	1.3 miles
Wal Mart	General Retail	415 Industrial Ave.	1.8 miles

*Reflects amenities' distance from the city center

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 40,000 residents. With a staff of more than 425 employees, including over 40 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 the City of Grinnell. At present, the district is comprised of one preschool, three elementary schools, one middle school, and one high school with an estimated 2012-2013 enrollment of 1,750 students; however, the school system is considering a plan for consolidation. All six public schools are located within the Grinnell city limits.

Iowa public school systems administer the Iowa Test of Basic Skills (ITBS) to students in grades three through eight to assess progress. High school students are also tested with an assessment program called the Iowa Test of Educational Development (ITED). To determine relative performance within the region, Grinnell-Newburg Community School District 2011 ITBS and ITED scores (grades 4, 8, and 11) were compared to those of neighboring districts, including Brooklyn-Guerney-Malcomb (BGM), Newton, Lynnville-Sully, and Montezuma. Overall, Grinnell-Newburg ranked first among elementary schools (Table 3), first among middle schools (Table 4), and second (out of five) among high schools (Table 5). In addition, all composite test scores for Grinnell-Newburg Community schools, which average proficiency ratings in reading and math, exceeded state averages.

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 1,600 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 at 927 4th Avenue just east of downtown. The Grinnell Senior Center contains meeting space with a full kitchen and hosts a variety of programs, activities, and social events. Additional senior services are available to residents of Grinnell through the Hawkeye Valley 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 located 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 located 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 Country Club (private).

Table 3 2011 Grinnell-Newburg and Surrounding District ITBS Test Scores, Elementary Schools

ITBS - 2011			Grade 4		
Rank	District	School	Reading	Math	Composite
1	Grinnell-Newburg	Davis	92.0%	94.0%	93.0%
2	Brooklyn-Guernsey-Malcom	Brooklyn-Guernsey-Malcom	83.0%	90.0%	86.5%
3	Newton	Newton	84.0%	81.0%	82.5%
4	Lynnvile-Sully	Lynnvile-Sully	78.0%	78.0%	78.0%
5	Montezuma	Montezuma	74.0%	71.0%	72.5%

State Average **82.0%** **82.0%** **82.0%**

Source: Iowa Department of Education

Table 4 2011 Grinnell-Newburg and Surrounding District ITBS Test Scores, Middle Schools

ITBS - 2011			Grade 8		
Rank	District	School	Reading	Math	Composite
1	Grinnell-Newburg	Grinnell	82.0%	84.0%	83.0%
2	Montezuma	Montezuma	79.0%	85.0%	82.0%
3	Newton	Berg	80.0%	76.0%	78.0%
4	Lynnvile-Sully	Lynnvile-Sully	72.0%	81.0%	76.5%
5	Brooklyn-Guernsey-Malcom	Brooklyn-Guernsey-Malcom	65.0%	67.0%	66.0%

State Average **76.0%** **78.0%** **77.0%**

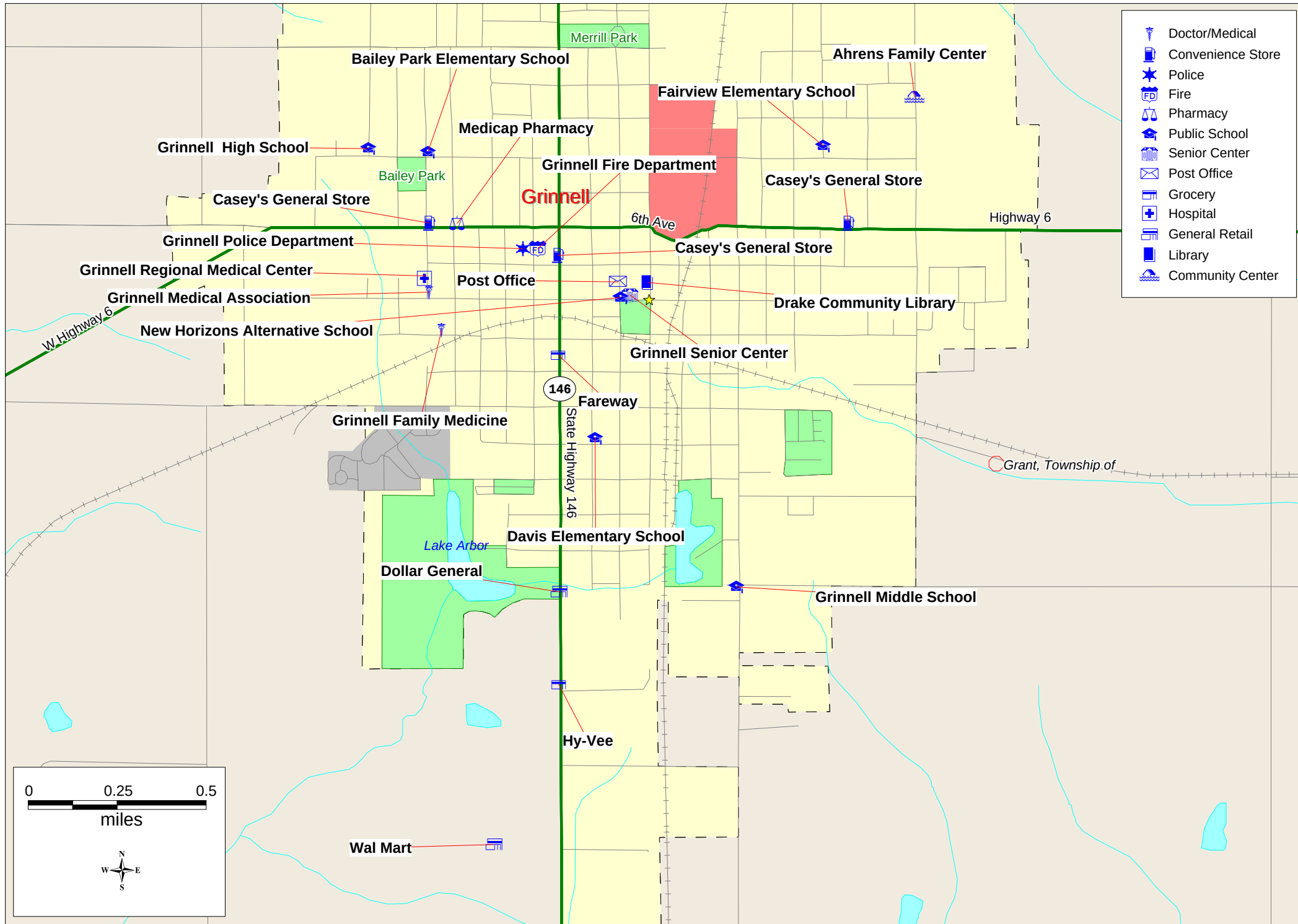
Source: Iowa Department of Education

Table 5 2011 Grinnell-Newburg and Surrounding District ITED Test Scores, High Schools

ITED - 2011			Grade 11		
Rank	District	School	Reading	Math	Composite
1	Montezuma	Montezuma	80.0%	90.0%	85.0%
2	Grinnell-Newburg	Grinnell	83.0%	81.0%	82.0%
3	Lynnvile-Sully	Lynnvile-Sully	79.0%	85.0%	82.0%
4	Newton	Newton	81.0%	72.0%	76.5%
5	Brooklyn-Guernsey-Malcom	Brooklyn-Guernsey-Malcom	65.0%	78.0%	71.5%

State Average **78.0%** **78.0%** **78.0%**

Source: Iowa Department of Education



Map 2
Neighborhood Amenities
Grinnell, IA

3. ECONOMIC ANALYSIS

A. Introduction

This section of the report focuses primarily on economic trends and conditions in Poweshiek County, the jurisdiction in which Grinnell is located. For purposes of comparison, economic trends in the State of Iowa and the nation are also discussed.

B. Labor Force, Resident Employment, and Unemployment

1. Trends in County Labor Force and Resident Employment

Poweshiek County's labor force remained relatively stable from 2000 to 2011, dropping slightly from 2003 to 2004 and 2008 to 2009 during the course of two national recessions. Overall, the county experienced a net decline of 153 workers (1.5 percent) from 2001 to 2011 and fluctuated between 10,200 and 10,800 workers during the period (Table 6). Through the second quarter of 2012, the labor force increased slightly; however, quarterly figures are traditionally less accurate than annual totals.

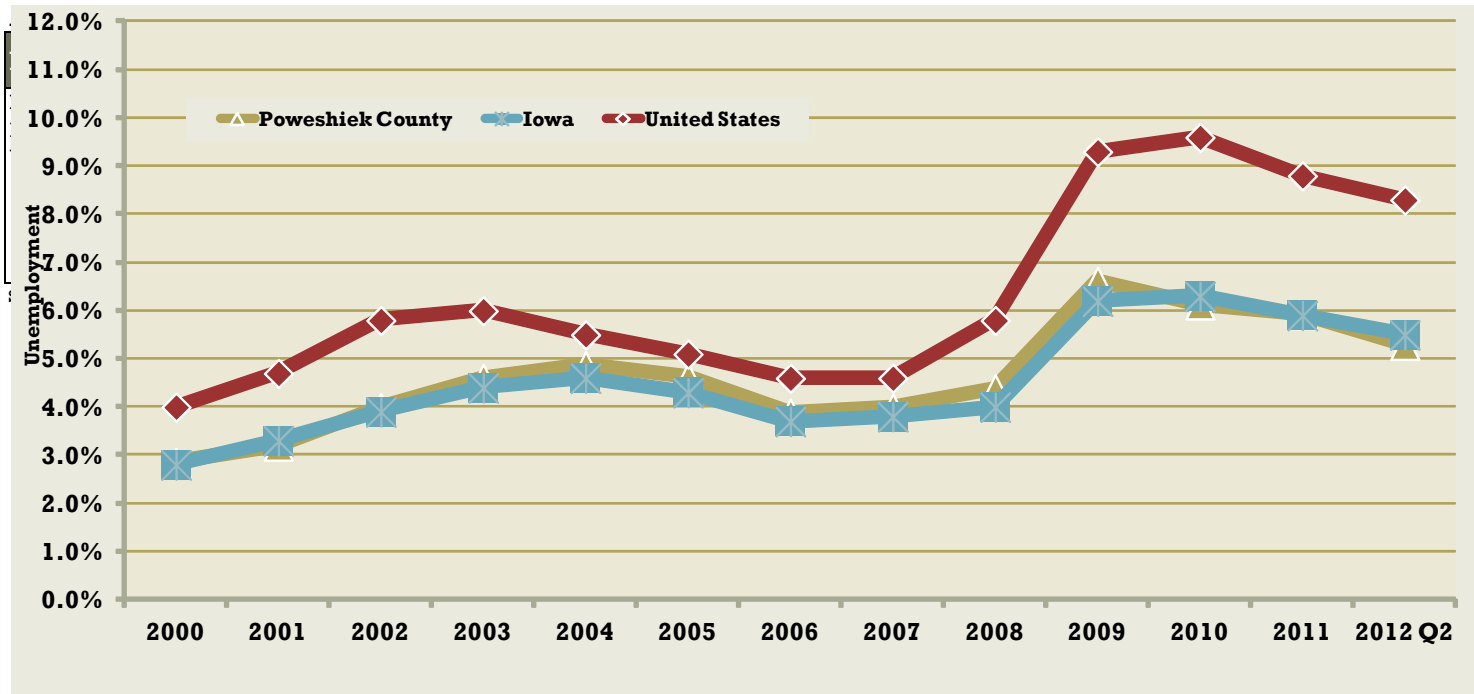
2. Trends in County Unemployment Rate

Poweshiek County's unemployment rate increased from a low of 2.9 percent in 2000 to 4.9 percent in 2004 before leveling off in the middle portion of the decade (2005-2008). During this period, the county's unemployment rate ranged from 3.9 percent to 4.6 percent. In 2009, during the height of the most recent national recession, Poweshiek County's unemployment rate jumped from 4.4 percent to 6.6 percent; however, the county recovered over the next two years dropping the unemployment rate to 5.9 percent by 2011. This trend continued through the first two quarters of 2012, during which the county's unemployment rate fell to 5.3 percent versus 5.5 percent in the State of Iowa and 8.3 percent nationally. Since 2000, Poweshiek County's unemployment rate has remained well below national figures and comparable to or slightly above the state.

Table 6 Labor Force and Unemployment Rates**Annual Unemployment Rates - Not Seasonally Adjusted**

Annual Unemployment	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012 Q2
Labor Force	10,414	10,756	10,791	10,262	10,225	10,258	10,624	10,787	10,452	10,219	10,244	10,261	10,350
Employment	10,117	10,413	10,360	9,790	9,728	9,784	10,212	10,357	9,994	9,543	9,617	9,654	9,803
Unemployment	297	343	431	472	497	474	412	430	458	676	627	607	547
Unemployment Rate													
Poweshiek County	2.9%	3.2%	4.0%	4.6%	4.9%	4.6%	3.9%	4.0%	4.4%	6.6%	6.1%	5.9%	5.3%
Iowa	2.8%	3.3%	3.9%	4.4%	4.6%	4.3%	3.7%	3.8%	4.0%	6.2%	6.3%	5.9%	5.5%
United States	4.0%	4.7%	5.8%	6.0%	5.5%	5.1%	4.6%	4.6%	5.8%	9.3%	9.6%	8.8%	8.3%

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



NOTE: BLS procedures are designed to distinguish between employed and unemployed within the labor force at any given point in time. While they publish estimates of labor force, employment, and unemployment levels, labor force data is a reflection of Census bureau annual population estimates as of the time period in question. BLS does not analyze the time series changes in labor force, employed persons, or unemployed persons. Thus, it would be erroneous to interpret trends in labor force statistics over time.

C. Commutation Patterns

Given the number of large employers, diversity of industries, and skilled labor force required, Grinnell attracts workers from throughout the region including Poweshiek County, neighboring counties, and the larger metropolitan areas of Des Moines, West Des Moines, and Iowa City. In an effort to determine the place of residence of workers commuting into Grinnell, we examined the Census Bureau's Longitudinal Employment-Household Dynamics (LED) through its On The Map website (onthemap.ces.census.gov). The geography tested for this analysis is the City of Grinnell.

Just over one-third (37.3 percent) of workers employed in Grinnell as of the 2010 Census also lived in Grinnell (Table 7). Outside of Grinnell, workers' places of residence vary greatly as Newton has the highest number of Grinnell commuters at just 3.3 percent. Other top locations for commuters include Marshalltown (1.8 percent), Brooklyn (1.3 percent), Des Moines (1.2 percent), Montezuma (1.1 percent), Kellogg (1.1 percent), and Oskaloosa (1.0 percent).

The same Census commuting data indicates that nearly half (46.9 percent) of Grinnell workers commuted less than 10 miles and another 26.9 percent commuted 10 to 24 miles. Combined, 73.8 percent of commuting workers lived within 24 miles of Grinnell.

Table 7 Job Counts by Place – Where Workers in Grinnell Live (2010)

	2010	
	Count	Share
Grinnell city, IA	1,920	37.3%
Newton city, IA	169	3.3%
Marshalltown city, IA	94	1.8%
Brooklyn city, IA	65	1.3%
Des Moines city, IA	60	1.2%
Montezuma city, IA	59	1.1%
Kellogg city, IA	58	1.1%
Oskaloosa city, IA	52	1.0%
Tama city, IA	46	0.9%
Cedar Rapids city, IA	44	0.9%
All Other Locations	2,586	50.2%
Total Primary Jobs	5,153	100.0%

Source: U.S. 2010 Census, LED On The Map Data

D. At-Place Employment

1. Trends in Total At-Place Employment

Poweshiek County's At-Place Employment expanded in six of eleven years from 2001 to 2011; however, job gains were more than offset by losses suffered during two national recessions (2002 to 2004 and 2008 to 2009). As a result, the county experienced a net loss of 285 jobs (2.9 percent) between 2000 and 2011 (Figure 5). Following the loss of 630 jobs in 2009 at the height of the most recent national recession, the county began to show signs of stabilization by recouping 264 jobs over the past two years. While at-place employment figures indicate the county lost 416 jobs through the first quarter of 2012, quarterly figures are historically less accurate than annual totals. Based on a review of Iowa's WARN list, which provides advance warning notices of layoffs or closures by county (for most businesses over 100 employees), no job losses were incurred or impending in Poweshiek County through September of 2012.

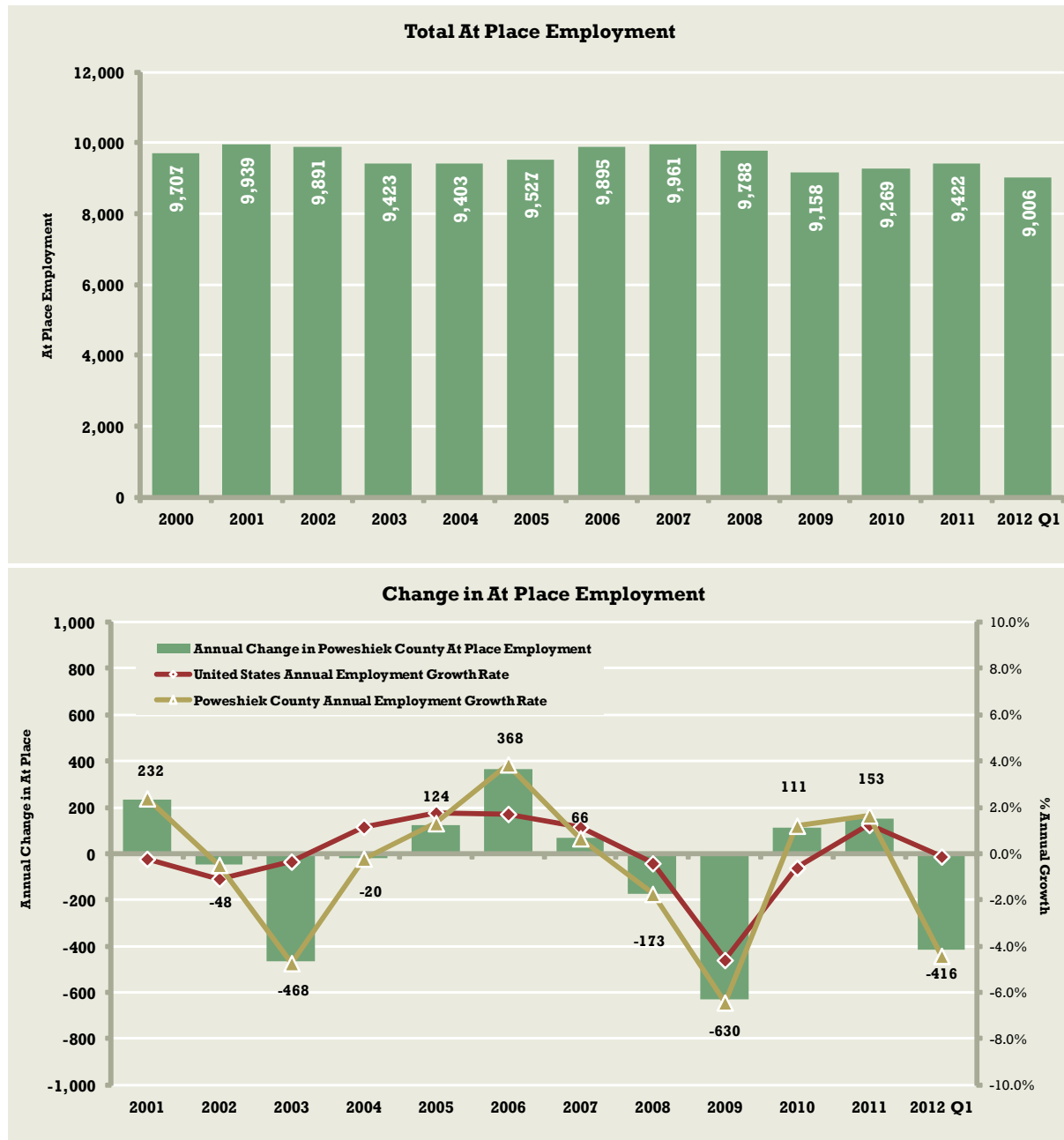
2. At-Place Employment by Industry Sector

The two largest employment sectors in Poweshiek County are education-health and manufacturing, accounting for a combined 39.7 percent of all jobs within the county. By comparison, these two sectors comprise just 24 percent of jobs nationally (Figure 6). Poweshiek County also has a significant percentage of jobs (15.8 percent) in the trade-transportation-utilities sector, though this is lower than the national average of 19.2 percent. Other industry sectors in which Poweshiek County has a higher percentage of employment relative to the nation include financial activities, construction, and natural resources-mining. Conversely, Poweshiek County has notably fewer jobs on a percentage basis in the government, professional business, and leisure-hospitality sectors.

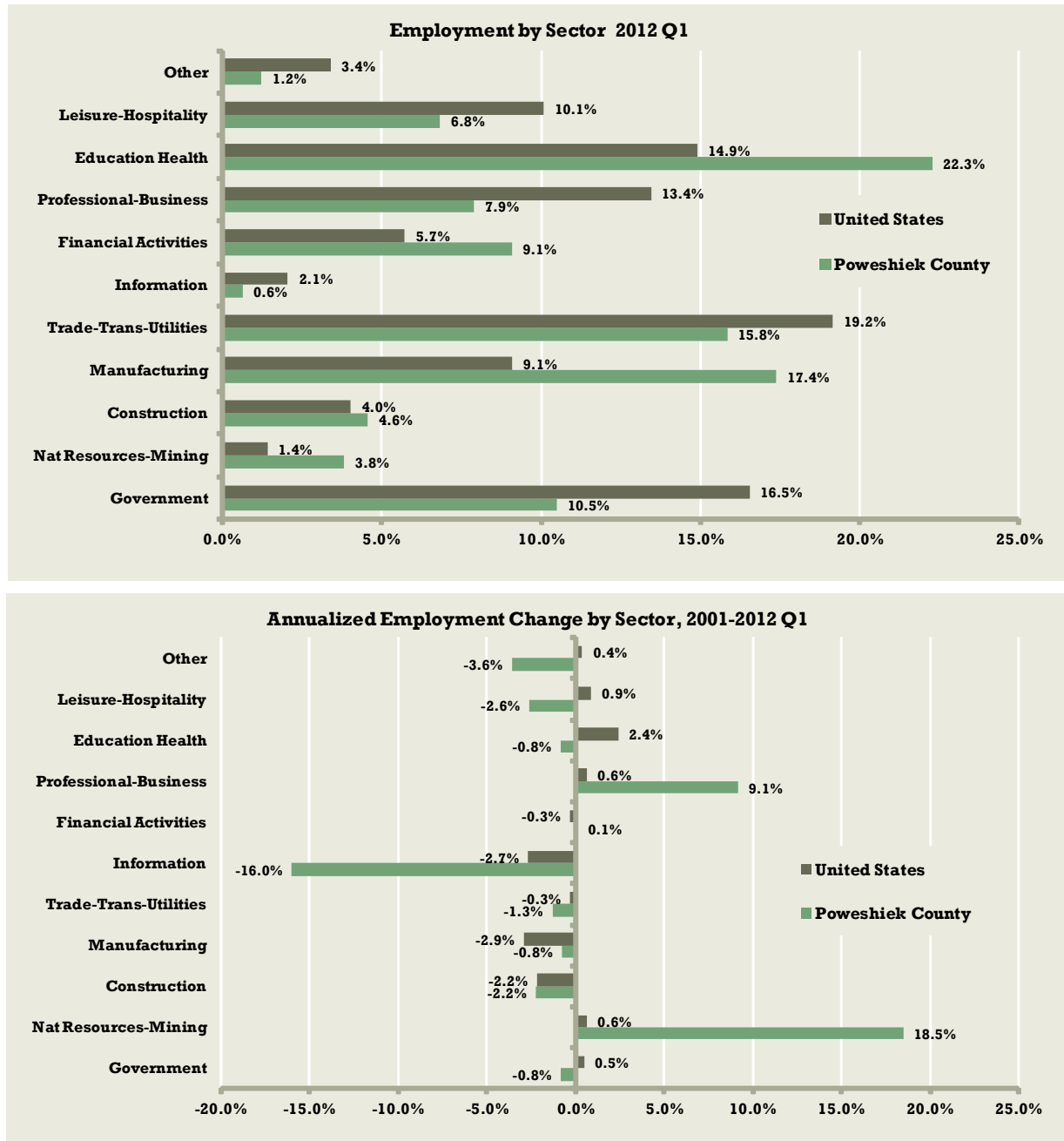
Between 2001 and 2011, nine of eleven industry sectors in Poweshiek County experienced a net loss in jobs. On a percentage basis, information suffered the largest decline at 16.1 percent per year; however, this sector accounts for just 0.6 percent of total employment within the county. In terms of total jobs, annualized losses of 0.8 percent in education-health, 0.8 percent in manufacturing, and 1.3 percent in trade-transportation utilities had a greater overall impact as the county's three largest industries. The only two employment sectors to experience annualized gains during this period were natural resources mining and professional business, growing at annualized rates of 18.5 percent and 9.1 percent, respectively.

3. Major Employers

Based on information provided by the Iowa Workforce Development Center, Table 8 shows the largest private and public employers in Poweshiek County as of 2012 (Q1). Nearly all of these major employers are located in or near Grinnell, making it an economic draw for the region. Among the largest and most significant are Grinnell College and Grinnell Mutual Reinsurance, which account for a substantial proportion of the education-health and financial activities jobs within the county, respectively. Poweshiek County is also home to several major manufacturers, the largest of which are JELD-WEN Doors and Windows (Grinnell) and Montezuma Manufacturing (Montezuma). Among the largest public employers, three are local public school systems while the remaining two are city (Grinnell) and Poweshiek County governments. In addition to these major employers, Grinnell also contains numerous local retailers and service providers.

Figure 5 At-Place Employment, Poweshiek County

Source: US Department of Labor Bureau of Labor Statistics, Covered Employment and Wages (NAICS)

Figure 6 Total Employment and Employment Change by Sector 2001 to 2012 (Q1)

Source: US Department of Labor

Bureau of Labor Statistics, Covered Employment and Wages (NAICS)

Table 8 2012 Major Employers, Poweshiek County

Top Private Employers			
Rank	Name	Business	Employment
1	Grinnell College	Education-Health	500-999
2	Grinnell Mutual Reinsurance	Financial Activities	500-999
3	Montezuma Manufacturing	Manufacturing	500-999
4	Jeld-Wen Windows and Doors	Manufacturing	250-499
5	Grinnell Regional Medical Center	Education-Health	250-499
6	Engineered Plastics Components	Manufacturing	100-249
7	Mayflower Community	Education-Health	100-249
8	Brownells, Inc.	Manufacturing	100-249
9	Donaldson Co.	Manufacturing	100-249
10	Hy-Vee	Trade-Transportation-Utilities	100-249
11	Wal-Mart	Trade-Transportation-Utilities	100-249
12	ASI	Manufacturing	100-249
13	Rock Creek Athletics/Delongs	Trade-Transportation-Utilities	100-249
14	St. Francis Manor	Education-Health	100-249
15	Manatt's Inc.	Construction	50-99

Top Public Employers			
Rank	Name	Business	Employment
1	Grinnell-Newburg Public Schools	Government	100-249
2	BGM Public Schools	Government	100-249
3	Poweshiek County Government	Government	50-99
4	City of Grinnell	Government	50-99
5	Montezuma Community Schools	Government	50-99

Source: Iowa Workforce Development

4. Recent/Planned Economic Expansions

Several recent economic expansions have been announced or are in the planning stages in Grinnell, the largest of which is Brownells. These economic expansions are expected add approximately 170 to 230 jobs to the city's employment base over the next three years. More detailed descriptions of each economic expansion is provided below.

- Brownells, a firearm accessories manufacturer in Montezuma, recently announced it will construct a new 200,000 square foot facility on the west side of State Highway 146, just north of Interstate 80 in Grinnell. The company's expansion will bring at least 162 new jobs to Grinnell over a three-year period. The facility is expected to be complete by the fall of 2013 when the company begins hiring. According to Brownell's Vice President of Human Resources, the 162 jobs are likely to be evenly split among hourly workers, mid-level management, and upper management/professional workers. Based on their experience at their existing facility in Montezuma, Brownells expects approximately half of its salaried workforce at the Grinnell facility to relocate from outside the state.

In addition to the announced expansion of Brownells, Poweshiek Iowa Development (POW I-80) is working on several other potential economic growth projects in the Grinnell area. Details on each project are provided below:

- POW I-80 is working on a new commercial development project that would add a Kum and Go convenience store, retail/commercial space, and hotel along Interstate 80 near southern Grinnell. While the project remains in the preliminary stages, Hampton Inn has been discussed as a possibility for the planned hotel space.
- An unnamed company is currently seeking a site between Grinnell and another local community. If it moves forward, the company would add 25 to 30 higher paying jobs to the region (100 percent of median income).
- JELD-WEN is considering plans to add second and third shifts at its existing Grinnell facility, which could add up to 60 new jobs.
- An unnamed company will bring six to ten new jobs to Poweshiek County; however, an official announcement has not been made.

5. Wages

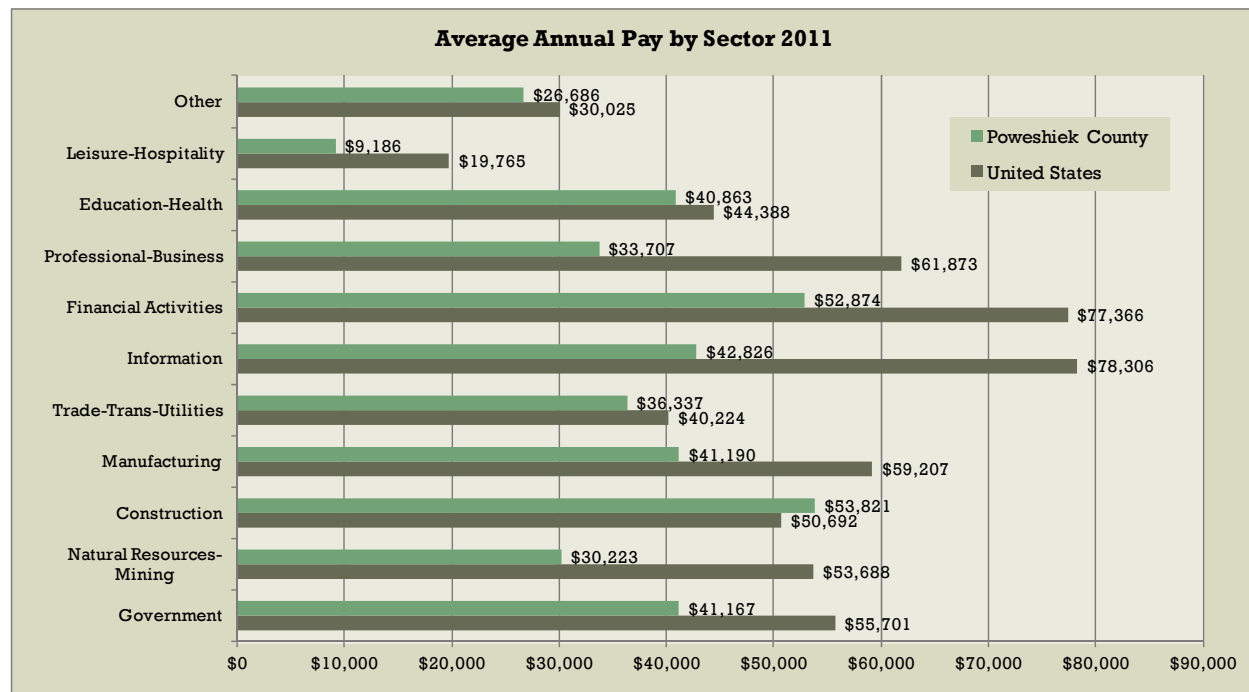
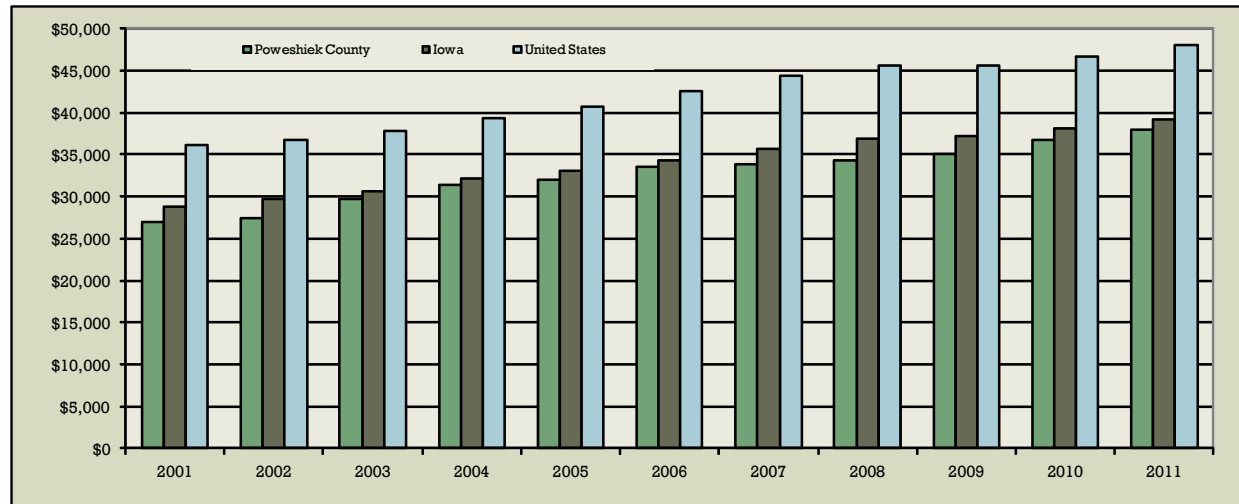
The average annual wage in 2011 for Poweshiek County was \$37,910, which is 3.3 percent lower than the \$39,204 average in the State of Iowa (Table 9). The state's average wage is \$8,836 or 18.3 percent below the national average. Poweshiek County's average annual wage in 2011 represents an increase of \$10,892 or 40.3 percent since 2001.

The average wage in Poweshiek County is below national averages for every economic sector except construction. The highest paying sectors in the county are financial activities and construction.

Table 9 Average Annual Pay and Annualized Wage Data by Sector, Poweshiek County

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Poweshiek County	\$27,018	\$27,471	\$29,682	\$31,362	\$32,087	\$33,489	\$33,776	\$34,344	\$35,148	\$36,765	\$37,910
Iowa	\$28,837	\$29,668	\$30,708	\$32,097	\$33,070	\$34,320	\$35,738	\$36,964	\$37,158	\$38,146	\$39,204
United States	\$36,219	\$36,764	\$37,765	\$39,354	\$40,677	\$42,535	\$44,458	\$45,563	\$45,559	\$46,751	\$48,040

Source: Bureau of Labor Statistics, Covered Employment and Wages (NAICS)



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.

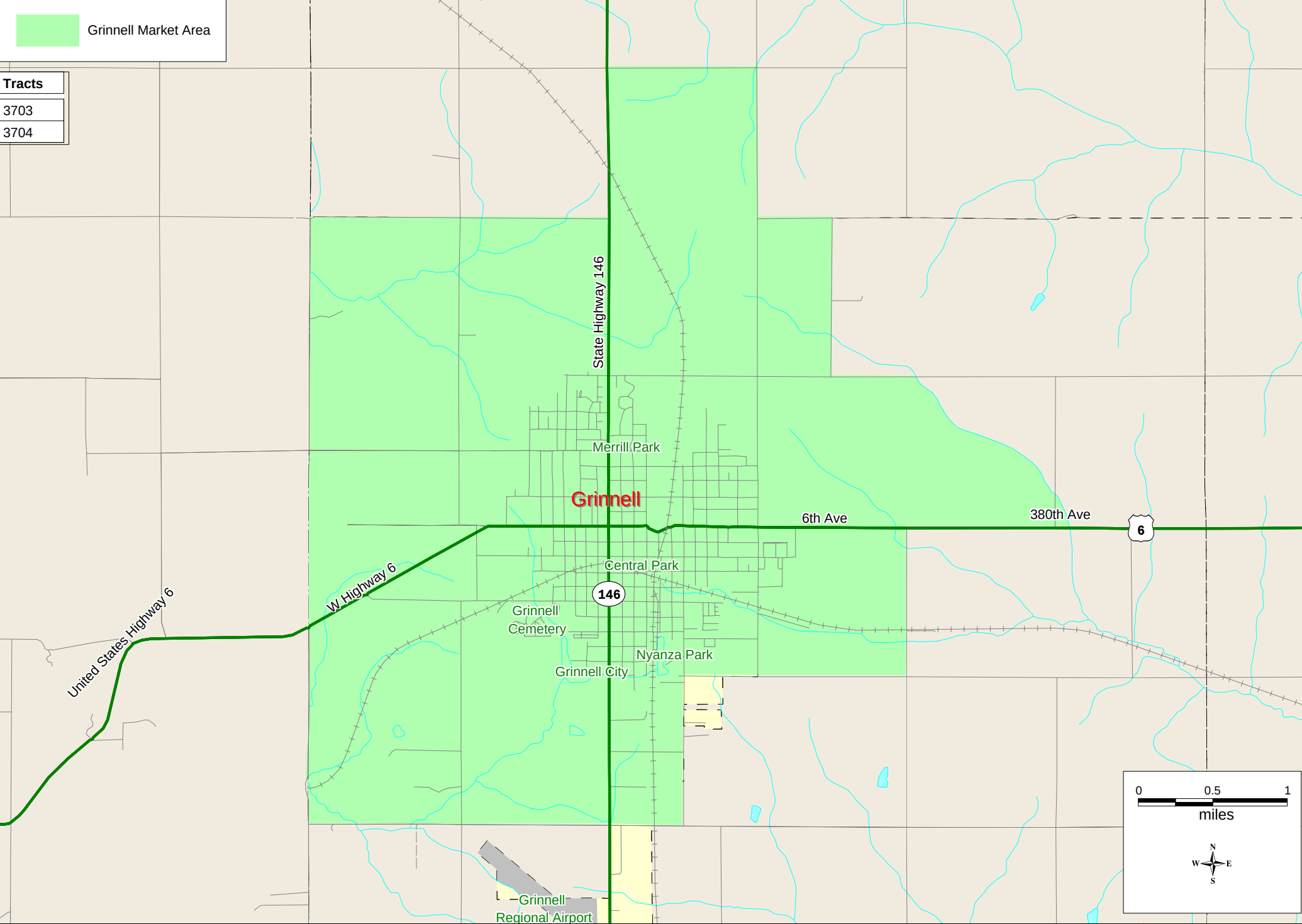
B. Delineation of Market Area

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 subject site are:

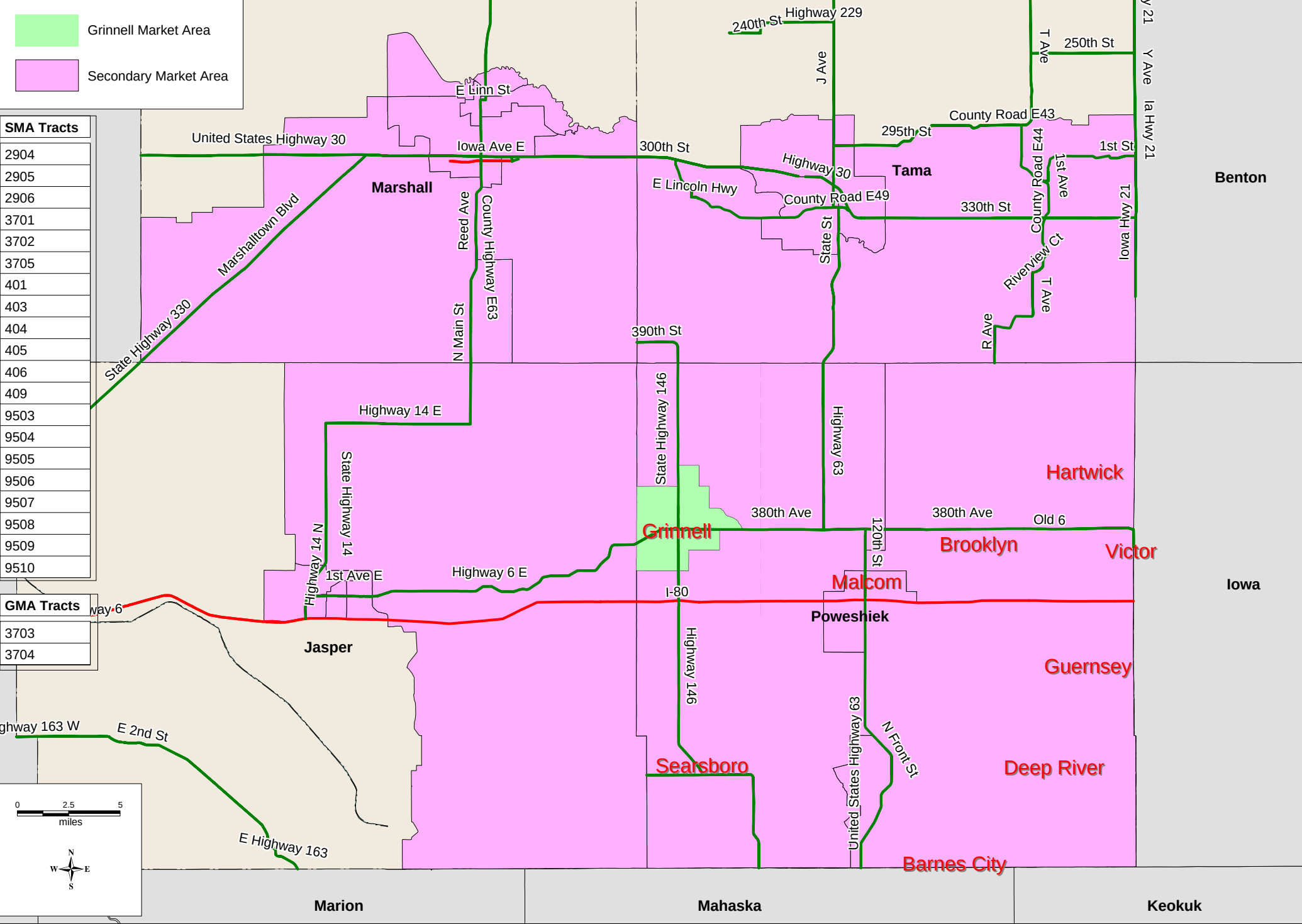
- **North:** 350th Avenue (2.4 mile)
- **East:** 50th Street (2.5 miles)
- **South:** 400th Avenue (1.7 miles)
- **West:** County Highway T38 (2.0 miles)

The Grinnell Market Area includes two Census tracts in western Poweshiek County which encompass the majority of the Grinnell city limits. 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 the county. Given, few if any households live within this portion of Grinnell, the exclusion of this area does not impact this analysis.

The Grinnell Market Area is depicted in Map 4 and the 2010 Census tracts that comprise the market area are listed on the edge of the map. 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. 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. The Secondary Market Area is depicted in Map 4.



Map 4
Grinnell Market Area
Poweshiek County, IA



Map 5
Secondary Market Area
Marshall, Jasper, Tama & Poweshiek Counties, IA

5. COMMUNITY DEMOGRAPHIC DATA

A. Introduction and Methodology

RPRG analyzed recent trends in population and households in the Grinnell Market Area and the Secondary Market Area using several sources. Projections of population and households are based on estimates and projections prepared by Esri, a national data vendor. The estimates and projections were examined, compared, and evaluated in the context of decennial U.S. Census data (from 2000 and 2010) as well as building permit trend information. Esri projections indicate the Grinnell Market Area will experience modest declines in both population and households over the next five years; however, this is inconsistent with Census trends over the previous decade and recent economic activity in the market area. As result, we have elected to continue Census trends forward through 2017, which we believe is more representative of current market conditions.

B. Trends in Population and Households

1. Recent Past Trends

Between the 2000 and 2010 Census counts, the Grinnell Market Area experienced limited population and household growth. The net growth in the Grinnell Market Area during this decade was 70 people (0.8 percent) and 38 households (1.1 percent). During the same period, the Secondary Market Area's population grew by 1.1 percent and its household base grew by 0.8 percent. Annual household growth between 2000 and 2010 was 7 households in the Grinnell Market Area and 23 households in the Secondary Market Area, equating to annual growth rates of 0.1 percent in both geographies (Table 10).

2. Projected Trends

Between 2012 and 2017, using Census growth rates, the Grinnell Market Area is projected to add 35 people and 19 households - increases of 0.4 percent and 0.5 percent, respectively. Annual growth is projected at just seven people (0.1 percent) and four households (0.1 percent) in the Grinnell Market Area. The Secondary Market Area is expected to grow at the same rate as the Grinnell Market Area with annual growth rates of 0.1 percent among both population and households.

3. Trends in Older Adult and Senior Households

Table 11 details the age distribution and growth of older adult and senior households by age cohort in the Grinnell Market Area, with estimates as of the current year (2012) and future projections (2017). Overall, older adult and senior households are expected to increase at a faster rate than that of total households in the Grinnell Market Area on a percentage basis. Between 2012 and 2017, households with householders age 55+ are projected to increase at an annual rate of 1.3 percent or 23 households. This would bring the total number of householders age 55+ in the Grinnell Market Area to 1,814. Households with a householder age 62+ will increase at an annual rate of 1.5 percent or 20 households per year.

4. Building Permit Trends

The City of Grinnell permitted an average of 24 housing units per year from 2000 to 2009 compared to annual household growth of four; however, it is likely given the age of the existing housing stock, many of these permitted units replaced functionally obsolete or substandard housing (Table 12). It



is also important to note building permit activity in Grinnell was much higher in the first half of the decade than the second. Over the past five years (2007 to 2011), Grinnell has averaged just five permitted units per year. Since 2000, 68 percent of all permit activity has been for single-family detached homes, 7 percent has been for duplexes, 13 percent has been for three to four unit dwellings, and 13 percent has been for units contained within larger multi-family structures (5+ units).

Table 10 Population and Household Projections

	Secondary Market Area					Grinnell Market Area				
		Total Change		Annual Change			Total Change		Annual Change	
Population	Count	#	%	#	%	Count	#	%	#	%
2000	74,942					9,330				
2010	75,750	808	1.1%	81	0.1%	9,400	70	0.8%	7	0.1%
2012	75,912	162	0.2%	81	0.1%	9,414	14	0.1%	7	0.1%
2017	76,316	404	0.5%	81	0.1%	9,449	35	0.4%	7	0.1%
		Total Change		Annual Change			Total Change		Annual Change	
Households	Count	#	%	#	%	Count	#	%	#	%
2000	29,847					3,589				
2010	30,076	229	0.8%	23	0.1%	3,627	38	1.1%	4	0.1%
2012	30,122	46	0.2%	23	0.1%	3,635	8	0.2%	4	0.1%
2017	30,236	115	0.4%	23	0.1%	3,654	19	0.5%	4	0.1%

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

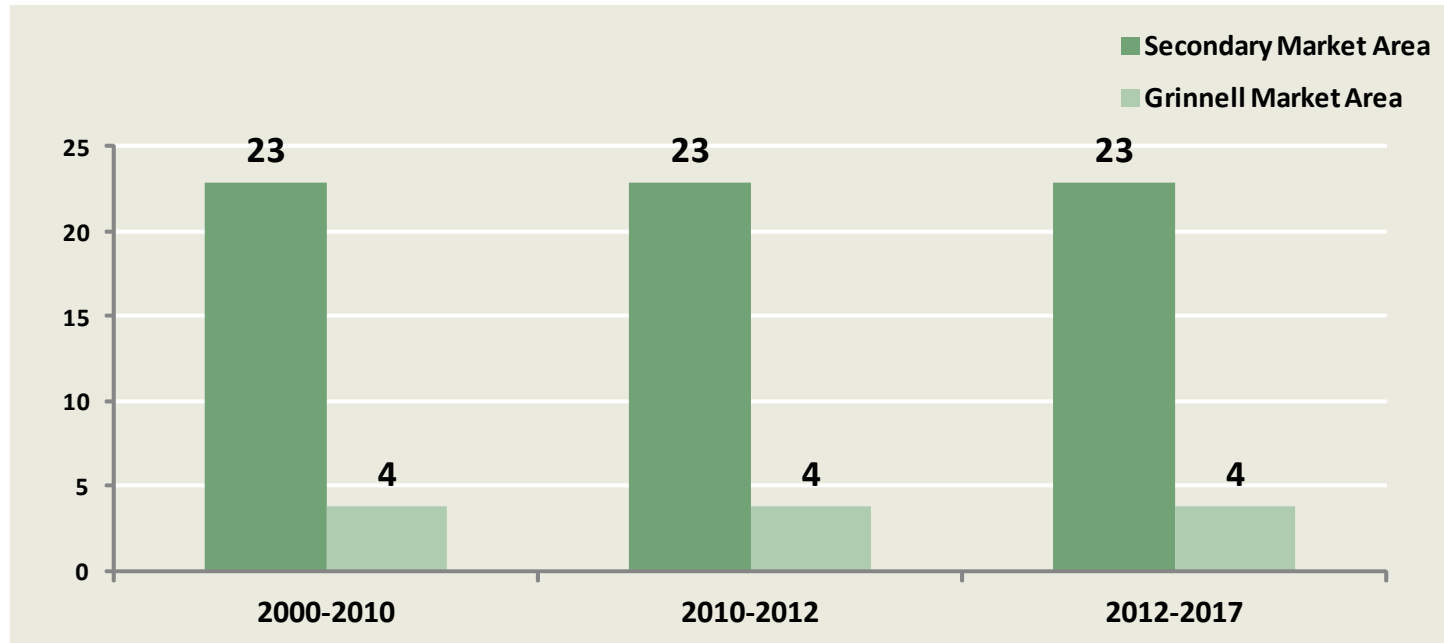


Table 11 Senior Household Projections

Grinnell Market Area					Change 2012 to 2017			
					Total		Annual	
Age of Householder	2012		2017		#	%	#	%
55 to 61	425	25.0%	440	24.2%	14	3.4%	3	0.7%
62-64	170	10.0%	191	10.5%	21	12.4%	4	2.4%
65 to 74	443	26.0%	541	29.9%	99	22.3%	20	4.1%
75 to 84	442	26.0%	422	23.3%	-20	-4.6%	-4	-0.9%
85 and older	219	12.9%	219	12.1%	0	-0.1%	0	0.0%
Householders 55+	1,700	100.0%	1,814	100.0%	114	6.7%	23	1.3%
Householders 62+	1,274		1,374		99	7.8%	20	1.5%

Source: 2010 Census; ESRI; RPRG

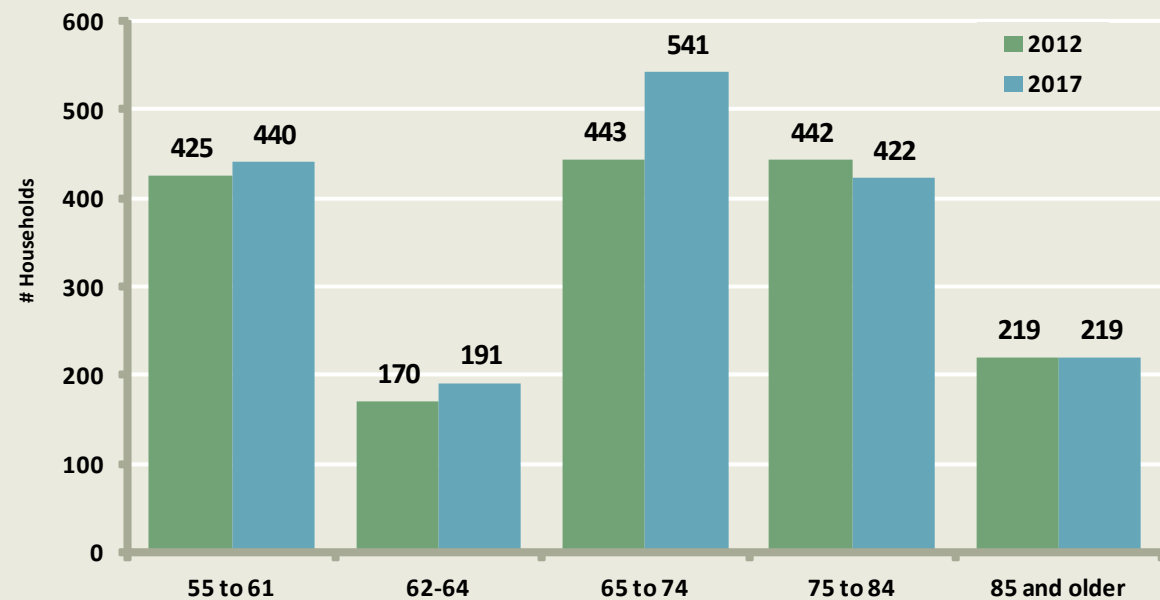
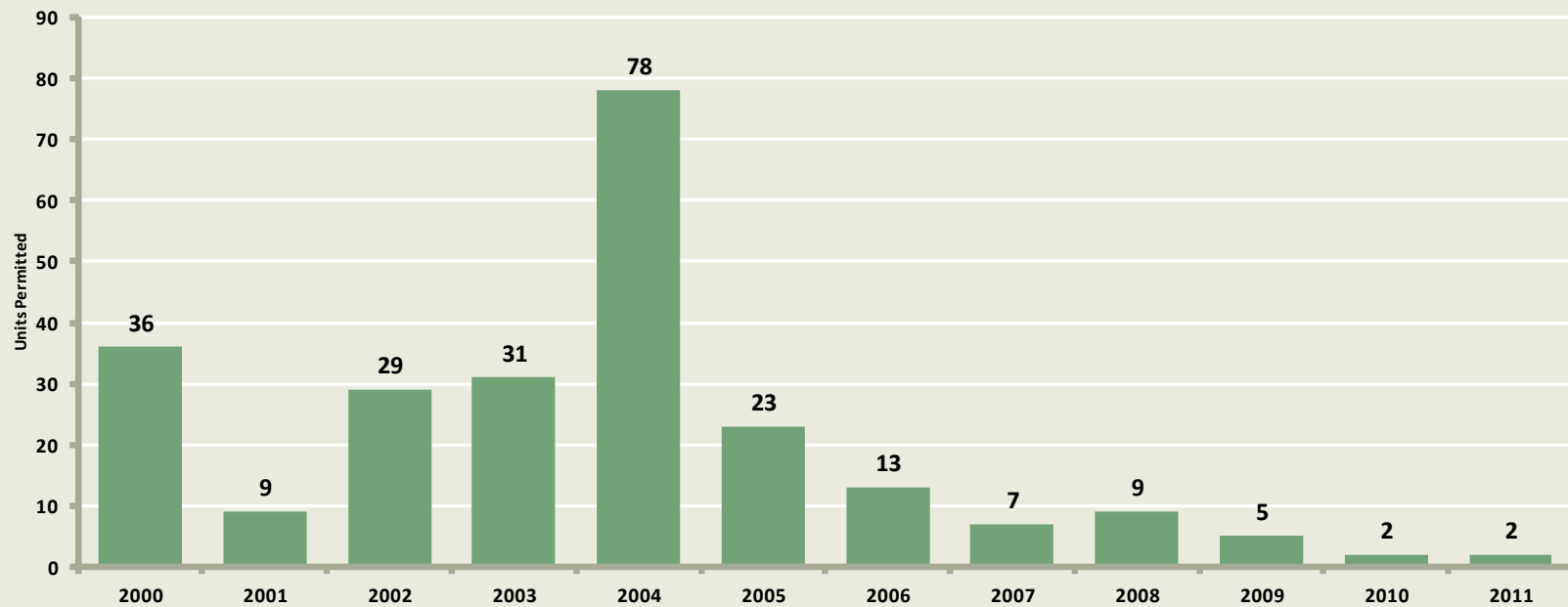
2012-2017 Older Adult Householders by Age

Table 12 Building Permits by Structure Type, Grinnell

Grinnell														
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2000-2011	Annual
Single Family	17	9	29	31	27	23	11	7	3	5	2	2	166	14
Two Family	8	0	0	0	0	0	2	0	6	0	0	0	16	1
3 - 4 Family	3	0	0	0	28	0	0	0	0	0	0	0	31	3
5 or more Family	8	0	0	0	23	0	0	0	0	0	0	0	31	3
Total	36	9	29	31	78	23	13	7	9	5	2	2	244	20

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

Total Housing Units Permitted 2000 - 2011



C. Demographic Characteristics

1. Age Distribution and Household Type

Based on Esri estimates, the population of the Grinnell Market Area is younger than that of the Secondary Market Area with median ages of 35 and 40, respectively (Table 13). Due in part to the presence of Grinnell College, young adults comprise 23.1 percent of the Grinnell Market Area's population, compared to just 16.7 percent in the Secondary Market Area. The Grinnell Market Area has a notably lower percentage of adults (persons age 35-61 years) relative to the Secondary Market Area (28.2 percent versus 34.9 percent). Among the remaining age cohorts, the Grinnell Market Area contains a slightly higher percentage (22.7 percent versus 21.7 percent) of seniors (persons age 62+) while the Secondary Market Area contains a slightly higher percentage (26.7 percent versus 25.9 percent) of children (persons 19 years or younger). Persons age 25 to 44 years (those most likely to rent) constitute 18.2 percent of the population in the Grinnell Market Area and 22.7 percent in the Secondary Market Area.

Table 13 2012 Age Distribution

	Secondary Market Area		Grinnell Market Area	
	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
Children/Youth	20,287	26.7%	2,442	25.9%
Under 5 years	4,991	6.6%	471	5.0%
5-9 years	5,124	6.7%	507	5.4%
10-14 years	5,143	6.8%	490	5.2%
15-19 years	5,030	6.6%	974	10.3%
Young Adults	12,695	16.7%	2,174	23.1%
20-24 years	4,033	5.3%	1,336	14.2%
25-34 years	8,663	11.4%	838	8.9%
Adults	26,463	34.9%	2,657	28.2%
35-44 years	8,553	11.3%	880	9.3%
45-54 years	10,804	14.2%	1,087	11.5%
55-61 years	7,105	9.4%	690	7.3%
Seniors	16,466	21.7%	2,141	22.7%
62-64 years	3,045	4.0%	296	3.1%
65-74 years	6,725	8.9%	775	8.2%
75-84 years	4,437	5.8%	651	6.9%
85 and older	2,259	3.0%	419	4.5%
TOTAL	75,912	100.0%	9,414	100.0%
Median Age	40		35	

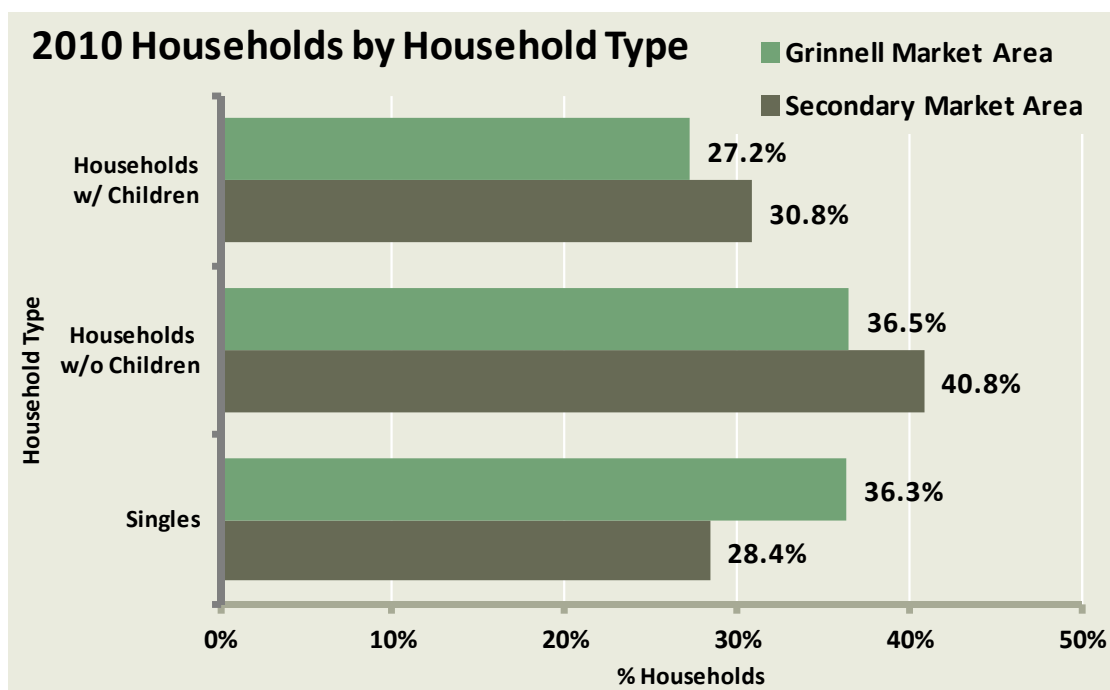
Source: ESRI; Real Property Research Group, Inc.

Single persons and married couples without children comprise nearly two-thirds (63.6 percent) of all households in the Grinnell Market Area, compared to 60.0 percent in the Secondary Market Area (Table 14). Overall, the Grinnell Market Area has a significantly lower marriage rate (44.0 percent versus 52.1 percent) and percentage of households with children (27.2 percent versus 30.8 percent) relative to the Secondary Market Area. In both instances, the higher percentage of young adults in the Grinnell Market Area has a noticeable impact, as students are less likely to be married and/or have children. Other household types with children, including those with single parents, comprise 10.4 percent of households in both geographies.

Table 14 2010 Households by Household Type

	Secondary Market Area		Grinnell Market Area	
Households by Household Type	Number	Percent	Number	Percent
Married w/Children	6,153	20.5%	609	16.8%
Other w/ Children	3,118	10.4%	378	10.4%
Households w/ Children	9,271	30.8%	987	27.2%
Married w/o Children	9,521	31.7%	986	27.2%
Other Family w/o Children	1,329	4.4%	112	3.1%
Non-Family w/o Children	1,421	4.7%	225	6.2%
Households w/o Children	12,271	40.8%	1,323	36.5%
Singles Living Alone	8,534	28.4%	1,317	36.3%
Singles	8,534	28.4%	1,317	36.3%
Total	30,076	100.0%	3,627	163.7%

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



2. Renter Household Characteristics

The Grinnell Market Area is an owner dominated market. As of the 2010 Census, 64.7 percent of households owned their home, compared to 35.3 percent of households who were renters. Based on 2000 and 2010 Census data, the Grinnell Market Area gained 39 renter households and lost one owner household for the decade (Table 15). Though homeowners still comprise the majority of households in the Grinnell Market Area, a shift from owner to renter-occupied housing occurred during this period. Much of this shift likely took place over the past five years, as tighter lending restrictions, a national recession, and housing market downturn pushed many households away from home ownership. Based on Esri estimates, this trend in household tenure is expected to continue in the Grinnell Market Area as the rental rate is projected to increase from 35.5 percent in 2012 to 35.7 percent in 2017.

Among householders age 62 and older, the renter percentages in both geographies are lower than for all households. The 2012 renter percentages for households with householders 62+ as estimated by Esri are 24.4 percent in the Grinnell Market Area and 19.7 percent in the Secondary Market Area (Table 16).

Table 15 Households by Tenure

Secondary Market Area	2000		2010		Change 2000-2010		2012		2017	
Housing Units	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Owner Occupied	22,035	73.8%	21,914	72.9%	-121	-52.8%	21,882	72.6%	21,887	72.4%
Renter Occupied	7,812	26.2%	8,162	27.1%	350	152.8%	8,240	27.4%	8,350	27.6%
Total Occupied	29,847	100.0%	30,076	100.0%	229	100.0%	30,122	100.0%	30,236	100.0%
Total Vacant	2,746		3,571				3,197		3,209	
TOTAL UNITS	32,593		33,647				33,319		33,445	

Grinnell Market Area	2000		2010		Change 2000-2010		2012		2017	
Housing Units	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Owner Occupied	2,347	65.4%	2,346	64.7%	-1	-2.6%	2,344	64.5%	2,349	64.3%
Renter Occupied	1,242	34.6%	1,281	35.3%	39	102.6%	1,290	35.5%	1,305	35.7%
Total Occupied	3,589	100.0%	3,627	100.0%	38	100.0%	3,635	100.0%	3,654	100.0%
Total Vacant	231		280				260		262	
TOTAL UNITS	3,820		3,907				3,895		3,915	

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

Table 16 Senior Households by Tenure, 62+

Senior Households 62+	Secondary Market Area		Grinnell Market Area	
2012 Households	Number	Percent	Number	Percent
Owner Occupied	7,844	80.3%	963	75.6%
Renter Occupied	1,922	19.7%	311	24.4%
Total Occupied	9,766	100.0%	1,274	100.0%

Source: 2000 Census; 2010 Census; ESRI; RPRG

Working age adults (age 35-59 years) and seniors (age 60+) each account for approximately 44 percent of all owner households in the Grinnell Market Area. The largest two owner household age cohorts are middle age adults (age 35-54 years), who are most likely to have families, and established senior households (age 65-84), who are primarily retirees.

Young adults form the core of the market area's renters, as 39.0 percent of renter householders are ages 15-34 (Table 17). The Grinnell Market Area also has a notable proportion of working age adult renter householders (age 35 to 59 years) at 34.4 percent and senior renter householders (persons age 60 and older) at 26.6 percent.

Table 17 Households by Tenure and Age of Householder

Owner Households	Secondary Market Area		Grinnell Market Area	
Age of HHldr	Number	Percent	Number	Percent
15-24 years	380	1.7%	36	1.5%
25-34 years	2,524	11.5%	230	9.8%
35-44 years	3,312	15.1%	333	14.2%
45-54 years	4,404	20.1%	460	19.6%
55-59 years	2,488	11.4%	238	10.2%
60-64 years	2,325	10.6%	207	8.9%
65-74 years	3,402	15.5%	364	15.5%
75-84 years	2,254	10.3%	338	14.4%
85+ years	792	3.6%	137	5.8%
Total	21,882	100.0%	2,344	100.0%

Renter Households	Secondary Market Area		Grinnell Market Area	
Age of HHldr	Number	Percent	Number	Percent
15-24 years	1,025	12.4%	246	19.0%
25-34 years	1,955	23.7%	259	20.0%
35-44 years	1,397	17.0%	191	14.8%
45-54 years	1,283	15.6%	180	13.9%
55-59 years	482	5.8%	74	5.7%
60-64 years	438	5.3%	76	5.9%
65-74 years	599	7.3%	79	6.1%
75-84 years	589	7.2%	105	8.1%
85+ years	471	5.7%	83	6.4%
Total	8,240	100.0%	1,290	100.0%

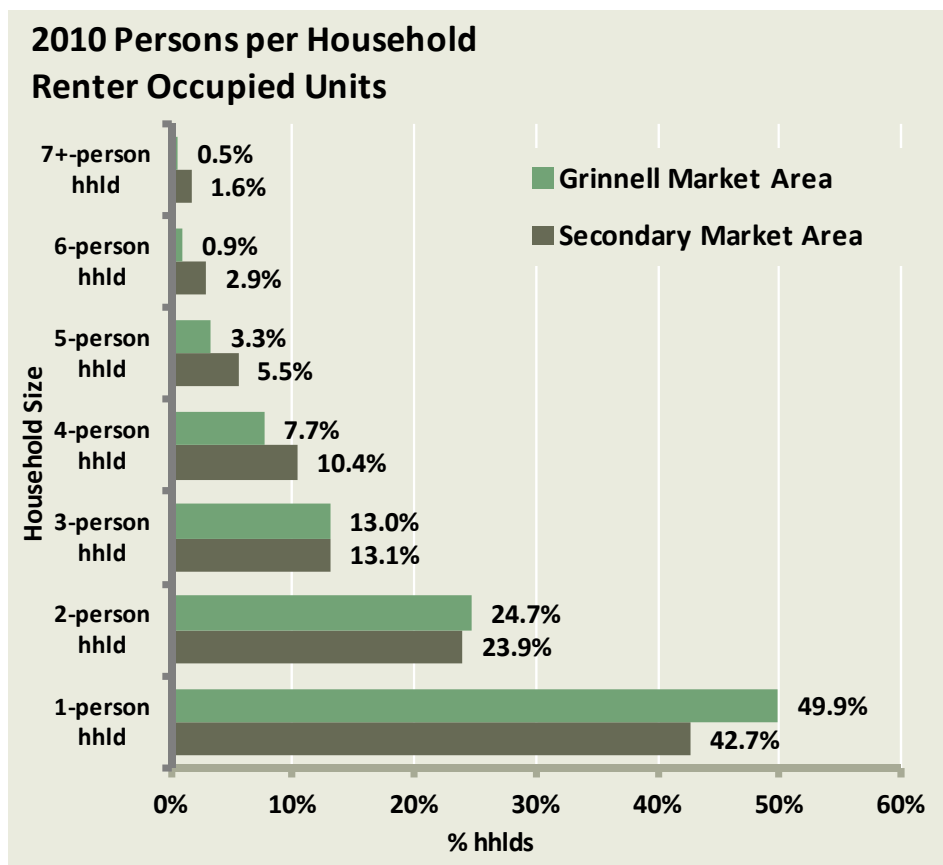
Source: ESRI, Real Property Research Group, Inc.

Approximately three-quarters of all renter households in the Grinnell Market Area contain one or two persons compared to two-thirds in the Secondary Market Area (Table 18). Roughly 13 percent of Grinnell Market Area renter households and Secondary Market Area renter households contain three persons. Households with four or more persons account for just 12.4 percent of renter households in the Grinnell Market Area relative to 20.4 percent in the Secondary Market Area.

Table 18 2010 Renter Households by Household Size

Renter Occupied	Secondary Market Area		Grinnell Market Area	
	Number	Percent	Number	Percent
1-person household	3,482	42.7%	639	49.9%
2-person household	1,954	23.9%	316	24.7%
3-person household	1,067	13.1%	167	13.0%
4-person household	845	10.4%	98	7.7%
5-person household	446	5.5%	42	3.3%
6-person household	236	2.9%	12	0.9%
7+-person household	132	1.6%	7	0.5%
TOTAL	8,162	100.0%	1,281	100.0%

Source: 2010 Census



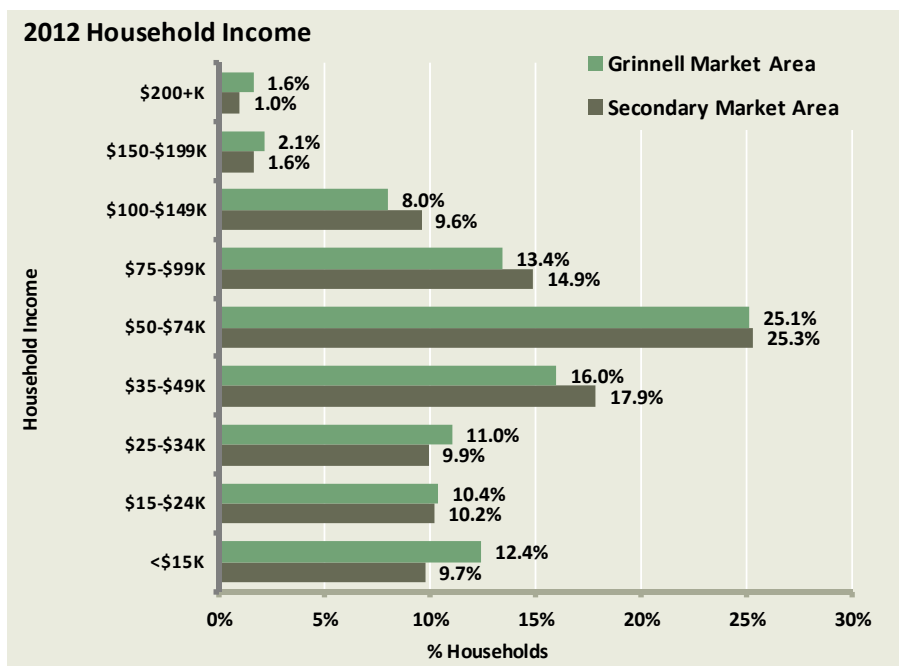
3. Income Characteristics

Based on estimates supplied by Esri, RPRG estimates that the 2012 median household income in the Grinnell Market Area is \$50,219, which is \$2,064 or 3.9 percent below the \$52,283 median income in the Secondary Market Area (Table 19). Overall, the household income distribution in the Grinnell Market Area is relatively even among income classifications; however, moderate to high income households (those earning \$35,000-\$74,999) are the most prevalent at 41 percent.

Table 19 2012 Household Income

		Secondary Market Area		Grinnell Market Area	
		<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
less than	\$15,000	2,935	9.7%	451	12.4%
	\$15,000 \$24,999	3,067	10.2%	377	10.4%
	\$25,000 \$34,999	2,986	9.9%	401	11.0%
	\$35,000 \$49,999	5,378	17.9%	581	16.0%
	\$50,000 \$74,999	7,613	25.3%	912	25.1%
	\$75,000 \$99,999	4,479	14.9%	487	13.4%
	\$100,000 \$149,999	2,877	9.6%	290	8.0%
	\$150,000 \$199,999	490	1.6%	77	2.1%
	\$200,000 over	298	1.0%	58	1.6%
Total		30,122	100.0%	3,635	100.0%
Median Income		\$52,283		\$50,219	

Source: ESRI; Real Property Research Group, Inc.

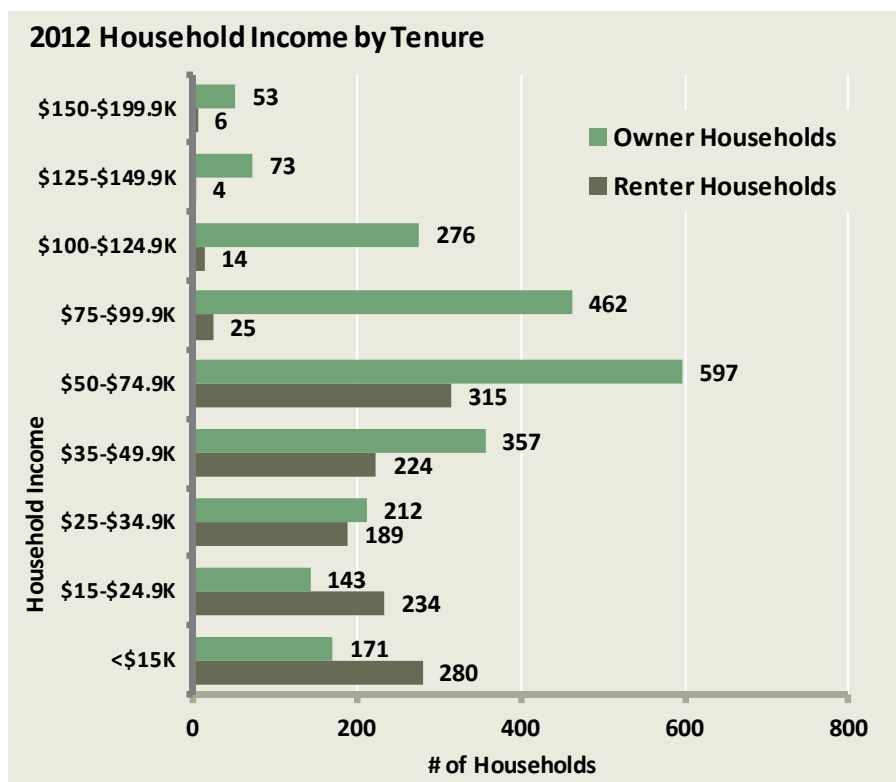


As is the case in most markets, the owner median household income is significantly higher than the renter median income in the Grinnell Market Area (Table 20). The median income for renter households in 2012 is estimated to be \$31,970. This is 51.5 percent of the median income for homeowner households of \$62,117. Approximately 40 percent of all market area renter households have an annual income below \$25,000. Another 32.0 percent have incomes ranging from \$25,000 to \$49,999.

Table 20 2012 Household Income by Tenure

		Renter Households		Owner Households	
		Number	Percent	Number	Percent
less than	\$15,000	280	21.7%	171	7.3%
	\$15,000 \$24,999	234	18.1%	143	6.1%
	\$25,000 \$34,999	189	14.6%	212	9.1%
	\$35,000 \$49,999	224	17.4%	357	15.2%
	\$50,000 \$74,999	315	24.4%	597	25.5%
	\$75,000 \$99,999	25	1.9%	462	19.7%
	\$100,000 \$149,999	14	1.1%	276	11.8%
	\$150,000 \$199,999	4	0.3%	73	3.1%
	\$200,000 over	6	0.4%	53	2.2%
Total		1,290	100.0%	2,344	100.0%
Median Income		\$31,970		\$62,117	

Source: ESRI; 2006-2010 American Community Survey; Real Property Research Group, Inc.

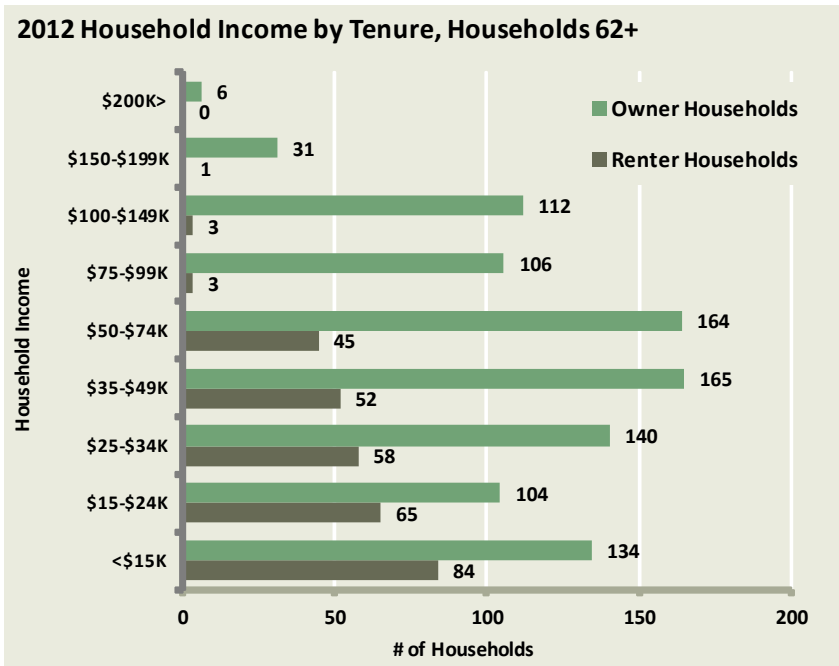


Based on the U.S. Census Bureau's American Community Survey (ACS) data and breakdown of tenure and household estimates, the 2012 median income for senior renter householders (age 62 and older) in the Grinnell Market Area is \$26,156 (Table 21). Approximately half of all senior renter householders in the Grinnell Market Area have an income less than \$25,000 per year. Approximately 35.1 percent of senior renter households earn from \$25,000 to \$49,999 annually. The estimated household income for senior owner householders age 62 and older is \$44,305, 61.4 percent higher than the renter household median income. While senior owner households are more evenly distributed among income cohorts, 73.5 percent all senior owner households have an annual income less than \$75,000.

Table 21 2012 Senior Household Income by Tenure, Householders 62+

		Renter Households		Owner Households	
		Number	Percent	Number	Percent
less than	\$15,000	84	26.9%	134	14.0%
	\$15,000 - \$24,999	65	20.9%	104	10.8%
	\$25,000 - \$34,999	58	18.5%	140	14.6%
	\$35,000 - \$49,999	52	16.6%	165	17.1%
	\$50,000 - \$74,999	45	14.3%	164	17.0%
	\$75,000 - \$99,999	3	1.1%	106	11.0%
	\$100,000 - \$149,999	3	1.1%	112	11.6%
	\$150,000 - \$199,999	1	0.3%	31	3.2%
	\$200,000 over	0	0.1%	6	0.7%
Total		311	100.0%	963	100.0%
Median Income		\$26,156		\$44,305	

Source: ESRI; 2006-2010 American Community Survey; Real Property Research Group, 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 in an attempt 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 October and November of 2012.

B. Overview of Market Area Housing Stock

Based on the 2006-2010 ACS survey, rental housing in the Grinnell Market Area is denser than that of the Secondary Market Area, overall. Multi-family structures (i.e., buildings with five or more units) accounted for 41.8 percent of all rental units in the Grinnell Market Area, compared to 32.3 percent in the Secondary Market Area (Table 22). Single-family homes, townhomes, and mobile homes comprised 27.6 percent and 43.7 percent of the rental stock in the Grinnell Market Area and Secondary Market Area, respectively.

The vast majority of owner occupied units in both the Grinnell Market Area and the Secondary Market Area are single-family detached homes; however, the Grinnell Market Area had a notably lower percentage of this unit type relative to the Secondary Market Area (81.8 percent versus 94.2 percent). Consequently, the Grinnell Market Area has a higher percentage of single-family attached homes, duplexes, mobile homes, and multi-family units. In the Grinnell Market Area and the Secondary Market Area, structures with five or more units contained 3.0 percent and 0.4 percent of owner occupied housing units, respectively.

The housing stock in both the Grinnell Market Area and the Secondary Market Area is of an older vintage, though the Grinnell Market Area's housing is newer than the Secondary Market Area, overall. Among rental units, the Grinnell Market Area has a median year built of 1972 compared to 1968 in the Secondary Market Area (Table 23). The median year built of the Grinnell Market Area's owner occupied housing stock is 1961, slightly newer than the owner occupied median year built of 1956 in the Secondary Market Area. In the Grinnell Market Area, 9.6 percent of rental units were built since 2000 and 19.5 percent were built during the 1990's or 1980's. Approximately 71 percent of rental units in the Grinnell Market Area were built prior to 1980.

According to ACS data, the median value among owner-occupied housing units in the Grinnell Market Area as of 2010 was \$115,545, which is \$15,994 or 16.1 percent higher than the Secondary Market Area median of \$99,551 (Table 24). This difference in home value is noteworthy, as the Grinnell Market Area has a lower overall median income than the Secondary Market Area. ACS estimates home values based upon values from the 2006-2010 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 22 Dwelling Units by Structure and Tenure

Owner Occupied	Secondary Market Area		Grinnell Market Area	
	Number	Percent	Number	Percent
1, detached	21,051	94.2%	2,079	81.8%
1, attached	231	1.0%	174	6.8%
2	127	0.6%	30	1.2%
3-4	26	0.1%	13	0.5%
5-9	22	0.1%	30	1.2%
10-19	9	0.0%	29	1.1%
20+ units	83	0.4%	76	3.0%
Mobile home	801	3.6%	112	4.4%
Boat, RV, Van	6	0.0%	0	0.0%
TOTAL	22,356	100.0%	2,543	100.0%

Source: American Community Survey, 2006-2010.

Renter Occupied	Secondary Market Area		Grinnell Market Area	
	Number	Percent	Number	Percent
1, detached	3,039	37.3%	278	26.7%
1, attached	232	2.8%	9	0.9%
2	627	7.7%	112	10.8%
3-4	1,330	16.3%	206	19.8%
5-9	745	9.1%	103	9.9%
10-19	758	9.3%	185	17.8%
20+ units	1,132	13.9%	147	14.1%
Mobile home	290	3.6%	0	0.0%
Boat, RV, Van	0	0.0%	0	0.0%
TOTAL	8,153	100.0%	1,040	100.0%

Source: American Community Survey, 2006-2010.

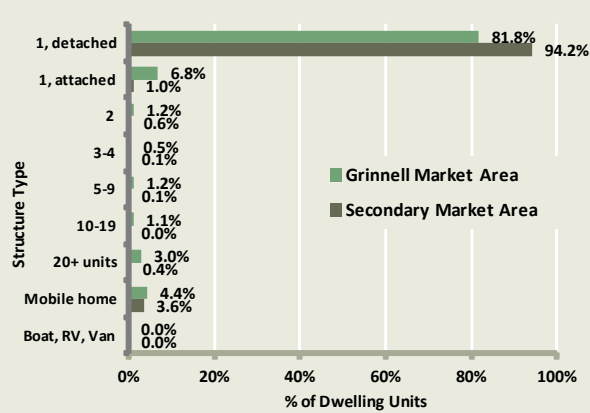
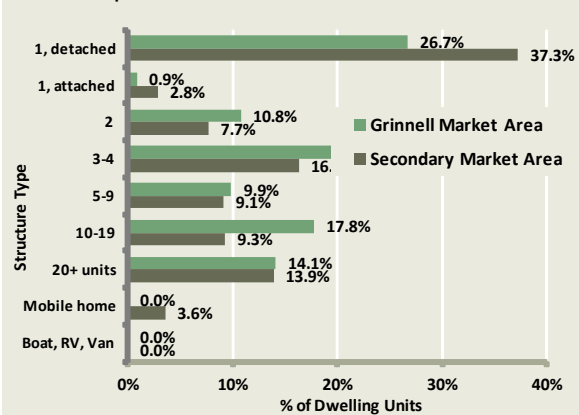
**2006-10 Dwelling Units by Units in Structure
Owner Occupied Units****2006-10 Dwelling Units by Units in Structure
Renter Occupied Units**

Table 23 Dwelling Units by Year Built and Tenure

	Secondary Market Area		Grinnell Market Area	
	Number	Percent	Number	Percent
Owner Occupied				
2005 or later	412	1.8%	66	2.6%
2000 to 2004	931	4.2%	127	5.0%
1990 to 1999	1,827	8.2%	247	9.7%
1980 to 1989	1,114	5.0%	227	8.9%
1970 to 1979	3,059	13.7%	236	9.3%
1960 to 1969	2,708	12.1%	439	17.3%
1950 to 1959	3,044	13.6%	372	14.6%
1940 to 1949	1,531	6.8%	139	5.5%
1939 or earlier	7,730	34.6%	690	27.1%
TOTAL	22,356	100.0%	2,543	100.0%
MEDIAN YEAR BUILT	1956		1961	

Source: American Community Survey, 2006-2010.

	Secondary Market Area		Grinnell Market Area	
	Number	Percent	Number	Percent
Renter Occupied				
2005 or later	195	2.4%	26	2.5%
2000 to 2004	490	6.0%	74	7.1%
1990 to 1999	1,051	12.9%	108	10.4%
1980 to 1989	984	12.1%	95	9.1%
1970 to 1979	1,242	15.2%	293	28.2%
1960 to 1969	691	8.5%	38	3.7%
1950 to 1959	780	9.6%	115	11.1%
1940 to 1949	447	5.5%	51	4.9%
1939 or earlier	2,273	27.9%	240	23.1%
TOTAL	8,153	100.0%	1,040	100.0%
MEDIAN YEAR BUILT	1968		1972	

Source: American Community Survey, 2006-2010.

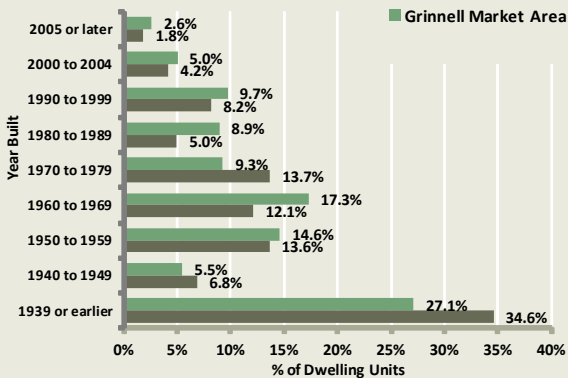
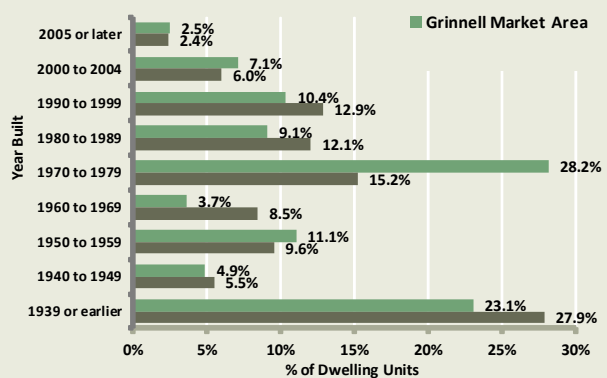
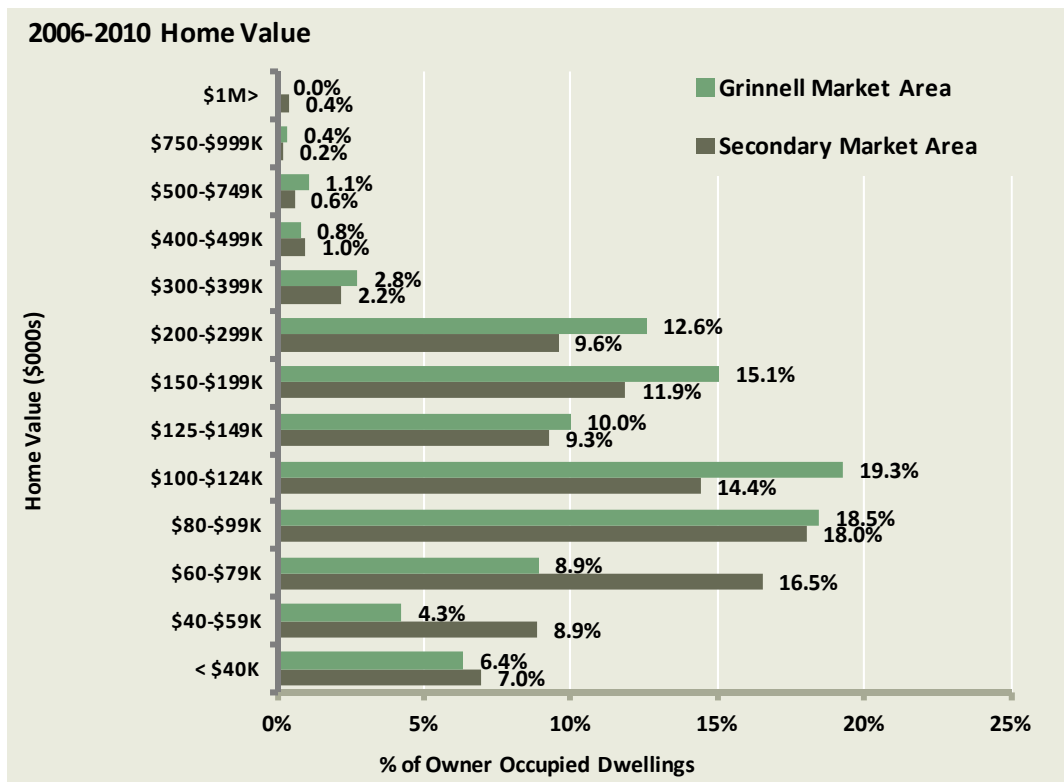
**2006-2010 Dwelling Units by Year Built
Owner Occupied Units****2006-2010 Dwelling Units by Year Built
Renter Occupied Units**

Table 24 Value of Owner Occupied Housing Stock

		Secondary Market Area		Grinnell Market Area	
		<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
less than	\$40,000	1,541	7.0%	157	6.4%
	\$40,000 \$59,000	1,963	8.9%	105	4.3%
	\$60,000 \$79,999	3,658	16.5%	220	8.9%
	\$80,000 \$99,999	3,994	18.0%	456	18.5%
	\$100,000 \$124,999	3,194	14.4%	476	19.3%
	\$125,000 \$149,999	2,053	9.3%	247	10.0%
	\$150,000 \$199,999	2,630	11.9%	372	15.1%
	\$200,000 \$299,999	2,123	9.6%	311	12.6%
	\$300,000 \$399,999	488	2.2%	68	2.8%
	\$400,000 \$499,999	216	1.0%	20	0.8%
	\$500,000 \$749,999	131	0.6%	27	1.1%
	\$750,000 \$999,999	49	0.2%	9	0.4%
	\$1,000,000 over	93	0.4%	0	0.0%
Total		22,133	100.0%	2,468	100.0%
Median Value		\$99,551		\$115,545	

Source: 2006-2010 American Community Survey



C. Survey of General Occupancy Multi-Family Rental Communities

1. Introduction to the Rental Housing Survey

As part of this analysis, RPRG surveyed seven multi-family rental communities located in the Grinnell Market Area. Among these seven properties, two are deeply subsidized through the USDA Rural Development Program, two are income restricted through the Low Income Housing Tax Credit Program, and three are market rate. For USDA properties, tenants pay an amount between a minimum or “basic” rent and a maximum or “market” rent depending upon a percentage of their gross annual income. 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.

One additional property (Wiltfang) was 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. Map 6 shows the locations of the surveyed communities.

2. Location

Six of the seven rental communities surveyed are located on the south side of Grinnell (south of U.S. Highway 6), which tends to have more affordable land values. Of these communities, four are situated in the southwest quadrant of the city along 4th Avenue, Washington Avenue, and Center Street. The two remaining properties south of Highway 6 are located in southeastern Grinnell along East Street. Sunset Apartments is the only multi-family rental community surveyed north of U.S. Highway 6, positioned along Sunset Street (northwest quadrant) immediately north of Grinnell High School. 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 five non-subsidized properties surveyed reported an average year built of 1991. The two LIHTC communities (Westfield and Arbors) are the newest of the surveyed rental stock, built in 2000 and 2001, respectively. The remaining three market rate communities were all constructed in the 1980's. Among the two deeply subsidized properties surveyed, only Center Street reported a year built (1980).

4. Structure Type

Six of the seven properties surveyed contain two to three story garden-style buildings with exterior hallways and staircases. Conversely, Gracie Park contains both two-story garden-style units and townhomes. 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.

5. Size of Communities

The surveyed rental communities range in size from 12 units (Center Street) to 56 units (Gracie Park) with overall averages of 42 units among market rate and LIHTC communities and 18 units among deeply subsidized properties.

6. Vacancy Rates

Combined, the five non-subsidized rental communities offer 209 rental units of which three or 1.4 percent were reported vacant. All five rental communities had vacancy rates below five percent and three of the five communities reported waiting lists. Of particular note is the LIHTC community Westfield, which indicated a waiting list of 130 people.

Among the two deeply subsidized properties, five of 36 total units were available at the time of our survey for a rate of 13.9 percent. Given the subsidized nature of these communities, it is possible these vacancies may be transitional as communities with rental assistance often experience greater turnover than those without such subsidies. The older age and relatively poor condition of the properties is also likely a factor. In either case, while the vacancy rate is high, it is only a reflection of five vacant units among a limited supply.

Table 25 Rental Summary, Surveyed LIHTC and Market Rate Rental Communities

Map #	Community	Year Built	Structure Type	Total Units	Vacant Units	Vacancy Rate	Average 1BR Rent (1)	Average 2BR Rent (1)	Incentive
1	Arbors*	2001	Garden	42	2	4.8%		\$563	None
2	Westfield*	2000	Garden	48	0	0.0%	\$425	\$542	None
3	Sunset	1989	Garden	14	0	0.0%		\$538	None
4	Prarie Jewel	1985	Garden	49	1	2.0%	\$438	\$513	None
5	Gracie Park	1982	Garden / TH	56	0	0.0%		\$480	None
Overall Total				209	3	1.4%			
Overall Average				1991			\$431	\$527	
LIHTC Total				90	2	2.2%			
LIHTC Average				2001			\$425	\$552	

LIHTC Community*

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

Source: Field Survey, Real Property Research Group, Inc. October, 2012

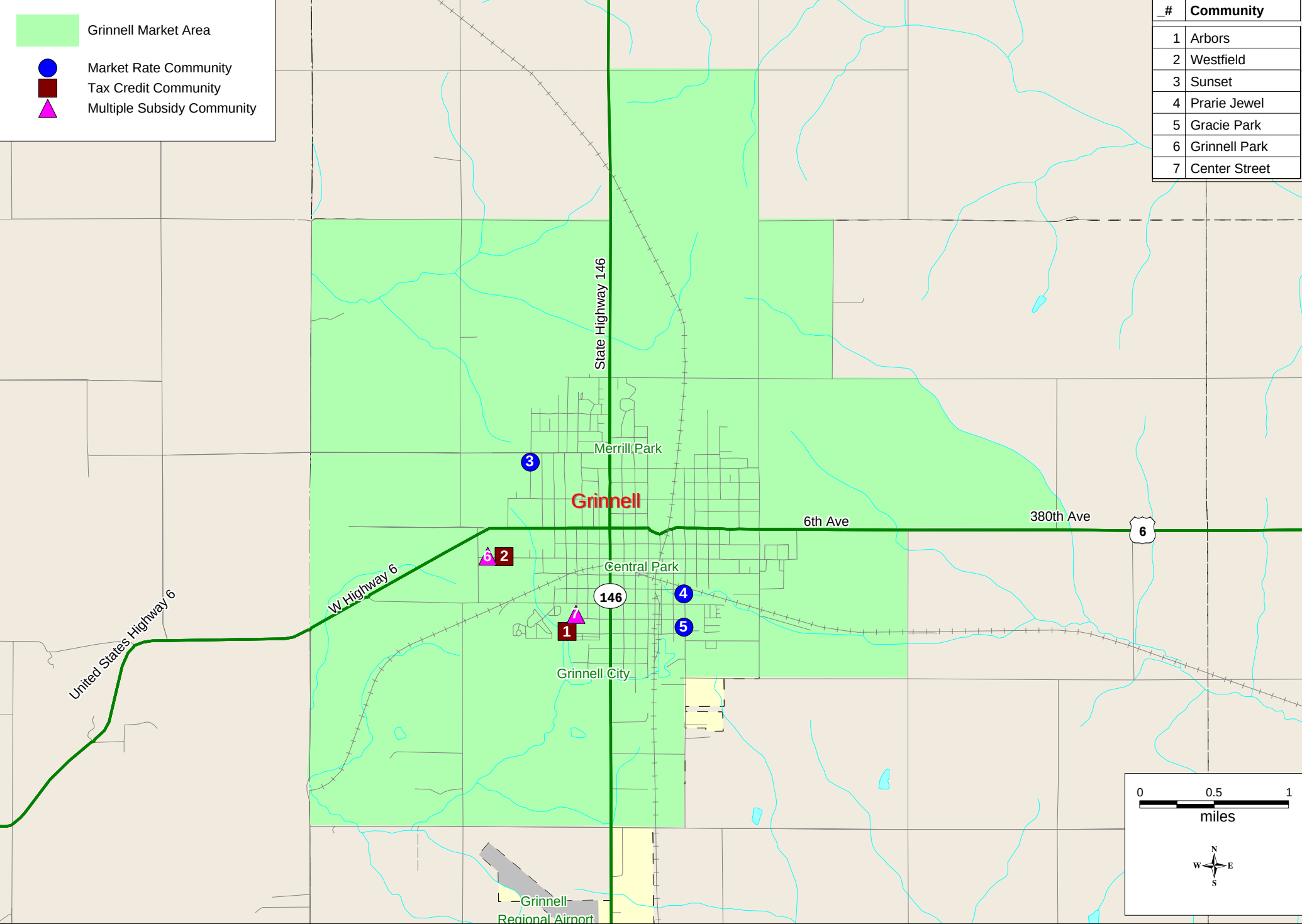
Table 26 Rental Summary, Surveyed Deep Subsidy Rental Communities

Map #	Community	Year Built	Structure Type	Total Units	Vacant Units	Vacancy Rate	Average 1BR Rent (1)	Average 2BR Rent (1)	Incentive
6	Grinnell Park**		Garden	24	1	4.2%	\$513	\$614	None
7	Center Street**	1980	Garden	12	4	33.3%		\$390	None
Overall Total				36	5	13.9%			
Overall Average				1980			\$513	\$502	

Deep Subsidy Community**

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

Source: Field Survey, Real Property Research Group, Inc. October, 2012



Map 6
Surveyed General Occupancy Communities
Grinnell, IA

7. Rent Concessions

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

8. Absorption History

Based on the age of the existing rental stock, recent absorption data was not available.

D. Analysis of Rental Pricing and Product

1. Payment of Utility Costs

Four of the seven rental communities offer the cost of water/sewer and trash removal in the price of rent. The remaining three properties just include the cost of trash removal (Table 25). None of the surveyed rental communities include more than these basic utilities.

2. Unit Features

Dishwashers come standard at five surveyed communities while Gracie Park is the only community to include a microwave in each unit (Table 27). Three of the seven surveyed rental communities also include washer/dryer connections with Gracie Park offering full-size washers and dryers in select units. Other in-unit features include patios/balconies (five properties), garbage disposals (five properties), and ceiling fans (two properties). Central laundry facilities are also common at most of the surveyed rental stock.

3. Parking

All communities include free surface parking as their standard parking option (Table 27). Four rental communities also offer detached garages for additional monthly fees ranging from \$45 to \$50.

Garage Pricing	
Community	Monthly Fee
Arbors	\$45
Gracie Park	N/A
Sunset	\$50
Westfield	\$50

4. Community Amenities

Given the small average size of the surveyed rental stock, most properties (five of seven) do not contain any community amenities (Table 28). Of the two communities that do (Arbors and Gracie Park), both contain a playground. In addition, none of the surveyed rental communities contain security gates.

Table 27 Utilities, Unit Features– Surveyed Rental Communities

Community	Heat Type	Utilities Included in Rent						Dishwasher	Microwave	Parking	In-Unit Laundry
		Heat	Hot Water	Cook	Electric	Water	Trash				
Arbors	Electric	☐	☐	☐	☐	☒	☒	Standard		Free Surface Parking	Hook Ups
Center Street	Electric	☐	☐	☐	☐	☐	☒			Free Surface Parking	
Gracie Park	Electric	☐	☐	☐	☐	☒	☒	Standard	Standard	Free Surface Parking	Select Units - Full Size
Grinnell Park	Electric	☐	☐	☐	☐	☒	☒			Free Surface Parking	
Prarie Jewel	Electric	☐	☐	☐	☐	☐	☒	Standard		Free Surface Parking	
Sunset	Electric	☐	☐	☐	☐	☐	☒	Standard		Free Surface Parking	
Westfield	Electric	☐	☐	☐	☐	☒	☒	Standard		Free Surface Parking	Select Units - Hook Ups

Source: Field Survey, Real Property Research Group, Inc. October, 2012

Table 28 Community Amenities – Surveyed Rental Communities

Community	Clubhouse	Fitness Room	Pool	Playground	Tennis Court	Buisness/ Computer Center	Gated Entry
Arbors	☐	☐	☐	☒	☐	☐	☐
Center Street	☐	☐	☐	☐	☐	☐	☐
Gracie Park	☐	☐	☐	☒	☐	☐	☐
Grinnell Park	☐	☐	☐	☐	☐	☐	☐
Prarie Jewel	☐	☐	☐	☐	☐	☐	☐
Sunset	☐	☐	☐	☐	☐	☐	☐
Westfield	☐	☐	☐	☐	☐	☐	☐

Source: Field Survey, Real Property Research Group, Inc. October, 2012

5. Distribution of Units by Bedroom Type

As unit distributions were only available for two of the seven communities surveyed, an accurate unit percentage by bedroom type cannot be provided; however, among the five non-subsidized communities, three offer one bedroom units, five offer two bedroom units, and three offer three bedroom units (Table 29).

6. Effective Rents

Unit rents presented in Table 29 are net or effective rents, as opposed to street or advertised rents. To arrive at effective rents, we apply downward adjustments to street rents at some communities in order to account for current rental incentives; however, in this case no incentives were being offered. The net rents further reflect adjustments to street rents 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 (electricity, heat, hot water, and cooking fuel).

Among non-subsidized rental communities:

- **One-bedroom** effective rents averaged \$434 per month. The average one-bedroom square footage was 715 square feet, resulting in a net rent per square foot of \$0.61. The range for one-bedroom effective rents was \$364 to \$485.
- **Two-bedroom** effective rents averaged \$545 per month. The average two-bedroom square footage was 946 square feet, resulting in a net rent per square foot of \$0.58. The range for two-bedroom effective rents was \$465 to \$640.
- **Three-bedroom** effective rents averaged \$653 per month. The average three-bedroom square footage was 1,200 square feet, resulting in a net rent per square foot of \$0.54. The range for three-bedroom effective rents was \$625 to \$685.

Table 29 Salient Characteristics, Surveyed Rental Communities

Community	Type	Total Units	Rent(1)	SF	Rent/SF	Rent(1)	SF	Rent/SF	Rent(1)	SF	Rent/SF
Westfield	Garden	48	\$485	722	\$0.67	\$640	845	\$0.76			
Arbors	Garden	42				\$615	1,000				
Arbors* 60% AMI	Garden	-				\$585	1,000		\$685	1,200	\$0.57
Sunset	Garden	14				\$558	1,000	\$0.56			
Arbors* 50% AMI	Garden	-				\$550	1,000		\$650	1,200	\$0.54
Prarie Jewel	Garden	49	\$453	700	\$0.65	\$533	975	\$0.55			
Westfield* 60% AMI	Garden	-				\$520	845	\$0.62			
Arbors* 40% AMI	Garden	-				\$501	1,000	\$0.50			
Gracie Park	Garden / TH	56				\$480	N/A	N/A	\$625	N/A	N/A
Westfield* 50% AMI	Garden	-	\$364	722	\$0.50	\$465	845	\$0.55			
Total/Average		209	\$434	715	\$0.61	\$545	946	\$0.58	\$653	1,200	\$0.54
Unit Distribution		70									
% of Total		33.5%									

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

Source: Field Survey, Real Property Research Group, Inc. October, 2012

E. Survey of Scattered Site Rental Communities

As a significant portion of Grinnell's existing rental stock is comprised of scattered site rental units, RPRG surveyed six property management companies to supplement the multi-family rental analysis. The property management companies included in our survey are Seajae Properties, Ramsey-Weeks, RJ Properties, Kading Properties, Rozendaal Rentals, and Seaba Realty. As part of our survey, we attempted to obtain as detailed information as possible on each rental; however, in many cases this information was not available on a unit by unit basis. In these instances, we collected aggregate data on all of the management company's rentals to determine overall occupancy and average rent levels. To the best of our knowledge, the majority of these scattered site rentals do not include more than the cost of any basic utilities; however, utility costs included in rent vary by property. 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 may not be directly comparable to effective rents at multi-family communities, they still provide a frame of reference for achievable rent levels in the market. Details on scattered site rentals for each management company are provided below.

- Scattered site rentals have a variety of unit types which include smaller multi-family apartment buildings, townhomes, duplexes, loft apartments, and single-family detached homes. The average years built were not available on a unit by unit basis, but they are likely to be consistent with the age of the overall existing housing stock.
- The six companies manage a combined 175 scattered site units, of which 10 or 5.7 percent were reported vacant. Vacancy rates ranged from zero percent to 33.3 percent; however, the 33.3 percent vacancy rate was based on just one vacant unit (of three) managed by RJ Properties.
- Based on the individual unit data available, one, two, and three bedroom floor plans are all common among scattered site rentals; however, Rozendaal Rentals was the only company surveyed to offer a four bedroom unit.
- Among the individual scattered site units, average rents, square footage, and rent per square foot are as follows:
 - **One bedroom units** reported an average rent of \$410 for 625 square feet, or \$0.66 per square foot.
 - **Two bedroom units** reported an average rent of \$576 for 1,022 square feet, or \$0.56 per square foot.
 - **Three bedroom units** reported an average rent of \$660 for 1,122 square feet, or \$0.59 per square foot.
 - **The lone four bedroom unit** reported a rent of \$700 for 1,250 square feet, or \$0.52 per square foot.

Table 30 Rental Summary, Scattered Site Rentals

Community / Property Management Company	Structure Types Offered	Total Units	Vacant Units	Vacancy Rate	Average 1BR Rent (1)	Average 2BR Rent (1)	Average 3BR Rent (1)	Average 4BR Rent (1)
Seajae Properties	Lofts	6	0	0.0%	\$600	\$800		
Ramsey-Weeks	Apartment	40	3	7.5%	\$413	\$663		
Ramsey-Weeks	Single Family	10	1	10.0%		\$650	\$800	
RJ Properties		3	1	33.3%	\$300	\$600		
Kading Properties	Townhouse	36	2	5.6%		\$585	\$650	
Rozendaal Rentals	Apartment / Single Family / Duplex	30	2	6.7%	\$413	\$513	\$750	\$700
Seaba Realty	Apartment / Single Family / Duplex	50	1	2.0%	\$325	\$388	\$550	
Overall Total		175	10	5.7%				
Overall Average		25			\$410	\$600	\$688	\$700

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

Source: Field Survey, Real Property Research Group, Inc. November, 2012

Table 31 Salient Characteristics, Scattered Site Rentals

Management Company	Property Type	Bed	Bath	Sq. Ft.	Rent	Rent/Sq. Ft.
Seajae Properties	Lofts	1	1	N/A	\$600	N/A
RJ Properties		1	1	N/A	\$300	N/A
Ramsey-Weeks	Apartment	1	1	N/A	\$413	N/A
Rozendaal Rentals	Mix	1	1	750	\$413	\$0.55
Seaba Realty	Apartment	1	1	500	\$325	\$0.65
One Bedroom Total/Average				625	\$410	\$0.66
Seajae Properties	Lofts	2	1	N/A	\$800	N/A
RJ Properties		2	2	N/A	\$600	N/A
Kading Properties	Townhouse	2	1.5	1,008	\$585	\$0.58
Ramsey-Weeks	Apartment	2	1 & 2	N/A	\$663	N/A
Ramsey-Weeks	Single Family	2	2	1,100	\$650	\$0.59
Rozendaal Rentals	Mix	2	1 & 2	1,000	\$513	\$0.51
Seaba Realty	Apartment	2	1 & 2	1,000	\$350	\$0.35
Seaba Realty	Single Family	2	1 & 2	1,000	\$450	\$0.45
Two Bedroom Total/Average				1,022	\$576	\$0.56
Kading Properties	Townhouse	3	1.5	1,008	\$650	\$0.64
Ramsey-Weeks	Single Family	3	2	1,300	\$800	\$0.62
Rozendaal Rentals	Mix	3	1 & 2	1,100	\$750	\$0.68
Seaba Realty	Apartment	3	2	1,100	\$450	\$0.41
Seaba Realty	Duplex	3	2	1,100	\$650	\$0.59
Three Bedroom Total/Average				1,122	\$660	\$0.59
Rozendaal Rentals	Mix	4	2	1,350	\$700	\$0.52
Four Bedroom Total/Average				1,350	\$700	\$0.52

Source: Field Survey, Real Property Research Group, Inc. November, 2012

F. Survey of Senior Housing Communities

As part of the Grinnell Housing Market Assessment, RPRG also examined the senior rental market in Grinnell. In total, ten senior rental communities were identified including seven deeply subsidized properties, two continuing care retirement communities (CCRC), and one assisted living facility. Profile sheets with detailed information on each surveyed community, including photographs, are attached as Appendix 8. The location of each community is shown on Map 7.

At the top of the senior rental market is Windsor Manor, an assisted living community located in south Grinnell. Windsor Manor contains 40 total units/beds among one and two bedroom floor plans. Base rates, including a minimum level of care, three meals per day, and periodic housekeeping, range from \$3,975 for one bedroom units to \$5,470 for two bedroom units. One bedroom units offer 473 square feet and two bedroom units offer 668 square feet, resulting in prices per square foot of \$8.40 and \$8.19, respectively. Windsor Manor refused to provide occupancy data.

Table 32 Rental Summary, Assisted Living Community

Community	Type	Total Units	One Bedroom Units			Two Bedroom Units		
			Rent (1)	SF	Rent/SF	Rent (1)	SF	Rent/SF
8. Windsor Manor	Garden	40	\$3,975	473	\$8.40	\$5,470	668	\$8.19
Year Built: 2005	Market	40	\$3,975	473	\$8.40	\$5,470	668	\$8.19

(1) Rent is adjusted, net of utilities and incentives.

Source: Phone Survey, Real Property Research Group, Inc. October, 2012.

The other two market rate senior rental communities in Grinnell, Seeland Park/St. Francis Manor and Mayflower Homes, are both types of continuing care retirement communities (CCRC) that contain for-sale (up-front fee or purchase price) and rental (monthly fee) components. Both of these communities offer a variety of unit types including one and two bedroom apartments, duplexes, patio homes, and assisted living units. Mayflower entrance fees / purchase prices range from \$46,000 to \$137,280 (depending upon plan) with monthly rates of \$750 to \$975. Seeland Park entrance fees / purchase prices range from \$68,900 to \$139,900 (based on listing of available homes) with a flat monthly fee of \$335 for the minimum level of care. Rates for assisted living units and current occupancy were not provided.

Table 33 Rental Summary, CCRC's

Mayflower Homes				
Floor Plan Types	Entrance Fee / Purchase Price			Monthly Fee / Price
	Traditional Plan	Refundable Plan	50% Equity Plan	
One-Bedroom	\$46,000	\$62,560	\$80,960	\$750-\$850
One-Bedroom Plus	\$61,000	\$82,960	\$107,360	\$800-\$900
Two Bedroom	\$78,000	\$106,080	\$137,280	\$875-\$975

Seeland Park / St. Francis Manor			
Floor Plan Types	Entrance Fee / Purchase Price		Monthly Fee / Price
	Low	High	
One Bedroom Apartment	\$68,900	\$72,000	\$335
One Bedroom Duplex	N/A	N/A	\$335
Two Bedroom Duplex	\$86,900	\$109,500	\$335
Two Bedroom Home	\$131,900	\$139,900	\$335

The remaining 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 149 total rental units all of which were occupied at the time of our survey. As these communities contain additional project based rental assistance, tenants are not bound by minimum income limits. As such, basic rents provided at each community are not based on actual market conditions.

Table 34 Rental Summary, Deeply Subsidized Communities

#	Community	Year Built/	Structure	Total	Vacant	Vacancy	Avg 1BR Rent (1)	Avg 2BR Rent (1)	Incentive
		Rehabbed	Type	Units	Units	Rate			
1	Brookside South**	1982	Garden	51	0	0.0%	\$810		None
2	Pearl Street***	1990	Garden	9	0	0.0%	\$602		None
3	Poynter***	1999	Garden	8	0	0.0%	\$602		None
4	Grinnell Estates*	1992	Garden	24	0	0.0%	\$430		None
5	Brookside East**	1977	Garden	21	0	0.0%	\$400	\$482	None
6	Monroe Park**	1975	Garden	13	0	0.0%	\$400		None
7	Brookside West**	1978	Garden	23	0	0.0%	\$361		None
Total/Average		1985		149	0	0.0%	\$515	\$482	

Tax Credit Senior Community*

Deep Subsidy Senior Community**

Deep Subsidy Disabled Community***

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

Source: Field Survey, Real Property Research Group, Inc. October, 2012.

Grinnell Market Area

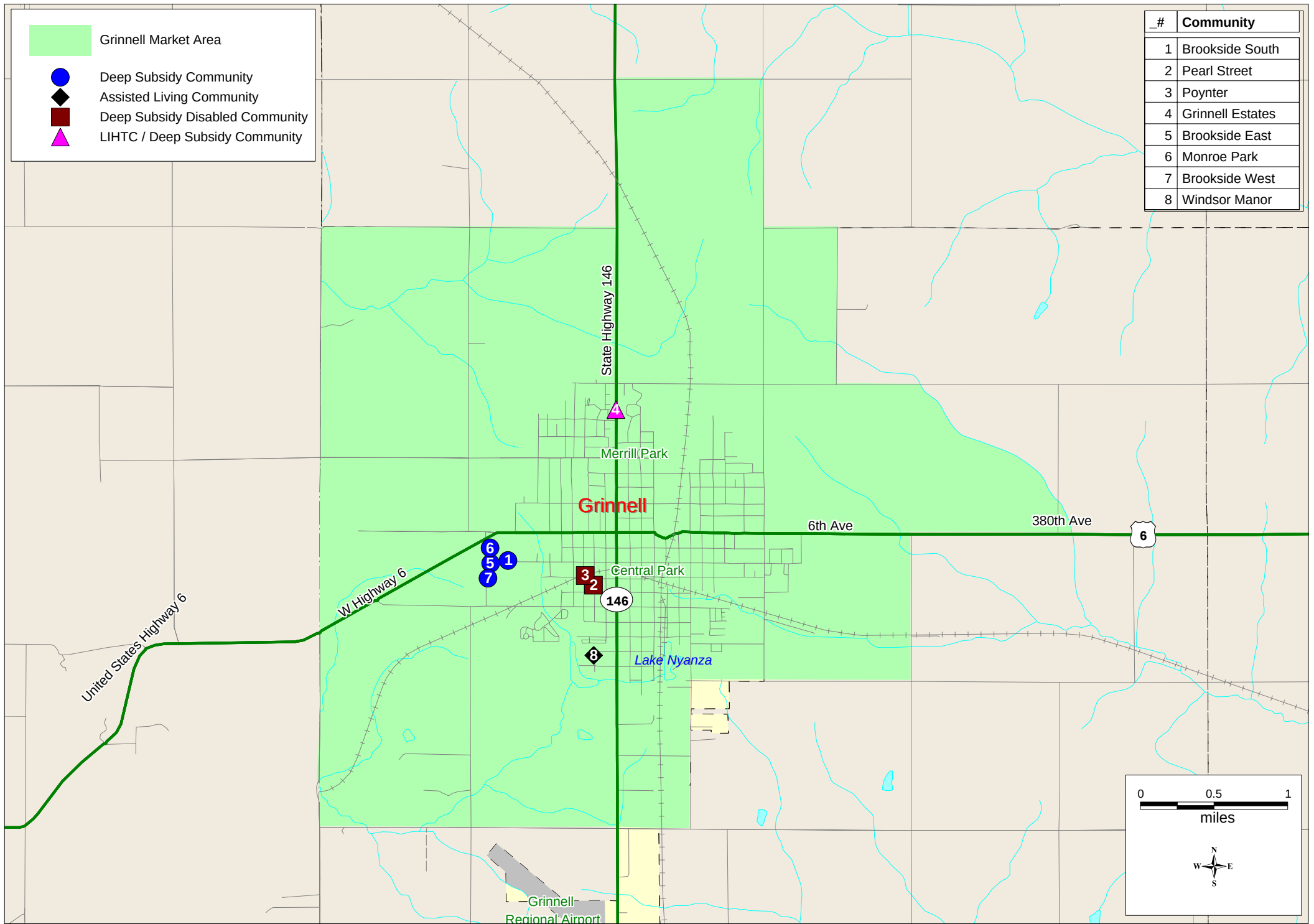
Deep Subsidy Community

Assisted Living Community

Deep Subsidy Disabled Community

LIHTC / Deep Subsidy Community

#	Community
1	Brookside South
2	Pearl Street
3	Poynter
4	Grinnell Estates
5	Brookside East
6	Monroe Park
7	Brookside West
8	Windsor Manor



Map 7
 Surveyed Senior Communities
 Grinnell, IA

G. For-Sale Housing Analysis

1. MLS Trends

To evaluate the overall for-sale housing market in Grinnell, RPRG analyzed data on residential property trends over the last five years. We conducted the analysis using information compiled from the Poweshiek County Multiple Listing Service (MLS) and City-Data. Based on quarterly sales data, an average of 29 homes was sold each quarter in Grinnell. The average quarterly median sales price was \$118,158 (Table 35).

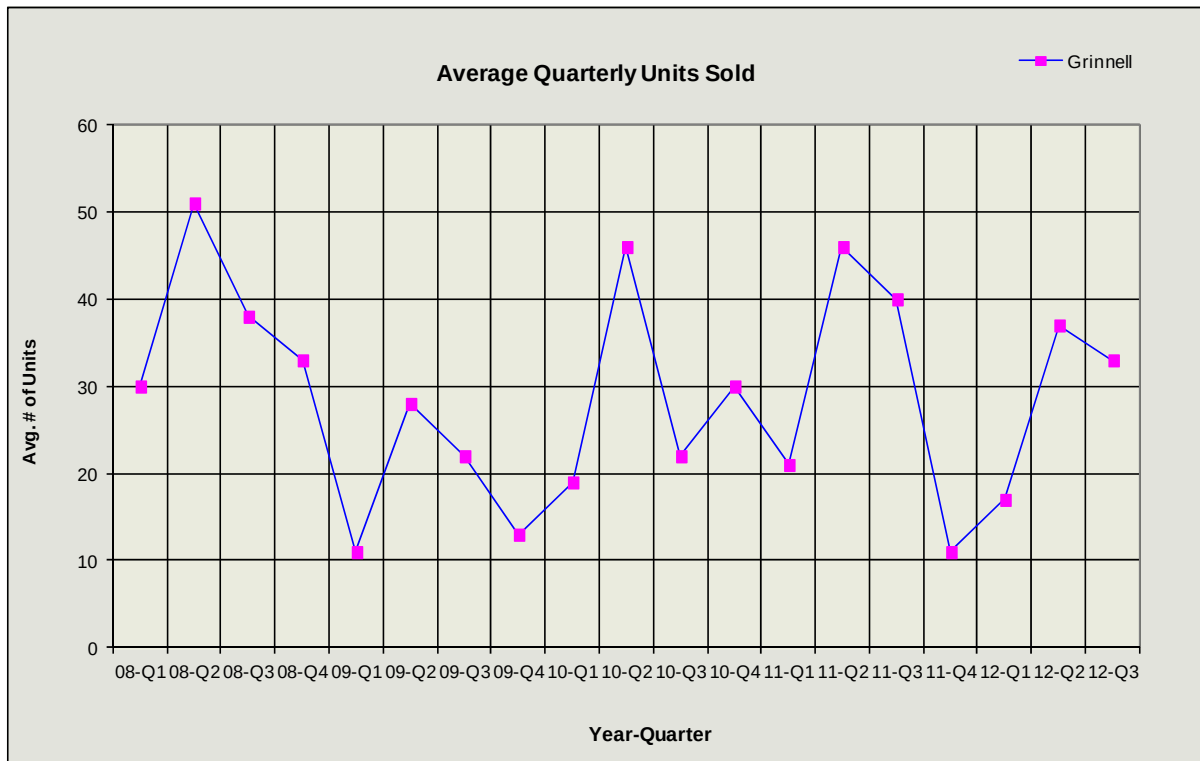
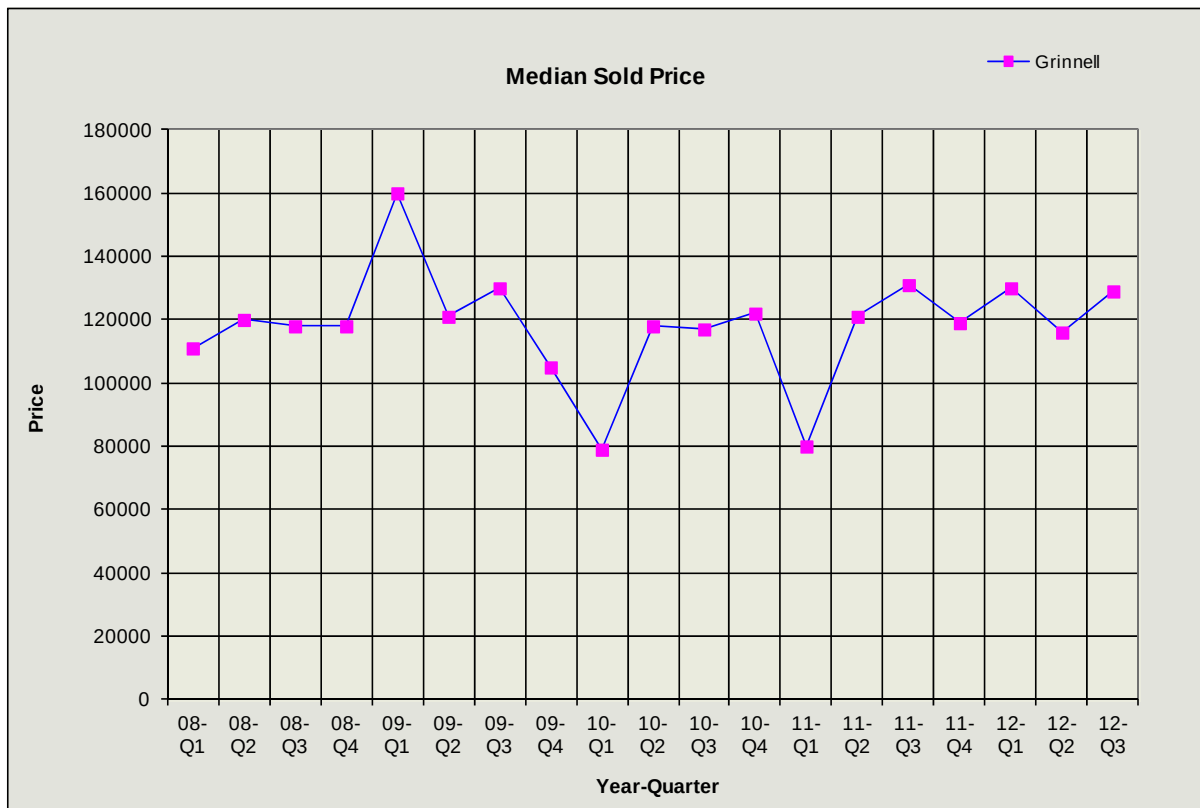
Looking at average quarterly sales, activity peaked in mid 2008 and has been cyclical since with peaks in mid 2010 and mid 2011. The cyclical nature of the sales volume is due in part to winter weather conditions, which make it difficult to move and buy/sell a home. Recent sales in Grinnell are down slightly relative to the previous two years, with 2012's 2nd quarter peak and 1st quarter valley falling below those in 2010 and 2011 (Figure 7).

The monthly median sales price has been relatively stable in Grinnell, hovering above and below an approximate median sale price of \$120,000. One noticeable peak occurred in the first quarter of 2009; however, as only ten homes were sold during the quarter, this was likely due to low volume during the height of the national housing market downturn. The only other noticeable price changes were dips in the first quarters of 2010 and 2011 (Figure 8). While not as low as in 2009, both price drops occurred at times when sales volume was at its lowest levels of the year.

Table 35 MLS Data – Quarterly Sales Data, Grinnell

Grinnell		
Year/Quarter	Units Sold	Median Price
08-Q1	30	\$111,000
08-Q2	51	\$120,000
08-Q3	38	\$118,000
08-Q4	33	\$118,000
09-Q1	11	\$160,000
09-Q2	28	\$121,000
09-Q3	22	\$130,000
09-Q4	13	\$105,000
10-Q1	19	\$79,000
10-Q2	46	\$118,000
10-Q3	22	\$117,000
10-Q4	30	\$122,000
11-Q1	21	\$80,000
11-Q2	46	\$121,000
11-Q3	40	\$131,000
11-Q4	11	\$119,000
12-Q1	17	\$130,000
12-Q2	37	\$116,000
12-Q3	33	\$129,000
Tota/Average	29	\$118,158

Source: Poweshiek County MSL, Zillow

Figure 7 MLS Trends, Average Quarterly Sales, Grinnell**Figure 8 MLS Trends, Quarterly Median Sales Price, Grinnell and Iowa**

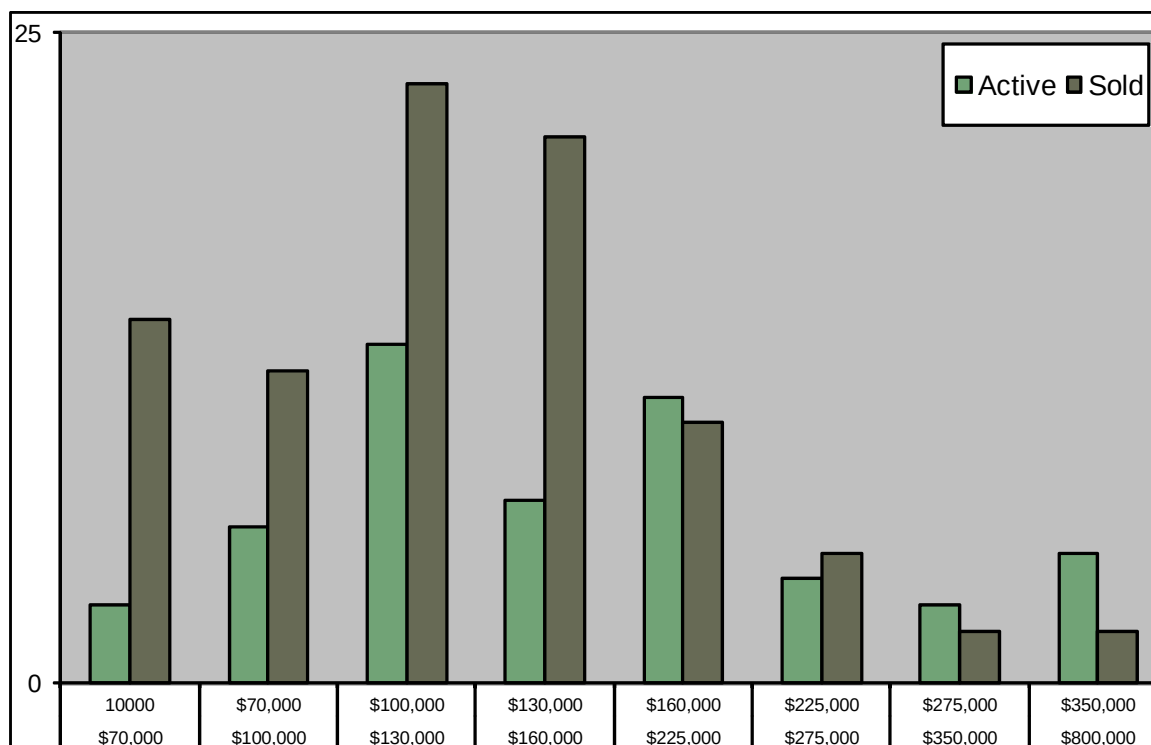
2. Recent Sales Volume and Median Price

Based on resale data in Grinnell, provided by the Poweshiek MLS service, 89 sales were recorded in the city over the past nine and one-half months. The ratio of sold properties to active listings was significantly higher at the four lowest price points (\$10,000 to \$160,000), which suggests a greater demand exists for low and moderately priced housing units in Grinnell. The average months in inventory for these lower priced units was just 3.8 months compared to 8.9 months across all price points. The average days on market (DOM) of sold units was relatively consistent for all prices except those selling from \$275,000 to \$350,000 (335 days). The average price per square foot ranged from a low of \$29.03 for homes priced from \$10,000-\$70,000 to a high of \$130.36 for homes priced \$350,000 to \$800,000. Overall, the 89 homes sold through the MLS had an average price per square foot of \$89.24, which was based on an average sale price of \$193,255 and average size of 2,166 square feet.

Table 36 Current Active Listings and 2012 YTD (Mid October) Sales Activity, Grinnell

To From	\$10,000 \$70,000	\$70,000 \$100,000	\$100,000 \$130,000	\$130,000 \$160,000	\$160,000 \$225,000	\$225,000 \$275,000	\$275,000 \$350,000	\$350,000 \$800,000	Total / Average
Active	3	6	13	7	11	4	3	5	52.0
Sold	14	12	23	21	10	5	2	2	89.0
Avg Sold DOM	141.0	189.0	145.0	162.0	104.0	114.0	335.0	108.0	162.3
Months Inventory	2.0	4.8	5.4	3.2	10.5	7.6	14.3	23.8	8.9

Average Sold Price	\$44,507	\$83,725	\$118,726	\$141,405	\$195,950	\$240,480	\$313,750	\$407,500	\$193,255
Average Sq. Ft	1,533	1,554	1,395	1,493	2,341	1,816	4,067	3,126	2,166
Average Price/Sq. Ft.	\$29.03	\$53.88	\$85.11	\$94.71	\$83.70	\$132.42	\$77.15	\$130.36	\$89.24



Source: Poweshiek MLS

3. 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 a long period of time 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 37. The locations of each for-sale community are depicted in Map 8.

- **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, in close proximity to Grinnell College, Prairie Estates contains the highest priced homes of the five active for-sale communities in Grinnell. As the newest of the active for-sale communities, Prairie Estates has sold 4 of its 25 lots (16 percent) since 2009. Sales/construction prices ranged from \$286,500 to \$384,000 with a median of \$335,250 (based on 2009 sales data). Year 2012 tax assessment values ranged from \$360,200 to \$416,560 with a median of \$388,380.
- **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 17 of its 25 lots or 68 percent. Sales/construction prices ranged from \$155,000 to \$523,000 with a median of \$323,000 (based on sales data from 1998 to 2009). Year 2012 tax assessment values ranged from \$179,400 to \$645,990 with a median of \$347,830.
- **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 2012, East Gate Estates sold 31 of its 43 lots or 72 percent. Sales/construction prices ranged from \$110,000 to \$481,391 with a median of \$171,500. Year 2012 tax assessment values ranged from \$124,960 to \$777,840 with a median of \$213,195.
- **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 2007, nine of the 22 home lots on Melrose Lane were sold (41 percent). Sales/construction prices ranged from \$120,000 to \$179,308 with a median of \$130,000. Year 2012 tax assessment values ranged from \$132,310 to \$183,320 with a median of \$168,180.
- **East Street** is an active development project by the City of Grinnell to encourage new more affordable housing development. The 4.8 acre tract of land, located immediately north of Grinnell Middle School in the southeast portion of the city, is being subdivided into 15 lots and sold at cost (\$15,000 per lot). At present, one home is currently under construction in the East Street Development; however, pricing and tax assessment data was not yet available. The remaining lots are still in the process of subdivision.



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 the majority of sales took place throughout the past 10 to 12 years, we also evaluated 2012 tax assessment data.

Excluding East Street, which is still undergoing subdivision, 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 38). Prairie Street and East Gate Estates offer the next largest lots with comparable median sizes of 0.27 acre and 0.25 acre, respectively. As the most affordable community, Melrose Lane has the smallest median lot size of 0.19 acre. Lot pricing by sales price and 2012 assessment value for each active for-sale community are as follows:

- **Prairie Estates** had a median sales price of \$69,000 and a median 2012 assessment value of \$84,835. Based on a median lot size of 0.76, Prairie Estates had a median sales price per acre of \$90,789 and a median 2012 assessment value per acre of \$111,625. The 2012 assessed land value accounts for 21.8 percent of the total 2012 assessed home value.
- **Prairie Street** had a median sales price of \$37,850 and a median 2012 assessment value of \$36,850. Based on a median lot size of 0.27, Prairie Street had a median sales price per acre of \$140,185 and a median 2012 assessment value per acre of \$136,481. The 2012 assessed land value accounts for 39.2 percent of the total 2012 assessed home value.
- **East Gate Estates** had a median sales price of \$32,250 and a median 2012 assessment value of \$32,440. 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 2012 assessment value per acre of \$129,760. The 2012 assessed land value accounts for 60.9 percent of the total 2012 assessed home value.
- **Melrose Lane** did not have a median sales price as sales data was not available; however, it had a median 2012 assessment value of \$26,680. Based on a median lot size of 0.19, Melrose Lane had a median 2012 assessment value per acre of \$140,421. The 2012 assessed land value accounts for 83.5 percent of the total 2012 assessed home value.

Overall, the average median lot price among active for-sale communities is \$46,367, compared to an average median 2012 assessment value of \$45,201. This represents a difference of just \$1,166 or 2.5 percent, indicating land values have remained relatively stable over the past ten to twelve years. The average median sales price per acre and average median 2012 assessment value per acre were also comparable at \$126,168 and \$129,572, respectively. On average, the four active for-sale communities' 2012 assessed land value accounted for 51.4 percent of its 2012 total assessed home value.

Table 37 Active For-Sale Communities, Sales and Pricing

Neighborhood	Total Lots	Sold Lots	% of Sold Lots	First Sale / Construction Date		First Sale / Construction Price			2012 Assessed Value		
				First	Last	Low	High	Median	Low	High	Median
Prairie Pointe Estates	25	4	16.0%	5/1/2009	6/1/2009	\$286,500	\$384,000	\$335,250	\$360,200	\$416,560	\$388,380
Prairie Street	25	17	68.0%	1/15/1998	9/3/2009	\$155,000	\$523,000	\$323,000	\$179,400	\$645,990	\$347,830
East Gate Estates I-III	43	31	72.1%	8/15/2000	8/28/2012	\$110,000	\$481,391	\$171,500	\$124,960	\$513,590	\$213,195
Melrose Lane	22	9	40.9%	11/16/2000	10/15/2007	\$120,000	\$179,308	\$130,000	\$132,310	\$183,320	\$168,180
Total/Average	130	62	47.7%	1/15/1998	8/28/2012	\$110,000	\$523,000	\$239,938	\$124,960	\$645,990	\$279,396

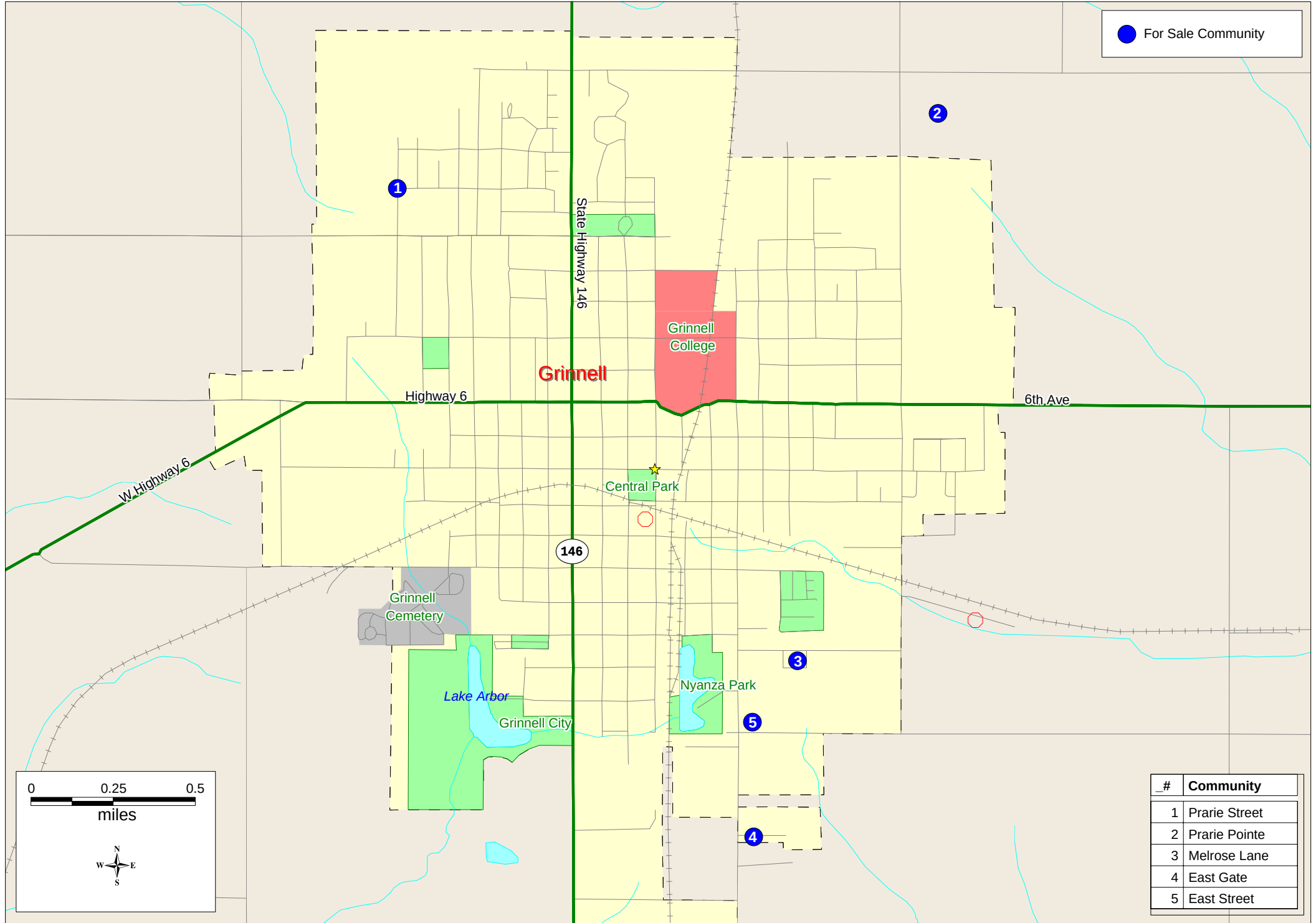
Source: Poweshiek County Tax Assessor

Table 38 Active For-Sale Communities, Lot Pricing

Neighborhood	Lot Size			Lot Sales Price			Median Sales Price Per Acre	2012 Lot Assesment Value			2012 Ass. Value Per Acre	Land Value / Total Value
	Low	High	Median	Low	High	Median		Low	High	Median		
Prairie Pointe Estates	0.36	1.22	0.76	\$66,500	\$95,500	\$69,000	\$90,789	\$68,480	\$101,190	\$84,835	\$111,625	21.8%
Prairie Street	0.13	0.53	0.27	\$26,000	\$70,000	\$37,850	\$140,185	\$16,590	\$62,630	\$36,850	\$136,481	39.2%
East Gate Estates I-III	0.23	0.65	0.25	\$20,000	\$45,000	\$32,250	\$129,000	\$28,350	\$64,260	\$32,440	\$129,760	60.9%
Melrose Lane	0.17	0.50	0.19	-	-	-	-	\$24,480	\$31,400	\$26,680	\$140,421	83.5%
Total/Average	0.13	1.22	0.37	\$20,000	\$95,500	\$46,367	\$126,168	\$34,475	\$64,870	\$45,201	\$129,572	51.4%

Source: Poweshiek County Tax Assessor

● For Sale Community





H. Housing Pipeline

In order to determine if any new housing communities are planned in the Grinnell Market Area, we contacted Duane Neff – Building and Planning Direct with the City of Grinnell. We also reviewed building permits issued for 2012. Through these efforts, we identified two housing communities in various stages of development in the Grinnell Market Area. Information on each project is provided below.

For-sale Communities:

- **Reed Street Townhomes** – Local developers have plans to construct three five-plex townhome buildings on the eastern side of Reed Street between 3rd and 4th Avenue. The project is on hold, however, until Grinnell Regional Medical Center can transfer ownership of the property. While not certain, the townhomes are expected to be sold if developed.
- **Mayflower at Prairie Pointe** – Vanderlinden Construction has plans to develop a 15-lot for-sale community called Mayflower at Prairie Pointe in the middle of the existing Prairie Estates community. Homeowners will have the option of choosing from two predetermined floor plans, with base prices ranging from \$250,000 to \$290,000 (including the land), or selecting a custom plan.

Rental Communities:

- **Southgate** – Southgate is an existing twelve-unit multi-family rental community in eastern Grinnell. Originally developed as a USDA Rural Development community, Southgate has since passed its compliance period. The property has vacated all twelve units for rehabilitation and expects to re-lease upon completion at market rates.

7. 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 an attractive, modest-sized community in southeastern 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. Several sites in Grinnell are suitable for future housing development, most of which are infill or redevelopment opportunities. 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/home costs.

2. Economic Context

Poweshiek County's economy has been relatively steady over past decade, maintaining a modest unemployment rate and a stable at-place employment base. Like most areas of the country, Poweshiek County suffered notable job loss and higher unemployment during the course of the most recent national recession (2008 to 2009), but has shown signs of stabilization over the past two years with the addition of 264 jobs. As home to several of the region's largest major employers, Poweshiek County is advantageously positioned to benefit from upcoming economic expansions, one of which will add 162 jobs to the county over a three year period.

- Following a decade high unemployment rate of 6.6 percent during the peak of the most recent national recession (2009), Poweshiek County's unemployment rate fell in consecutive years reaching 5.9 percent in 2011. This trend continued through the first half of 2012, during which the county's unemployment rate fell to 5.3 percent compared to rates of 5.5 percent and 8.3 percent in Iowa and the nation, respectively. Since 2000, Poweshiek County's unemployment rate has remained well below national figures and comparable to or slightly above the state, overall.
- Poweshiek County's At-Place Employment expanded in six of eleven years from 2001 to 2011; however, job gains were more than offset by losses as the county experienced a net loss of 285 jobs (2.9 percent) since 2000. Following the loss of 630 jobs in 2009, at the height of the most recent national recession, the county began to show signs of stabilization by recouping 264 jobs over the past two years.
- The two largest employment sectors in Poweshiek County are education-health and manufacturing, accounting for a combined 39.7 percent of all jobs within the county. By comparison, these two sectors comprise just 24 percent of jobs nationally. Poweshiek County also has a significant percentage of jobs (15.8 percent) in the trade-transportation-utilities sector, though this is lower than the national average of 19.2 percent.
- Between 2001 and 2011, nine of eleven industry sectors in Poweshiek County experienced a net loss in jobs. Annualized losses of 0.8 percent in education-health, 0.8 percent in manufacturing, and 1.3 percent in trade-transportation utilities had the greatest overall impact as the county's three largest industries. The only two employment sectors to

experience growth during this period were natural resources mining and professional business.

- Brownells, a firearm accessories manufacturer in Montezuma, recently announced it will construct a new 200,000 square foot facility in Grinnell and add at least 162 new jobs over a three-year period. The facility is expected to be complete by the fall of 2013 when the company begins hiring.

3. Growth Trends

The Grinnell Market Area remained stable during the past decade (2000 and 2010), with limited population and household growth. While naturally occurring growth is expected to continue this trend over the next five years, the Grinnell Market Area's population and household bases will be augmented by upcoming economic expansions and the relocation of in-commuting workers. Overall, older adult and senior households are expected to increase at a faster rate than that of total households in the Grinnell Market Area on a percentage basis.

- Between the 2000 and 2010 Census counts, the Grinnell Market Area experienced minimal population and household growth. The net growth in the Grinnell Market Area during this decade was 70 people (0.8 percent) and 38 households (1.1 percent). Between 2012 and 2017, using Census growth rates, the Grinnell Market Area is projected to add 35 people and 19 households - increases of 0.4 percent and 0.5 percent, respectively.
- Between 2012 and 2017, households with householders age 55+ are projected to increase at an annual rate of 1.3 percent or 23 households. This would bring the total number of householders age 55+ in the Grinnell Market Area to 1,814. Households with a householder age 65+ will increase at an annual rate of 1.4 percent or 16 households per year.

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 a number of young professionals, families, and seniors with relatively high incomes and modest renter percentages.

- The population of the Grinnell Market Area is younger than that of the Secondary Market Area with median ages of 35 and 40, respectively. Overall, the Grinnell Market Area contains a relatively even population distribution with a notably higher percentage of young adults (relative to the Secondary Market Area) due to the presence of Grinnell College. Among the remaining age cohorts, adults (persons age 35-61 years), seniors (persons age 62+) and children (persons 19 years or younger) comprise roughly 23 to 28 percent of the population in the Grinnell Market Area.
- Single persons and married couples without children comprise nearly two-thirds (63.6 percent) of all households in the Grinnell Market Area, compared to 60.0 percent in the Secondary Market Area. Overall, the Grinnell Market Area has a significantly lower marriage rate (44.0 percent versus 52.1 percent) and percentage of households with children (27.2 percent versus 30.8 percent) relative to the Secondary Market Area.
- As of the 2010 Census, 64.7 percent of households owned their home, compared to 35.3 percent of households who were renters. Based on 2000 and 2010 Census data, the Grinnell Market Area gained 39 renter households and lost one owner household for the decade. Based on Esri estimates, this trend in household tenure is expected to continue in

the Grinnell Market Area as the rental rate is projected to increase from 35.5 percent in 2012 to 35.7 percent in 2017.

- Working age adults (age 35-59 years) and seniors (age 60+) each account for approximately 44 percent of all owner households in the Grinnell Market Area.
- Young adult households form the core of the market area's renters, as 39.0 percent of renter householders are ages 15-34. The Grinnell Market Area also has a notable proportion of working age adult renter householders (age 35 to 59 years) at 34.4 percent and senior renter householders (persons age 60 and older) at 26.6 percent.
- Approximately three-quarters of all renter households in the Grinnell Market Area contain one or two persons while 13 percent of Grinnell Market Area renter households contain three persons. Households with four or more persons account for just 12.4 percent of renter households in the Grinnell Market Area relative to 20.4 percent in the Secondary Market Area.
- RPRG estimates that the 2012 median household income in the Grinnell Market Area is \$50,219, which is \$2,064 or 3.9 percent below the \$52,283 median income in the Secondary Market Area. Overall, the household income distribution in the Grinnell Market Area is relatively even among income classifications; however, moderate to high income households (those earning \$35,000-\$74,999) are the most prevalent at 41 percent.
- The median income for renter households in 2012 is estimated to be \$31,970. This is 51.5 percent of the median income for homeowner households of \$62,117. Approximately 40 percent of all market area renter households have an annual income below \$25,000. Another 32.0 percent have incomes ranging from \$25,000 to \$49,999.

5. General Occupancy Rental Analysis

RPRG surveyed seven multi-family rental communities located in the Grinnell Market Area. Of these seven properties, two are deeply subsidized through the USDA Rural Development Program, two are income and rent restricted through the Low Income Housing Tax Credit Program, and three are market rate. As a significant portion of Grinnell's existing rental stock is comprised of scattered site rental units, RPRG also surveyed six property management companies to supplement the multi-family rental analysis. Overall, the rental market is performing well with an average vacancy rate of 3.4 percent (excluding deeply subsidized properties).

- Combined, the five non-subsidized rental communities offer 209 rental units of which three or 1.4 percent were reported vacant. Overall, all five rental communities had vacancy rates below five percent and three of the five communities reported waiting lists. Of particular note is the LIHTC community Westfield, which indicated a waiting list of 130 people.
- Among the two deeply subsidized properties, five of 36 total units (13.9 percent) were available at the time of our survey. Given the subsidized nature of these communities, it is possible these vacancies may be transitional as communities with rental assistance often experience greater turnover than those without such subsidies. The older age and relatively poor condition of the properties is also likely a factor. In either case, while the vacancy rate is high, it is only a reflection of five vacant units.
- Among the five 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 \$434 per month. The average one-bedroom square footage was 715 square feet, resulting in a net rent per square foot of \$0.61.
 - **Two-bedroom** effective rents averaged \$545 per month. The average two-bedroom square footage was 946 square feet, resulting in a net rent per square foot of \$0.58.
 - **Three-bedroom** effective rents averaged \$653 per month. The average three-bedroom square footage was 1,200 square feet, resulting in a net rent per square foot of \$0.54.
- Scattered site rentals have a variety of unit types which include smaller multi-family apartment buildings, townhomes, duplexes, loft apartments, and single-family detached homes. The average years built were not available on a unit by unit basis, but they are likely to be consistent with the age of the overall existing housing stock.
- In total, the six companies manage 175 scattered site units, of which 10 or 5.7 percent were reported vacant. Vacancy rates ranged from zero percent to 33.3 percent; however, the 33.3 percent vacancy rate was based on just one vacant unit (of three) managed by RJ Properties.
- Among the individual scattered site units, average rents, square footage, and rent per square foot are as follows:
 - **One bedroom units** reported an average rent of \$410 for 625 square feet, or \$0.66 per square foot.
 - **Two bedroom units** reported an average rent of \$576 for 1,022 square feet, or \$0.56 per square foot.
 - **Three bedroom units** reported an average rent of \$660 for 1,122 square feet, or \$0.59 per square foot.
 - **The lone four bedroom unit** reported a rent of \$700 for 1,250 square feet, or \$0.52 per square foot.
- While no rental communities were identified as planned or under construction, Southgate Apartments is currently vacant for rehabilitation. As a former USDA Rural Development property, South is converting their 12 units into market rate housing.

6. Senior Rental Analysis

As part of the Grinnell Housing Market Assessment, RPRG also examined the senior rental market in Grinnell. In total, ten senior rental communities were identified including seven deeply subsidized properties, two continuing care retirement communities (CCRC), and one assisted living facility. The CCR properties and the assisted living community declined to provide occupancy data.

- Windsor Manor, an assisted living community located in south Grinnell, contains 40 total units/beds among one and two bedroom floor plans. Base rates, including a minimum level of care, three meals per day, and periodic housekeeping, range from \$3,975 for one bedroom units to \$5,470 for two bedroom units. One bedroom units offer 473 square feet and two bedroom units offer 668 square feet, resulting in prices per square foot of \$8.40 and \$8.19, respectively.
- Seeland Park/St. Francis Manor 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 of these communities offer a variety of unit types including one and two bedroom apartments, duplexes, patio homes, and assisted living units. Mayflower entrance fees / purchase prices range from \$46,000 to \$137,280 (depending upon plan) with monthly rates of \$750 to \$975. Seeland Park entrance fees / purchase prices range from \$68,900 to \$139,900 (based on listing of available homes) with a flat monthly fee of \$335 for the minimum level of care.

- 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 149 total rental units all of which were occupied at the time of our survey.

7. For-Sale Analysis

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

- Looking at average quarterly sales in Grinnell, activity peaked in mid 2008 and has been cyclical since with peaks in mid 2010 and mid 2011. The cyclical nature of the sales volume is due in part to winter weather conditions, which make it difficult to move and buy/sell a home. Recent sales in Grinnell are down slightly relative to the previous two years, with 2012's 2nd quarter peak and 1st quarter valley falling below those in 2010 and 2011.
- The monthly median sales price has been relatively stable in Grinnell with the exception of the first quarter of 2009; however, as only ten homes were sold during the quarter, this was likely due to low volume during the height of the national housing market downturn. The only other noticeable price changes were dips in the first quarters of 2010 and 2011.
- Based on resale data in Grinnell, the ratio of sold properties to active listings was significantly higher at the four lowest price points (\$10,000 to \$160,000), suggesting a greater demand exists for low and moderately priced housing units. The average months in inventory for these lower priced units was just 3.8 months compared to 8.9 months
- Excluding East Street, which is still undergoing subdivision, Prairie Estates offers the largest median lot size of the active for-sale communities by a significant margin at roughly three-quarters of an acre. Prairie Street and East Gate Estates offer the next largest lots with comparable median sizes of 0.27 acre and 0.25 acre, respectively. As the most affordable community, Melrose Lane has the smallest median lot size of 0.19 acre. Lot pricing by sales price and 2012 assessment value for each active for-sale community are as follows:
 - **Prairie Estates** had a median sales price of \$69,000 and a median 2012 assessment value of \$84,835. Based on a median lot size of 0.76, Prairie Estates had a median sales price per acre of \$90,789 and a median 2012 assessment value per acre of \$111,625.
 - **Prairie Street** had a median sales price of \$37,850 and a median 2012 assessment value of \$36,850. Based on a median lot size of 0.27, Prairie Street had a median sales price per acre of \$140,185 and a median 2012 assessment value per acre of \$136,481.
 - **East Gate Estates** had a median sales price of \$32,250 and a median 2012 assessment value of \$32,440. 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 2012 assessment value per acre of \$129,760.

- O **Melrose Lane** had a median 2012 assessment value of \$26,680. Based on a median lot size of 0.19, Melrose Lane had a median 2012 assessment value per acre of \$140,421.

B. Derivation of Demand

1. Demand Methodology

In this section, RPRG presents a Derivation of Demand calculation intended to gauge the net demand for housing in the Grinnell Market Area over a projected three year period. As the Grinnell Market Area remained stable over the previous decade, with minimal population and household growth, the demand model is based on two components – The planned addition of 162 new jobs (over three years) by Brownells and the potential relocation of existing in-commuting workers to the Grinnell Market Area. The Derivation of Demand calculation also takes into account any pipeline communities expected to come online during this time. The end result of this analysis can be either a positive number (which shows the extent to which available demand for housing units would exceed available supply), a negative number (which shows the extent to which available/planned supply would exceed the number of units needed/demanded over the period in question), or very rarely zero (in which case rental supply and rental demand would be perfectly in balance in terms of number of units demanded versus number of units supplied). The three-year period in question for this analysis is from January 2013 through January 2016. 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 findings in the Grinnell Chamber of Commerce's focus group study of major employers, conducted in early 2012. In this study, the Grinnell Chamber of Commerce spoke with 130 in-commuting workers in Grinnell, 40 percent of which indicated they would consider moving to Grinnell if suitable housing choices were available. This type of household shift would likely take place gradually as new housing units are constructed and absorbed into the market. Given we can only project demand for the three year analysis period, we estimate it would take 40 percent of the current in-commuting workforce a total of 20 years to relocate in its entirety. This equates to two percent of in-commuting workers relocating each year, or six percent total over the three year analysis period.

2. Demand Analysis

In Table 39, we apply the sources of demand for new housing units (discussed above) to the Grinnell Market Area. The first major component of demand is Planned Job Growth. The steps for deriving demand from planned job growth are as follows:

- Per the announced construction of Brownells new warehouse and distribution facility in Grinnell, 162 new jobs will be created in the Grinnell Market Area over a three year period starting in the fall of 2013. Based on information provided by Brownells Human Resources Department, one-third (54) of these jobs will be hourly positions and two-thirds (108) will be salaried positions.
- As the hourly positions created at Brownells are unlikely to require advanced training or education, all of these jobs are expected to be filled by workers currently living within the state. Conversely, most salary positions are likely to require at least a minimum standard of education or professional prerequisites. As such, it is expected approximately half of salary workers will be recruited from outside the state similar to Brownells Montezuma facility. Combining the 54 hourly workers and half (54 workers) of the salaried employees, 108 of the planned 162 new jobs at Brownells are expected to be filled by workers currently residing in the state.
- As of the 2010 Census, only 37.3 percent of workers employed in the Grinnell Market Area lived in the Grinnell Market Area. If applied to the 108 jobs expected to be filled by workers

currently residing in the state, 40 are likely to be filled by workers living in the Grinnell Market Area. It is estimated that no more than half of the jobs filled by workers already living in the Grinnell Market Area would result in new household formation, such as roommates splitting up and young adults moving out of their parent's homes. The remaining jobs filled by workers living in the Grinnell Market Area would likely be filled by current unemployed workers and new entrants into the labor force (spousal employment). The end result is a demand for 20 housing units from new worker households living in the Grinnell Market Area.

- Looking now at commuters, over two-thirds (67.7 percent) of workers employed in the Grinnell Market Area do not reside there. Applying this percentage to the 108 jobs to be filled by workers residing in the state, 68 will be filled by commuters. Of these 68 commuters, we estimate six percent would consider relocating to the Grinnell Market Area. This results in demand for four housing units for new in-state workers willing to relocate to the Grinnell Market Area.
- Finally, 54 jobs at Brownells will be filled by workers currently residing outside the state. Given these workers are unlikely to be familiar with the local area, we expect all 54 workers would consider housing options in Grinnell first before looking elsewhere in the region. As such, demand for 54 housing units would exist from new out-of-state workers willing to relocate to the Grinnell Market Area.
- Adding demand from new in-state workers residing in the Grinnell Market Area (20 units), demand from new in-state workers willing to relocate to the Grinnell Market Area (4 units), and demand from new out-of-state workers willing to relocate to the Grinnell Market Area (54 units), the total housing demand from new job growth is 78 units.

The second major component of housing demand is in-commuting workers that would consider relocating to the Grinnell Market Area if suitable housing options were available. The steps for deriving demand from in-commuters are as follows:

- As of the 2010 Census, 3,233 workers commuted into the Grinnell Market Area for work. Based on the projected relocation percentage from the Grinnell Chamber of Commerce's focus group study, an estimated six percent of in-commuting workers would consider moving to the Grinnell Market Area over the projected three year period. This results in a total of 194 in-commuting workers willing to relocate to the Grinnell Market Area.
- Unlike demand from new job growth, where it is unlikely many workers in the same household would work at the same company, it is reasonable to assume a higher percentage of in-commuters living in the same household would also work in the same locale. To convert the expected 194 in-commuting workers willing to relocate to the Grinnell Market Area into households, we divide the number of workers by the state's average workers per household as of the 2010 Census (resident labor force divided by total households) of 1.16. The end result is demand for 167 housing units for in-commuting worker households willing to relocate.

Combining demand from each major component and subtracting any projected pipeline units expected to come online over the analysis period, net housing demand is as follows:

- Adding the demand from planned job growth (78 units) with the demand from in-commuting workers willing to relocate to the Grinnell Market Area (167 units), the total projected housing demand in the Grinnell Market Area through January of 2016 is 245 units.
- Subtracting the twelve planned townhome units on Reed Street, the net housing demand in the Grinnell Market Area is 233 units.

Table 39 Derivation of Demand

Projected Grinnell Market Area (GMA) Housing Demand		
1. Planned Job Growth		
Brownells Jobs to be added:		
Hourly (33.3%)		54
Salary (66.6%)	+	108
Total New Jobs Planned	=	162
Geographic Dispersion of New Workers		
Total New Jobs Planned		162
Hourly workforce:		
New jobs to be filled by workers currently residing in-state		54
Salaried workforce:		
New Jobs to be filled by salary workers		108
% of new jobs to be filled by salary workers currently residing out-of-state	x	50%
New jobs to be filled by salary workers currently residing out-of-state	=	54
New jobs to be filled by salary workers currently residing in-state	=	54
New jobs to be filled by hourly workers currently residing in-state		54
New jobs to be filled by salary workers currently residing in-state	+	54
Total Jobs to be filled by workers currently residing in-state	=	108
Total Jobs to be filled by workers currently residing out-of-state		54
Commuting Patterns of New Workers		
Total jobs to be filled by workers currently residing in-state		108
% of new jobs to be filled by workers living in GMA	x	37.3%
New jobs to be filled by workers living in GMA	=	40
% of new workers living in GMA to form new households	x	50%
Demand from new in-state workers living in GMA		20
Total jobs to be filled by workers currently residing in-state		108
% of new jobs to be filled by in-state workers living outside GMA	x	62.7%
New jobs to be filled by in-state workers living outside GMA	=	68
% of new commuting workers that would consider relocating to GMA	x	6.0%
Demand from new in-state workers willing to relocate to the GMA	=	4
Total jobs to be filled by workers currently residing out-of-state		54
% of new out-of-state workers that would consider living in the GMA	x	100%
Demand from new out-of-state workers willing to relocate to the GMA	=	54
Demand from new in-state workers living in GMA		20
Demand from new in-state workers willing to relocate to the GMA	+	4
Demand from new out-of-state workers willing to relocate to the GMA	+	54
Total Demand from New Job Growth	=	78
2. In-Commuters		
Workers commuting into the GMA as of the 2010 Census		3,233
% of commuting workers that would consider relocating to GMA	x	6%
Workers willing to relocate from outside the GMA	=	194
Average number of workers per household in the state	÷	1.16
Total Demand From Existing Households Willing to Relocate to the GMA	=	167
Total Demand from New Job Growth		78
Total Demand From Existing Households Willing to Relocate to the GMA	+	167
Total Projected Demand for Housing	=	245
Pipeline Units	-	12
Net Projected Demand for Housing	=	233

3. Distribution of Demand by Tenure

To determine how much of the projected housing demand in the Grinnell Market Area will be for rental and owner-occupied units, we applied the Grinnell Market Area's average rental/ownership rates over the three year analysis period. While the majority of new households in this demand model are expected to originate from outside the Grinnell Market Area, the rental and ownership rates in the Grinnell Market Area most accurately reflect the realities of the local housing market place including higher ownership costs. In total, we project the Grinnell Market Area will have a net demand for 83 rental units and 150 ownership units through January of 2016.

Table 40 Projected Demand Distribution by Tenure

Projected Demand Distribution by Tenure		
Demand Distribution by Tenure		
Renter Demand:		
Net Projected Demand for Housing		233
Average % of Renters in GMA (2013-2016)	x	35.6%
Projected Renter Demand		83
Owner Demand:		
Net Projected Demand for Housing		233
Average % of Owners in Iowa (2013-2016)	x	64.4%
Project Owner Demand		150

4. Conclusions on Demand

Based on upcoming job growth and the desire of some commuting workers to relocate to the Grinnell Market Area, demand exists for both rental and for-sale housing units over the next three years. While the Grinnell Chamber of Commerce focus group findings indicate up to 40 percent of commuting workers would consider moving to Grinnell if more housing options were available, it is difficult to project if and when these commuters would actually move. Given the typical slow pace of construction and natural absorption of housing units into the market, we believe a reasonable estimate for in-commuter relocation is six percent over three years or two percent per year; however, as the potential housing demand from in-commuters is significant, we have presented multiple demand scenarios reflecting more conservative and more aggressive in-commuter relocation percentages in the table below.

Table 41 Housing Demand Scenarios, Grinnell Market Area

Grinnell Market Area Housing Demand Scenarios		
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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. Similar to 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, and the like. (In fact, “unhealthy” seniors are factored out of the demand.) Also, the senior rental demand methodology is not income specific.

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 on line 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 possible 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 in order to meet demand.

2. Senior Demand Analysis

The steps in the derivation of demand for senior rental housing are detailed below (Table 42):

- Per the household trend information discussed in Section 6, RPRG estimates that there are 1,274 householders age 62 and older in the Grinnell Market Area as of 2012. We project that this number will increase to 1,374 by 2017. Based on this estimate and projection, RPRG derived the number of households in the market area as of 2013 and 2016 via interpolation. RPRG then computed an estimate of demand for seniors’ rental housing in the subject’s market area.
- RPRG projects that the number of senior households in the Grinnell Market Area will increase from 1,294 householders in 2013 to 1,353 householders by 2016. The market area thus will gain 60 senior householders during this three-year period.

- A number of factors contribute to the removal of housing units¹. Disasters, such as fires and hurricanes, 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. Based on two recent years of statistical observations (2007-2009), the average loss was computed at 0.37 percent of the total occupied housing stock per year.

- We determined the size of the elderly-occupied housing stock in 2012, 2013, and 2014 via interpolation of housing stock estimates for 2012 and 2017. Applying the removal rate of 0.37 percent over the three years in question, RPRG estimates that approximately 17 housing units occupied by elderly householders are likely to be lost. Combining this figure with household changes, there will be a total demand for 77 new senior housing units in the market between January 2013 and January 2016.
- Based on data from the 2000 and 2010 Census, as well as Esri, we estimate and apply a renter percentage for households age 62 and older of 24.1 percent in 2014. The result is an estimated demand for 19 units of senior rental housing in the market area 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. 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. Of the 149 independent subsidized senior rental units in the Grinnell Market Area, none were reported vacant.
- Given the market area senior inventory of 149 units, 7 vacancies would be required to arrive at a 5.0 percent vacancy rate. We thus add 7 units to the total senior rental demand.
- Combining the effects of household trends, necessary unit replacement, and the preferred structural vacancy rate, there will be a total demand for 26 additional senior rental units in the market area over the three-year period.
- To ensure that only “healthy” or “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, 2004, 2005, 2006, and 2007, an estimated 5.8 percent of individuals between the ages of 55 and 64 are limited in terms of performing one or more ADLs or IADLs. Among individuals aged 65 years and older, 17.9 percent of individuals are limited in terms of performing one or more ADLs or IADLs. Applying these percentages to the 2011 age distribution of the market area, we estimate independent living rental units would not be suitable for 15.4 percent of the age 62+ households in the market.

¹ American Housing Survey, Components of Inventory Change 2007-2009; Prepared by Econometrica, Inc. for the U.S. Department of Housing & Urban Development’s Office of Policy Development & Research; May 2011.



Thus we apply to the Senior Rental Demand a screen of the 84.6 percent that are without limitations to factor out for frailty and the population that would be seeking housing that addresses these frailty issues. Applying the 84.6 percent screen to the demand of 26 yields a total “independent” Senior Rental Demand of 22 units.

- No senior rental communities were planned or under construction in the market area at the time of this report. As such, we arrive at an excess demand for 22 units of senior rental housing in the Grinnell Market Area.

3. Conclusions on Senior Demand

Overall, the independent senior rental market in the Grinnell Market Area is in relative balance with a small positive net demand for senior rental housing. Given the planned job growth in Grinnell is unlikely to add many senior renter households (62+) and seniors (62+) are much more likely to be at or near retirement age, opportunities to develop senior rental housing in the Grinnell Market Area will be limited over the next three years.

Table 42 Derivation of Senior Demand

Senior Rental Demand			
I. 62+ Household Growth			Units
2013 Households			1,294
2016 Households			1,353
Net Change in Households			60
II. Add: Elderly Units Removed from Market	62+ Hsg Stock	Removal Rate	Lost Units
2013 Housing Stock	1,294	0.370%	5
2014 Housing Stock	2,014	0.370%	7
2015 Housing Stock	1,333	0.370%	5
			17
Net New Demand for Housing Units			77
Percent 62+ Renter Households in 2015			24.1%
Net New Demand for Elderly Renter Units			19
III. Add: Senior Apartment Vacancy	Inventory	Vacant	
Stabilized Senior Rental Communities			
Stabilized Elderly Deep Subsidy Communities	149	0	
Total Competitive Inventory	149	0	
Market Vacancy at 5%			
Less: Current Vacant Units		0	
Vacant units required to reach 5% Market Vacancy			7
Total Senior Rental Demand			26
Adjustment for Frailty (62+ No Limitation with IADL or ADL)			84.6%
Total "Independent" Senior Rental Demand			22
Planned Competitive Additions to the Supply			
			Total Units 95% Occupancy
Total New "Independent" Senior Rental Supply			0
			0
Excess Demand for "Independent" Senior Rental Housing			22

Source: Real Property Research Group, Inc.

D. Product Recommendations

Based on the existing housing stock, demographics of the region, planned job growth, and current market conditions, demand exists for both rental and for-sale housing in Grinnell over the next three years. General product recommendations and pricing for rental and for-sale housing opportunities are as follows:

1. Market Rate and Affordable Rental Housing

The largest percentage of renter households in both the Grinnell Market Area and the Secondary Market Area are upper income renters, who earn from \$50,000 to \$74,999 per year (100 to 150% of AMI), and moderate income renters who earn from \$35,000 to \$49,000 annually (70 to 100% of AMI). Combined, these two income cohorts account for approximately 41 to 43 percent of all renter households in both geographies. Both renter household groups are also among the most underserved by the existing rental stock in the Grinnell Market Area, as the supply of quality market rate rental units is very limited. Over the next three years, the number of moderate and upper income renter households living in the Grinnell Market Area is expected to increase as two-thirds of Brownells projected workforce will be salaried employees in mid to upper management or professional level positions.

Demand is also strong for quality affordable housing units in the Grinnell Market Area. Currently, both LIHTC communities, which are also the newest of the existing multi-family rental communities, are performing well with a combined vacancy rate of 2.2 percent and significant waiting lists. Nearly one-third (29-30 percent) of all renter households in both the Grinnell Market Area and the Secondary Market earn from \$15,000 to \$34,999 annually. As with the demand for market rate housing, the planned job growth in Grinnell will also bring additional hourly and lower paid service workers to the Grinnell Market Area, further increasing the demand for affordable housing units over the next three years.

Product Recommendations:

- **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. 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.



- Townhomes/Attached Homes** - Townhome units or attached homes (duplexes, tri-plexes, etc.) would be an ideal product type for 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 20 to 50 unit community, consistent with the existing multi-family housing stock, comprised of two and three bedroom floor plans. Each unit should offer roughly 1,000 to 1,200 square feet (two bedroom units) and 1,200 to 1,400 square feet (three bedroom units), 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 Apartments** – The existing multi-family rental stock in the Grinnell Market Area is performing well despite its age and condition. As such, we believe a newly constructed garden-style apartment community with modern finishes, larger unit-sizes, and minimal community amenities would be attractive to renter households living in or moving to the Grinnell Market Area. We would recommend a 40 to 60 unit community, consisting of two to three story garden style buildings with brick/stone and Hardiplank siding exteriors. The community should offer one, two, and three bedroom floor plans with approximate unit sizes of 650-750 square feet, 950-1,150 square feet, and 1,100-1,300 square feet, respectively. The unit distribution should include 50 percent two bedroom units, 35 percent one bedroom units, and 15 percent three bedroom units. The higher proportions of one and two bedroom units will help to



serve the significant number of one and two person households living in and around the Grinnell Market Area. Overall, garden-style apartments will appeal to a wide variety of households including single persons, couples, roommates, small families, and possibly some seniors.

- Adaptive Reuse** – In addition to the housing options described above, Grinnell offers several opportunities for adaptive reuse housing including school buildings that may be vacated with the consolidation of the public school district and the Iowa Transportation Museum. Given its location one block from downtown, the Iowa Transportation Museum would be an ideal fit for loft style apartments targeting younger professionals living in and around the Grinnell Market Area. It could also be successful as a mixed-income or affordable housing community targeting single working-age adults and couples attracted to the area by



the creation of hourly and lower paid service jobs. The school buildings also offer a wide range of housing possibilities, though they would likely work best as affordable housing communities. Given the unique nature of the buildings and the redevelopment process, a unit mix and rents for an adaptive reuse community would vary widely depending upon the design and target market of the property.

Pricing:

Assuming an appropriate product based on the recommendations above, RPRG judges a new rental community in Grinnell can be priced at or near the top of the rental market. 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 best in the market upon construction. The pent up demand for new rental housing in and around the Grinnell Market Area along with upcoming job growth will also help support the community's price position. Among the product types recommended (excluding adaptive reuse), single-family detached homes would have the highest achievable rents followed by townhomes/attached homes, and garden apartments. 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. For an affordable housing community, the price position for 60 percent LIHTC units could be the same as those for a market rate community as 2012 maximum allowable rents (net of utilities) for Poweshiek County are higher than those proposed; however, to effectively target low to moderate income households we would recommend rents equal to the 60 percent units at Arbors. Table 43 on the following page presents RPRG's recommended rents for each product type, assuming that residents are responsible for all utilities except the cost of trash removal.

Table 43 RPRG Recommended Market Rate Rents, Grinnell Market Area

Unit Type	Building Type	Bed	Bath	Avg. Square Feet	Net Rent	Rent/Sq Ft
Market	Garden	1	1	700	\$500	\$0.71
Market	Garden	2	2	1,050	\$650	\$0.62
Market	Townhome	2	2	1,100	\$675	\$0.61
Market	SF Detached	2	2	1,200	\$700	\$0.58
Market	Garden	3	2	1,200	\$700	\$0.58
Market	Townhome	3	2	1,300	\$725	\$0.56
Market	SF Detached	3	2	1,400	\$800	\$0.57
				1,136	\$679	\$0.60

Rents include: trash removal

Table 44 RPRG Recommended LIHTC Rents, Grinnell Market Area

Unit Type	AMI Level	Bed	Bath	Avg. Square Feet	Net Rent	Rent/Sq Ft
LIHTC	60%	1	1	700	\$450	\$0.64
LIHTC	60%	2	2	1,050	\$585	\$0.56
LIHTC	60%	3	2	1,200	\$685	\$0.57
Total/Avg.				1,136	\$609	\$0.54

Rents include: trash removal

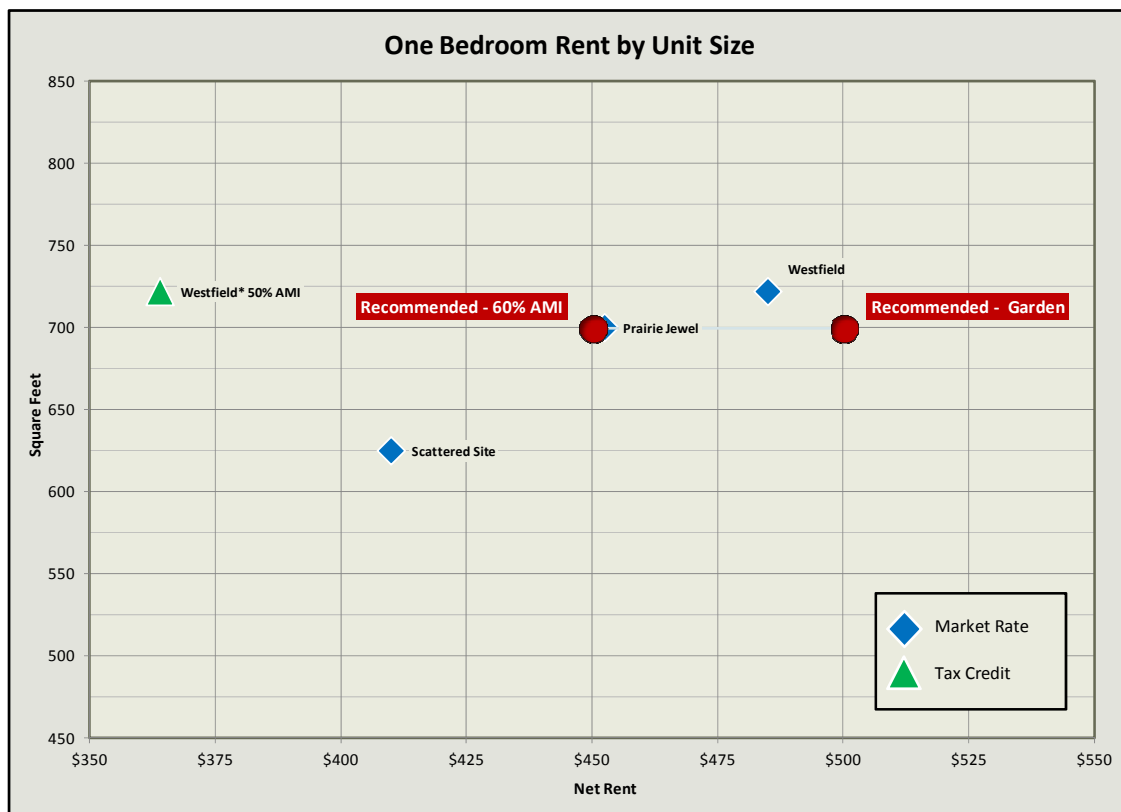
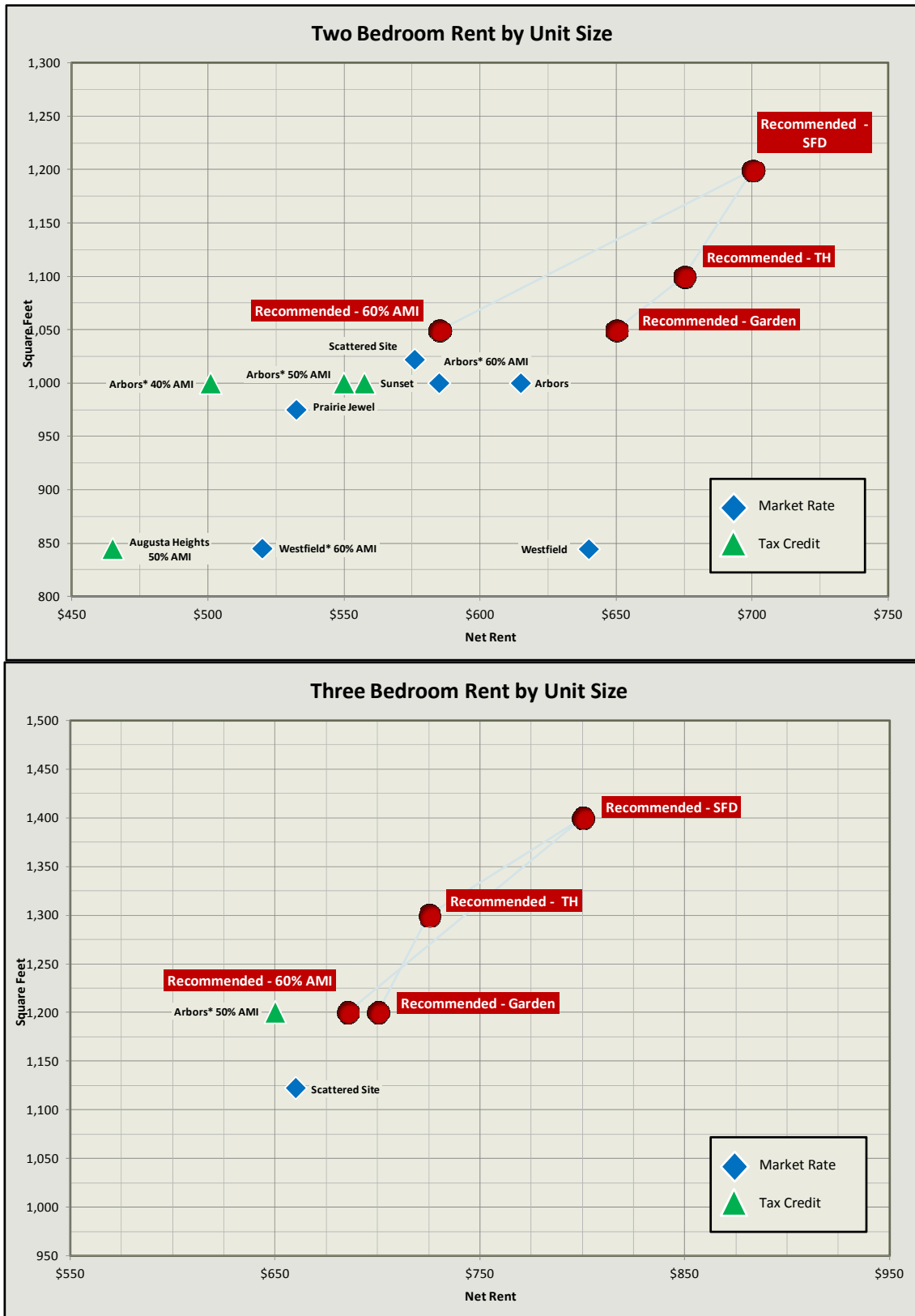
Table 45 Price Position, One Bedroom Units

Table 46 Price Position, Two and Three Bedroom Units



2. For-Sale Housing

The majority of the existing for-sale housing stock in the Grinnell Market Area is of an older vintage, as nearly two-thirds (64.9 percent) of owner occupied housing units were built prior to 1970 and 82.7 percent were built prior to 1990. The quality of these units varies significantly, though many are in what would be considered poor or below average condition. Over the past decade, the Grinnell Market Area experienced limited housing growth with an average of just 24 units permitted per year (2000 to 2009). In addition, most of the owner occupied units constructed since 2000 have targeted the highest income households, as evidenced in two of the four active for-sale communities in the city. Taking all of these factors into account, few quality housing units exist for moderate and upper income households in the Grinnell Market Area. Given moderate and upper income households comprise approximately 60 to 62 percent of all owner households in both the Grinnell Market Area and the Secondary Market Area, a distinct gap exists between the existing housing supply and the current housing demand. Over the next three years, housing demand from moderate and upper income households is expected to increase further as new workers from planned job growth consider a move to Grinnell.

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. However, given the relatively high land and construction costs in Grinnell, single-family detached homes would need to be modestly sized “starter” homes to be priced low enough for moderate income households. As such, new single-family detached homes would be best suited to meet the demand from upper income households. We would recommend building three bedroom homes offering roughly 1,800 to 2,800 of finished square feet. At a minimum, 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 would be well received in the community and could target middle income price points. 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 to two-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 1,100 to 1,300 square feet and 1,300 to 1,500 square feet, respectively. The target market of this product type would include couples, roommates, and small to large families.

- **Condominiums** – Two condominium communities exist in Grinnell, one that was constructed in the 1980's and one that was built within the last ten years. Given the small size of Grinnell, high density for-sale units are not overly common. While condominiums offer another avenue for moderate income households to enter into home ownership, this product type does not fit as well with the lower density of development that dominates Grinnell. Based on field observations, interviews with community members, and our competitive surveys, households living in Grinnell generally prefer more space, privacy, and a yard. As such, higher density unit types, while necessary for many renter households, are not preferable to owner households. While it is possible some demand may exist for condominium units in the Grinnell Market Area, we believe the product types previously discussed are a better fit for the market at this time.

Pricing:

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

Table 47 RPRG Recommended Rents, Grinnell Market Area

Grinnell Market Area For-Sale Units - Recommended Pricing						
Product Type	Bed	Bath	Square Feet	Base Price	Sales Price*	Sales Price/Sq. Ft.
Townhome	2	1.5	1,100	\$65,000	\$74,750	\$67.95
Townhome	2	1.5	1,200	\$80,000	\$92,000	\$76.67
Townhome	2	1.5	1,300	\$100,000	\$115,000	\$88.46
Townhome	3	2.5	1,300	\$100,000	\$115,000	\$88.46
Townhome	3	2.5	1,500	\$120,000	\$138,000	\$92.00
Attached Home	2	2	1,500	\$120,000	\$138,000	\$92.00
Attached Home	3	2	1,700	\$140,000	\$161,000	\$94.71
Single-Family Detached Home	3	2.5	1,800	\$150,000	\$172,500	\$95.83
Single-Family Detached Home	3	2.5	2,400	\$185,000	\$212,750	\$88.65
Single-Family Detached Home	3	2.5	2,800	\$215,000	\$247,250	\$88.30
Average			1,660	\$127,500	\$146,625	\$88.33

*Increased by 15% for options

The pricing and unit sizes of each product type are based on recent sales data (2012) at each price point, with a comparable average sales price of \$88.33 per square foot. These newly constructed for-sale units will be competitive in the market place and attractive to prospective moderate and upper income owner households living in and around the Grinnell Market Area. The addition of these units will also help to serve the projected demand from planned job growth and potential in-commuter relocation over the next three years.

3. Senior Housing

Based on net demand estimates, household growth projections, and the demographic characteristics of the Grinnell Market Area, the senior housing supply is likely to remain in relative balance with senior housing demand over the next three years. Given upcoming job growth and the potential relocation of in-commuting workers is unlikely to have a significant impact on the Grinnell Market Area's senior household base (62+), we would not recommend the addition of senior specific housing at this time. The only exception would be for a deeply subsidized senior community, as a significant proportion of senior renter households in both the Grinnell Market Area and the Secondary Market Area have an annual income of less than \$25,000. This is supported by existing deeply subsidized senior rental communities in the Grinnell Market Area, all of which were fully occupied with waiting lists.

E. 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 and the Secondary 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 each of three product types recommended. All income qualified households from the Secondary Market Area are adjusted by the percentage of workers commuting to the city of Grinnell as of the 2010 Census (5.3 percent). It is important to note these affordability analyses only account for potential commuters from the Secondary Market Area and not those from other parts of Iowa or outside the state.

The first component of the affordability analyses involves looking at total income and renter income among Grinnell Market Area and Secondary 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 2014.

Using 2014 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 2006-2010 American Community Survey with estimates and projected income growth since the Census (Table 48 and Table 49).

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 25 percent rent 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 100% of the AMI. LIHTC units are limited to 60 percent of the AMI. Utility allowances are estimated at \$85 for one bedroom units, \$110 for two bedroom units, and \$135 for three bedroom units.

Table 48 2014 Income Distribution, Grinnell Market Area

		Total Households		Renter Households	
		<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
less than	\$15,000	441	12.1%	284	21.9%
	\$15,000	349	9.6%	224	17.3%
	\$25,000	362	9.9%	177	13.6%
	\$35,000	517	14.2%	207	16.0%
	\$50,000	975	26.8%	349	27.0%
	\$75,000	507	13.9%	27	2.1%
	\$100,000	342	9.4%	17	1.3%
	\$150,000	86	2.4%	4	0.3%
	\$200,000 over	63	1.7%	6	0.5%
Total		3,642	100.0%	1,296	100.0%
Median Income		\$53,923		\$32,910	

Source: 2006-2010 ACS, Projections Real Property Research Group, Inc.

Table 49 2014 Income Distribution, Secondary Market Area

		Total Households		Renter Households	
		<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
less than	\$15,000	2,840	9.4%	1,457	17.6%
	\$15,000	2,849	9.5%	1,461	17.7%
	\$25,000	2,686	8.9%	1,015	12.3%
	\$35,000	4,886	16.2%	1,478	17.9%
	\$50,000	7,937	26.3%	1,896	22.9%
	\$75,000	4,672	15.5%	596	7.2%
	\$100,000	3,404	11.3%	321	3.9%
	\$150,000	555	1.8%	34	0.4%
	\$200,000 over	317	1.1%	19	0.2%
Total		30,145	100.0%	8,278	100.0%
Median Income		\$55,705		\$37,089	

Source: 2006-2010 ACS, Projections Real Property Research Group, Inc.

2. Rental Affordability Analysis

The affordability analysis is based on the proposed rents for each product type recommended in the Grinnell Market Area. The steps in the affordability analysis (Table 50 and Table 51) are as follows:

- Looking at garden-style units, the overall average shelter cost for a one bedroom unit would be \$585 (\$500 shelter rent plus an \$85 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 \$20,057 per year. The projected number of Grinnell Market Area and commuting Secondary Market Area households earning at least this amount in 2014 is 4,396.
- Assuming an average household size of 1.5 persons per bedroom, the maximum income limit for a three bedroom unit at our artificial cap of 120 percent of AMGI would be \$83,160. According to the interpolated income distribution for 2014, 1,227 households will reside in the Grinnell Market Area or commute from the Secondary Market Area with incomes exceeding this artificial income limit.
- Subtracting the 1,227 households with incomes above the maximum income limit from the 4,679 households that could afford to rent this unit, RPRG computes that an estimated 3,169 households in the Grinnell Market Area and commuting from the Secondary Market Area are in the band of affordability for garden-style apartments (one, two, and three bedroom units). The projected rental demand of 82 units would need to capture 2.6 percent of these income-qualified households to absorb all 82 units.
- RPRG next tested the range of qualified households that are renters and determined that 1,221 renter households have incomes above the \$20,057 income threshold. Of these, 87 have incomes above our maximum income of \$83,160. The net result is 1,134 renter households within our income band. To absorb 82 new rental units, the subject would need to capture 7.2 percent of income-qualified renter households.
- Using the same methodology, the renter capture rates for townhome/attached home units and single-family detached homes were 8.7 percent and 8.9 percent, respectively.
- RPRG also tested the affordability of an LIHTC community consisting entirely of 60 percent units. As all recommended LIHTC rents are the same across all product types, only one affordability calculation was completed. Overall, an 82-unit LIHTC community with units restricted to households earning up to 60 percent of the AMI would need to capture 7.0 of all income qualified households and 14.7 percent of income qualified renter households to lease up.

Table 50 Market Rate Income Qualified Households (120 Percent AMI), Grinnell Market Area and Secondary Market Area

	# of Units	All Households in GMA and Commuting =5,240					Renter Households =1,735				
			Band of Qualified Hhlds		# Qualified HHs	Capture Rate		Band of Qualified Hhlds		# Qualified HHs	Capture Rate
Grinnell Market Area		Income	\$20,057	\$83,160			Income	\$20,057	\$83,160		
Grinnell Market Area		GMA HHs	3,025	833	2,191		Renter HHs	899	46	853	
Secondary Market Area		SMA Com. HHs	1,371	393	977		SMA Com. HHs	322	41	281	
Garden Units Total	82		4,396	1,227	3,169	2.6%		1,221	87	1,134	7.2%
Grinnell Market Area		Income	\$26,914	\$83,160			Income	\$26,914	\$83,160		
Grinnell Market Area		HHs	2,783	833	1,950		Renter HHs	754	46	708	
Secondary Market Area		SMA Com. HHs	1,269	393	876		SMA Com. HHs	274	41	233	
Townhome Units Total	82		4,052	1,227	2,825	2.9%		1,028	87	941	8.7%
Grinnell Market Area		Income	\$27,771	\$83,160			Income	\$27,771	\$83,160		
Grinnell Market Area		HHs	2,752	833	1,919		Renter HHs	739	46	693	
Secondary Market Area		SMA Com. HHs	1,257	393	863		SMA Com. HHs	269	41	228	
SFD Homes Total	82		4,009	1,227	2,782	2.9%		1,008	87	921	8.9%

Source: Estimates, Real Property Research Group, Inc.

Table 51 LIHTC Income Qualified Households (60 Percent AMI), Grinnell Market Area and Secondary Market Area

	# of Units	All Households in GMA and Commuting =5,240					Renter Households =1,735				
			Band of Qualified Hhlds		# Qualified HHs	Capture Rate		Band of Qualified Hhlds		# Qualified HHs	Capture Rate
Grinnell Market Area		Income	\$18,343	\$41,580			Income	\$18,343	\$41,580		
Grinnell Market Area		GMA HHs	3,084	2,264	820		Renter HHs	937	520	417	
Secondary Market Area		SMA Com. HHs	1,397	1,040	356		SMA Com. HHs	336	196	140	
All Products Total Units	82		4,481	3,304	1,177	7.0%		1,273	716	556	14.7%

Source: Estimates, Real Property Research Group, 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 2012 Poweshiek County property tax rate of 1.17, a \$200 per year homeowner's association fee, and an underwriting criteria of 25 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 or relocate from the Secondary Market Area in 2014 (Table 52). The number of income qualified owner households ranges from 2,944 households for the most affordable floor plan to 1,364 owner households for the most expensive floor plan.

Table 52 Income Qualified Owner Households, Grinnell Market Area and Secondary Market Area

Product Base Price	Th - 2 Bd. \$65,000	TH - 2 Bd. \$80,000	TH - 2/3 Bd. \$100,000	TH - 3 Bd. \$120,000	Att. Home - 2 Bd. \$120,000
Base Price plus 15% Options	\$74,750	\$92,000	\$115,000	\$138,000	\$138,000
% Down Payment	5%	5%	5%	5%	5%
\$ Down Payment	\$3,738	\$4,600	\$5,750	\$6,900	\$6,900
Term	30	30	30	30	30
Interest Rate	4.00%	4.00%	4.00%	4.00%	4.00%
Local Property Tax Rate	1.17	1.17	1.17	1.17	1.17
Condominium Fee	200	200	200	200	200
Payment	\$622	\$719	\$849	\$979	\$979
Income Range	\$29,850	\$34,523	\$40,754	\$46,984	\$46,984
# Qualified Hslds	1,975	1,899	1,775	1,649	1,649
# Qualified Hslds - Relocating	969	933	863	790	790
Total Qualified Hslds	2,944	2,832	2,638	2,439	2,439

Product Base Price	Att. Home - 3 Bd. \$140,000	SFH - 3 Bd. \$150,000	SFH - 3 Bd. \$185,000	SFH - 3 Bd. \$215,000
Number of Units				
Base Price plus 15% Options	\$161,000	\$172,500	\$212,750	\$247,250
% Down Payment	5%	5%	5%	5%
\$ Down Payment	\$8,050	\$8,625	\$13,800	\$12,363
Term	30	30	30	30
Interest Rate	4.00%	4.00%	4.00%	4.00%
Local Property Tax Rate	1.17	1.17	1.17	1.17
Condominium Fee	200	200	200	200
Payment	\$1,089	\$1,152	\$1,374	\$1,565
Income Range	\$52,249	\$55,295	\$65,958	\$75,097
# Qualified Hslds	1,514	1,437	1,170	942
# Qualified Hslds - Relocating	714	675	539	422
Total Qualified Hslds	2,228	2,112	1,709	1,364

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 and Secondary Market Area are also conservative, as they do not include potential renter and owner households willing to relocate from other parts of Iowa and outside the state. Overall, sufficient income qualified households exist to support the projected rental and for-sale demand over the next three years.

F. Impact on Existing Market

Given the expected job growth and stability of the current housing markets, we do not believe the addition 83 rental units or 150 for-sale units over the next three years will have a negative long-term impact on existing communities in the Grinnell Market Area. On the rental side, it is possible some existing communities could experience short-term increases in vacancy as the new rental units are absorbed into the market; however, this is typical of most markets and will not have any adverse lasting effects.

G. Final Conclusion / Recommendation

The City of 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. Despite its economic stability, Grinnell experienced minimal population and household growth over the past decade as roughly two-thirds of its workforce chooses to commute rather than live in the city. This decision is due in part to Grinnell's limited housing stock, most of which is at least 40 years old and not attractive to or suitable for its burgeoning skilled labor force. As land availability is also limited, particularly in the more affluent northern half of the city, higher development costs have raised prices for the newest and most attractive housing options (both rental and for-sale), largely excluding moderate and upper income households in the process. As these households have the means to obtain suitable housing at more affordable prices in Grinnell's immediately surrounding area, they have a greater deal of flexibility on where they choose to live and work.

The Grinnell Market Area's existing rental stock is performing well with an overall average vacancy rate of approximately three percent. The demand for high quality rental units is evident, as the newest of the rental communities are at or near full occupancy with waiting lists for some units. Downtown loft apartments are also in high demand as they are also fully occupied with waiting lists, despite having some of the highest rents in the market. Overall, the lack of quality rental units in the Grinnell Market Area has led to higher rents and pent up demand for both affordable and market rate rental units. On the for-sale housing side, the construction of new housing units has been very limited over the past ten years. While four newly constructed single-family detached home communities have lots available for purchase, high land and development costs appear to be an impediment to new home construction for most households.

Over the next three years, Grinnell is expected to add approximately 170 to 230 jobs, most of which will occur at Brownell's new warehouse and distribution facility in the southern portion of the city (162 jobs). This new job growth will attract households with a wide range of incomes to the area, including a number of mid-level professionals who are likely to be moderate to upper income earners. In most instances, new workers will likely attempt to establish a residence in Grinnell first, creating additional housing demand above and beyond that of existing in-commuters and local residents. It is this component of demand in the Grinnell Market Area that is most likely to drive

housing growth over the next three years as the existing housing stock is not currently capable of supporting these additional households. While substantial potential exists for Grinnell to attract in-commuting households to live in the city, we believe households relocating to Grinnell as a direct result of job growth should be the initial focus of housing development.

Based on current market conditions, projected job growth, and potential in-commuter relocation, we conservatively estimate the Grinnell Market Area will have a net demand for 83 rental units and 150 for-sale units over the next three years. We recommend that new housing units largely target moderate to upper income households, which form the core of the Grinnell Market Area's workforce, while also exploring affordable housing opportunities to serve low income households currently living in or relocating to the city. An assortment of product types are suitable for development within the Grinnell Market Area, including single-family detached homes, townhomes/attached homes, multi-family housing, and adaptive reuse communities. Based on all of the factors discussed above, we believe a variety of opportunities exist for housing development in Grinnell and would be well received in the community. Given the projected job growth and pent-up demand in the rental market, we do not expect new housing communities to have an adverse long-term impact on the existing housing stock.

A handwritten signature in black ink, appearing to read 'Michael Riley'.

Michael Riley
Analyst

A handwritten signature in black ink, appearing to read 'Tad Scepianiak'.

Tad Scepianiak
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 property that is the subject of this report.
- The market can support the proposed project as shown in the study.

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

Michael Riley
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 Affordable Housing Market Analysts (NCAHMA). This study has been prepared in conformance with the standards adopted by NCAHMA for the market analysts' industry. These standards include the Standard Definitions of Key Terms Used in Market Studies for Affordable Housing Projects and Model Content Standards for the Content of Market Studies for Affordable 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 Affordable Housing Market Analysts.

Real Property Research Group, Inc. is duly qualified and experienced in providing market analysis for Affordable Housing. The company's principals participate in NCAHMA 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 Scepianiak

Name

Principal

Title

November 5, 2012

Date



APPENDIX 4 ANALYST RESUMES

ROBERT M. LEFENFELD

Mr. Lefenfeld founded Real Property Research Group in February 2001 after more than 20 years of experience in the field of residential market research. As an officer of research subsidiaries of the accounting firm of Reznick Fedder & Silverman and Legg Mason, he has closely monitored residential markets throughout the Mid-Atlantic United States. Between 1998 and 2001, Bob was Managing Director of RF&S Realty Advisors, conducting market studies throughout the United States on rental and for-sale projects. 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, where he analyzed markets throughout the Eastern United States and evaluated the company's active building operation on an ongoing basis.

Bob has lectured and written extensively on the subject of residential real estate market analysis. He has served as a panel member, speaker, and lecturer at events held by the National Association of Homebuilders and the National Council on Seniors Housing. Recent articles have appeared in ULI's Multifamily Housing Trends magazine. Mid-Atlantic Builder.

Bob is currently a member of the National Council of Affordable Housing Market Analysts' executive committee serving as Chair.

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 of 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. In addition, he has conducted feasibility work in conjunction with Hope VI applications for redevelopment of public housing sites and analyses of rental developments for 221(d)4 insurance and tax credit applications.

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. Information compiled is committed to a Geographic Information System (GIS), allowing the comprehensive integration of data.

Education:

Masters of Urban and Regional Planning; The George Washington University.

Bachelor of Arts, Political Science; Northeastern University.

TAD SCEPANIAK

Mr. Scepaniak directs our Atlanta office. He has thirteen years of experience in the field of residential rental market research. Before joining the firm, Tad was president of national firm, where he was involved extensively in the Low Income Tax Credit program throughout the entire United States. Mr. Scepaniak has completed work in approximately 25 states and Puerto Rico over the past eight years. He also has experience conducting studies under the HUD 221d program, market rate rental properties, and student housing developments. Along with work for developer clients, Tad has led our research efforts for both the North Carolina and Georgia Housing Finance agencies. Mr. Scepaniak is also responsible for development and implementation of many of the firm's automated analytic systems.

Tad is a member of the National Council of Affordable Housing Market Analysts' (NCAHMA) Standards Committee and has been involved in the development of the organization's Standard Definitions, Recommended Market Study Content, and various white papers regarding market areas, derivation of market rents, and selection of comparable properties.

Areas of Concentration:

Low Income Tax Credit Rental Housing: Mr. Scepaniak has worked extensively with the Low Income Tax Credit program throughout the United States, with special emphasis on the Southeast and Mid-Atlantic regions. Mr. Scepaniak not only works with developers in their efforts to obtain tax credit financing, but also has received large contracts with state housing agencies including North Carolina Housing Finance Agency and Georgia Department of Community Affairs.

Senior Housing: Mr. Scepaniak 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. Scepaniak 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.

Education:

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

MICHAEL RILEY

Michael Riley joined the Atlanta office of Real Property Research Group upon college graduation in 2006. Beginning as a Research Associate, Michael gathered economic, demographic, and competitive data for market feasibility analyses concentrating in family and senior affordable housing. Since transitioning to an Analyst position in late 2007, he has performed market analyses for both affordable and market rate rental developments throughout the United States including work in Georgia, Iowa, North Carolina, South Carolina, Tennessee, and Virginia.

Michael has also assisted in the development of research tools for the organization, including developing a rent comparability table that is now incorporated in many RPRG analyses.

Education:

Bachelor of Business Administration – Finance; University of Georgia



APPENDIX 5 MARKET AREA RENTAL COMMUNITY PROFILES

Arbors

Multifamily Community Profile

401 Washington Ave.
Grinnell, IA

CommunityType: LIHTC - General

Structure Type: Garden

42 Units 4.8% Vacant (2 units vacant) as of 10/31/2012

Opened in 2001



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	Comm Rm:	Basketball:
One	--	--	--	--	Centrl Lndry:	Tennis:
One/Den	--	--	--	--	Elevator:	Volleyball:
Two	--	\$563	1,000	\$0.56	Fitness:	CarWash:
Two/Den	--	--	--	--	Hot Tub:	BusinessCtr:
Three	--	\$668	1,200	\$0.56	Sauna:	ComputerCtr:
Four+	--	--	--	--	Playground:	☒

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

Waitlist for the 2 Bedroom market rate units

Floorplans (Published Rents as of 10/31/2012) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	1	--	\$501	1,000	\$0.50	LIHTC/ 40%	10/31/12	4.8%	--	\$563	\$668
Garden	--	2	1	--	\$550	1,000	\$0.55	LIHTC/ 50%					
Garden	--	2	1	--	\$585	1,000	\$0.59	LIHTC/ 60%					
Garden	--	2	1	--	\$615	1,000	\$0.62	Market					
Garden	--	3	2	--	\$650	1,200	\$0.54	LIHTC/ 50%					
Garden	--	3	2	--	\$685	1,200	\$0.57	LIHTC/ 60%					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: ☐ Cooking: ☐ Wtr/Swr: ☒

Hot Water: ☐ Electricity: ☐ Trash: ☒

Arbors

IA157-018280

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

Center Street

Multifamily Community Profile

506 Center St.
Grinnell, IA

Community Type: Deep Subsidy-General

Structure Type: Garden

12 Units 33.3% Vacant (4 units vacant) as of 10/31/2012

Opened in 1980

Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	Comm Rm:	Basketball:
One	--	--	--	--	Centrl Lndry:	Tennis:
One/Den	--	--	--	--	Elevator:	Volleyball:
Two	100.0%	\$410	720	\$0.57	Fitness:	CarWash:
Two/Den	--	--	--	--	Hot Tub:	BusinessCtr:
Three	--	--	--	--	Sauna:	ComputerCtr:
Four+	--	--	--	--	Playground:	

Features

Standard: Ceiling Fan; Window A/C; Patio/Balcony

Select Units: --

Optional(\$): --

Security: --

Parking 1: Free Surface Parking
Fee: --

Parking 2: --
Fee: --

Property Manager: --
Owner: --

Comments

Rural development, rent is basic rent
All units have PBRA

Floorplans (Published Rents as of 10/31/2012) (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	\$390	720	\$0.54	USDA	10/31/12	33.3%	--	\$410	--

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

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

Center Street

IA157-018278

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

Gracie Park

Multifamily Community Profile

428 East St.
Grinnell, IA

CommunityType: Market Rate - General

Structure Type: 2-Story Garden/TH

56 Units 0.0% Vacant (0 units vacant) as of 11/5/2012

Last Major Rehab in 2006 Opened in 1982



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	Comm Rm:	Basketball:
One	--	--	--	--	Centrl Lndry:	Tennis:
One/Den	--	--	--	--	Elevator:	Volleyball:
Two	71.4%	\$480	--	--	Fitness:	CarWash:
Two/Den	--	--	--	--	Hot Tub:	BusinessCtr:
Three	28.6%	\$625	--	--	Sauna:	ComputerCtr:
Four+	--	--	--	--	Playground:	

Features

Standard: Dishwasher; Disposal; Microwave; Ice Maker; Ceiling Fan;
Patio/Balcony; Storage (In Unit)

Select Units: In Unit Laundry

Optional(\$): --

Security: --

Parking 1: Free Surface Parking
Fee: --

Parking 2: Detached Garage
Fee: --

Property Manager: --
Owner: --

Comments

Washer and dryer in townhomes only

Accepts Section 8 vouchers

Floorplans (Published Rents as of 11/5/2012) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	1	40	\$480	--	--	Market	11/5/12	0.0%	--	\$480	\$625
Townhouse	--	3	1	16	\$625	--	--	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

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

Gracie Park

IA157-018293

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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 Park

Multifamily Community Profile

223 4th Ave. W
Grinnell, IA

CommunityType: Deep Subsidy-General

Structure Type: Garden

24 Units

4.2% Vacant (1 units vacant) as of 10/31/2012



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	Comm Rm:	Basketball:
One	50.0%	\$513	600	\$0.86	Centrl Lndry:	Tennis:
One/Den	--	--	--	--	Elevator:	Volleyball:
Two	50.0%	\$614	720	\$0.85	Fitness:	CarWash:
Two/Den	--	--	--	--	Hot Tub:	BusinessCtr:
Three	--	--	--	--	Sauna:	ComputerCtr:
Four+	--	--	--	--	Playground:	

Features

Standard: Central A/C

Select Units: --

Optional(\$): --

Security: --

Parking 1: Free Surface Parking
Fee: --

Parking 2: --
Fee: --

Property Manager: --
Owner: --



Comments

Rural development, rent is basic rent

All units have PBRA

Note rate rent for the one bedroom is \$643 and \$783 for the two bedroom units

Floorplans (Published Rents as of 10/31/2012) (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	\$513	600	\$0.86	USDA	10/31/12	4.2%	\$513	\$614	--
Garden	--	2	1	12	\$614	720	\$0.85	USDA					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

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

Grinnell Park

IA157-018279

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

Prarie Jewel

Multifamily Community Profile

615 East St.
Grinnell, IA

CommunityType: Market Rate - General

Structure Type: Garden

49 Units

2.0% Vacant (1 units vacant) as of 10/31/2012

Opened in 1985



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	Comm Rm:	Basketball:
One	--	\$453	700	\$0.65	Centrl Lndry:	Tennis:
One/Den	--	--	--	--	Elevator:	Volleyball:
Two	--	\$533	975	\$0.55	Fitness:	CarWash:
Two/Den	--	--	--	--	Hot Tub:	BusinessCtr:
Three	--	--	--	--	Sauna:	ComputerCtr:
Four+	--	--	--	--	Playground:	

Features

Standard: Dishwasher; Disposal; Central A/C; Patio/Balcony

Select Units: Ceiling Fan

Optional(\$): --

Security: --

Parking 1: Free Surface Parking
Fee: --

Parking 2: --
Fee: --

Property Manager: --
Owner: --



Comments

Built between the late 70's and the late 80's

Floorplans (Published Rents as of 10/31/2012) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	--	\$438	700	\$0.63	Market	10/31/12	2.0%	\$453	\$533	--
Garden	--	2	1	--	\$513	975	\$0.53	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent:

Heat Fuel: Electric

Heat: ☐

Cooking: ☐

Wtr/Swr: ☐

Hot Water: ☐

Electricity: ☐

Trash: ☒

Prarie Jewel

IA157-018276

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

Sunset

Multifamily Community Profile

1629 Sunset St.
Grinnell, IA

CommunityType: Market Rate - General

Structure Type: Garden

14 Units 0.0% Vacant (0 units vacant) as of 10/31/2012

Opened in 1989



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	Comm Rm:	Basketball:
One	--	--	--	--	Centrl Lndry:	Tennis:
One/Den	--	--	--	--	Elevator:	Volleyball:
Two	100.0%	\$558	1,000	\$0.56	Fitness:	CarWash:
Two/Den	--	--	--	--	Hot Tub:	BusinessCtr:
Three	--	--	--	--	Sauna:	ComputerCtr:
Four+	--	--	--	--	Playground:	

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

Waitlist

Floorplans (Published Rents as of 10/31/2012) (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	\$538	1,000	\$0.54	Market	10/31/12	0.0%	--	\$558	--

Adjustments to Rent

Incentives:

None

Utilities in Rent:

Heat Fuel: Electric

Heat: ☐

Cooking: ☐

Wtr/Swr: ☐

Hot Water: ☐

Electricity: ☐

Trash: ☒

Sunset

IA157-018277

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

Westfield

Multifamily Community Profile

306 4th Ave. W
Grinnell, IA

CommunityType: LIHTC - General

Structure Type: Garden

48 Units 0.0% Vacant (0 units vacant) as of 10/31/2012

Opened in 2000



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	Comm Rm:	Basketball:
One	--	\$425	722	\$0.59	Centrl Lndry:	Tennis:
One/Den	--	--	--	--	Elevator:	Volleyball:
Two	--	\$542	845	\$0.64	Fitness:	CarWash:
Two/Den	--	--	--	--	Hot Tub:	BusinessCtr:
Three	--	--	--	--	Sauna:	ComputerCtr:
Four+	--	--	--	--	Playground:	

Features

Standard: Dishwasher; Disposal; Ceiling Fan; Central A/C; Patio/Balcony

Select Units: In Unit Laundry

Optional(\$): --

Security: Keyed Bldg Entry

Parking 1: Free Surface Parking
Fee: --

Parking 2: Detached Garage
Fee: \$50

Property Manager: --
Owner: --

Comments

Accepts Section 8 Vouchers, waitlist of 130 people

2 Bedroom units have washer and dryer connections

Floorplans (Published Rents as of 10/31/2012) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	--	\$364	722	\$0.50	LIHTC/ 50%	10/31/12	0.0%	\$425	\$542	--
Garden	--	1	1	--	\$485	722	\$0.67	Market					
Garden	--	2	1	--	\$465	824	\$0.56	LIHTC/ 50%					
Garden	--	2	1	--	\$520	824	\$0.63	LIHTC/ 60%					
Garden	--	2	1	--	\$640	824	\$0.78	Market					
Garden	--	2	1.5	--	\$465	865	\$0.54	LIHTC/ 50%					
Garden	--	2	1.5	--	\$520	865	\$0.60	LIHTC/ 60%					
Garden	--	2	1.5	--	\$640	865	\$0.74	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: ☐ Cooking: ☐ Wtr/Swr: ☒

Hot Water: ☐ Electricity: ☐ Trash: ☒

Westfield

IA157-018281

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Brookside East

Senior Community Profile

131 4th Ave. W
Grinnell, IA

CommunityType: Deep Subsidy-Elderly

Structure Type: Garden

21 Units 0.0% Vacant (0 units vacant) as of 10/31/2012

Opened in 1977



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Gardening:
Eff	--	--	--	--	☒	☐
One	85.7%	\$415	640	\$0.65	Comm Rm: ☒	Library: ☐
One/Den	--	--	--	--	Centrl Lndry: ☐	Arts&Crafts: ☐
Two	14.3%	\$502	720	\$0.70	Elevator: ☐	Health Rms: ☐
Two/Den	--	--	--	--	Fitness: ☐	Guest Suite: ☐
Three	--	--	--	--	Hot Tub: ☐	Conv Store: ☐
Four+	--	--	--	--	Sauna: ☐	ComputerCtr: ☐
					Walking Pth: ☐	Beauty Salon: ☐

Features

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

Select Units: Ceiling Fan

Optional(\$): --

Security: --

Parking: Free Surface Parking

Comments

Some units have PBRA

Waitlist of 10 people

Rural Development, rent is basic rent

Property Manager: --

Owner: --

Floorplans (Published Rents as of 10/31/2012) (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	\$400	640	\$0.63	USDA	10/31/12	0.0%	\$415	\$502	--
Garden	--	2	1	3	\$482	720	\$0.67	USDA					

Adjustments to Rent

Incentives:

None

Utilities in Rent:

Heat Fuel: Electric

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

Brookside East

IA157-018285

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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 South

Senior Community Profile

90 4th Ave.
Grinnell, IA

CommunityType: Deep Subsidy-Elderly

Structure Type: Garden

51 Units 0.0% Vacant (0 units vacant) as of 10/31/2012

Opened in 1982



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Gardening:
Eff	--	--	--	--	Comm Rm:	Library:
One	100.0%	\$825	670	\$1.23	Centrl Lndry:	Arts&Crafts:
One/Den	--	--	--	--	Elevator:	Health Rms:
Two	--	--	--	--	Fitness:	Guest Suite:
Two/Den	--	--	--	--	Hot Tub:	Conv Store:
Three	--	--	--	--	Sauna:	ComputerCtr:
Four+	--	--	--	--	Walking Pth:	Beauty Salon:

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 6 people

Section8, rent is contract rent

Property Manager: --

Owner: --

Floorplans (Published Rents as of 10/31/2012) (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	\$810	670	\$1.21	Section 8	10/31/12	0.0%	\$825	--	--

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

CommunityType: Deep Subsidy-Elderly

Structure Type: Garden

23 Units 0.0% Vacant (0 units vacant) as of 10/31/2012

Opened in 1978



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Gardening:
Eff	--	--	--	--	☒	☐
One	100.0%	\$376	640	\$0.59	Comm Rm: ☒	Library: ☐
One/Den	--	--	--	--	Centrl Lndry: ☐	Arts&Crafts: ☐
Two	--	--	--	--	Elevator: ☐	Health Rms: ☐
Two/Den	--	--	--	--	Fitness: ☐	Guest Suite: ☐
Three	--	--	--	--	Hot Tub: ☐	Conv Store: ☐
Four+	--	--	--	--	Sauna: ☐	ComputerCtr: ☐
					Walking Pth: ☐	Beauty Salon: ☐

Features

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

Select Units: Ceiling Fan

Optional(\$): --

Security: --

Parking: Free Surface Parking

Comments

Waitlist of 10 people

Rural Development, rent is basic rent - All units have PBRA

Property Manager: --

Owner: --

Floorplans (Published Rents as of 10/31/2012) (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	\$361	640	\$56	USDA	10/31/12	0.0%	\$376	--	--

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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Grinnell Estates

Senior Community Profile

2020 West St.
Grinnell, IA

CommunityType: LIHTC - Elderly

Structure Type: Garden

24 Units 0.0% Vacant (0 units vacant) as of 10/31/2012

Opened in 1992



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Gardening:
Eff	--	--	--	--	☒	☐
One	100.0%	\$430	450	\$0.96	Comm Rm: ☒	Library: ☐
One/Den	--	--	--	--	Centrl Lndry: ☒	Arts&Crafts: ☐
Two	--	--	--	--	Elevator: ☐	Health Rms: ☐
Two/Den	--	--	--	--	Fitness: ☐	Guest Suite: ☐
Three	--	--	--	--	Hot Tub: ☐	Conv Store: ☐
Four+	--	--	--	--	Sauna: ☐	ComputerCtr: ☐
					Walking Pth: ☐	Beauty Salon: ☐

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 of 3 people

Note rate rent is \$632.

Property Manager: --

Owner: --

Floorplans (Published Rents as of 10/31/2012) (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	\$430	450	\$96	USDA	10/31/12	0.0%	\$430	--	--

Adjustments to Rent

Incentives:

None

Utilities in Rent:

Heat Fuel: Electric

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

Grinnell Estates

IA157-018288

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Monroe Park

Senior Community Profile

131 4th Ave. W
Grinnell, IA

CommunityType: Deep Subsidy-Elderly

Structure Type: Garden

13 Units 0.0% Vacant (0 units vacant) as of 10/31/2012

Opened in 1975



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Gardening:
Eff	--	--	--	--	☒	☐
One	100.0%	\$415	640	\$0.65	Comm Rm: ☒	Library: ☐
One/Den	--	--	--	--	Centrl Lndry: ☐	Arts&Crafts: ☐
Two	--	--	--	--	Elevator: ☐	Health Rms: ☐
Two/Den	--	--	--	--	Fitness: ☐	Guest Suite: ☐
Three	--	--	--	--	Hot Tub: ☐	Conv Store: ☐
Four+	--	--	--	--	Sauna: ☐	ComputerCtr: ☐
					Walking Pth: ☐	Beauty Salon: ☐

Features

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

Select Units: Ceiling Fan

Optional(\$): --

Security: --

Parking: Free Surface Parking

Comments

There are 16 units on the property but 3 are down for major repairs

Rural development, rent is basic rent - Waitlist of 10 people

Some units have PBRA

Property Manager: --

Owner: --

Floorplans (Published Rents as of 10/31/2012) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	13	\$400	640	\$63	USDA	10/31/12	0.0%	\$415	--	--

Adjustments to Rent

Incentives:

None

Utilities in Rent:

Heat Fuel: Electric

Heat: ☐

Cooking: ☐

Wtr/Swr: ☐

Hot Water: ☐

Electricity: ☐

Trash: ☒

Monroe Park

IA157-018286

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Pearl Street

Senior Community Profile

729 Pearl St.
Grinnell, IA

CommunityType: Deep Subsidy-Disabled

Structure Type: Garden

9 Units 0.0% Vacant (0 units vacant) as of 10/31/2012

Opened in 1990

Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Gardening:
Eff	--	--	--	--	Comm Rm:	Library:
One	100.0%	\$617	515	\$1.20	Centrl Lndry:	Arts&Crafts:
One/Den	--	--	--	--	Elevator:	Health Rms:
Two	--	--	--	--	Fitness:	Guest Suite:
Two/Den	--	--	--	--	Hot Tub:	Conv Store:
Three	--	--	--	--	Sauna:	ComputerCtr:
Four+	--	--	--	--	Walking Pth:	Beauty Salon:

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 of 2 people

Property Manager: --

Owner: --

Floorplans (Published Rents as of 10/31/2012) (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	\$602	515	\$1.17	Section 8	10/31/12	0.0%	\$617	--	--

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Natural Gas

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

Pearl Street

IA157-018282

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Poynter

Senior Community Profile

412 3rd Ave.
Grinnell, IA

CommunityType: Deep Subsidy-Disabled

Structure Type: Garden

8 Units 0.0% Vacant (0 units vacant) as of 10/31/2012

Opened in 1999

Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse: ☒	Gardening: ☐
Eff	--	--	--	--	Comm Rm: ☒	Library: ☐
One	100.0%	\$617	515	\$1.20	Centrl Lndry: ☒	Arts&Crafts: ☐
One/Den	--	--	--	--	Elevator: ☐	Health Rms: ☐
Two	--	--	--	--	Fitness: ☐	Guest Suite: ☐
Two/Den	--	--	--	--	Hot Tub: ☐	Conv Store: ☐
Three	--	--	--	--	Sauna: ☐	ComputerCtr: ☐
Four+	--	--	--	--	Walking Pth: ☐	Beauty Salon: ☐

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 of 2 people

Property Manager: --

Owner: --

Floorplans (Published Rents as of 10/31/2012) (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	\$602	515	\$1.17	Section 8	10/31/12	0.0%	\$617	--	--

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

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

Poynter

IA157-018283

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Windsor Manor

Senior Community Profile

229 Pearl St.
Grinnell, IA

CommunityType: Market Rate - Elderly

Structure Type: 1-Story Garden

40 Units

Occupancy data not currently available

Opened in 2005



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Gardening:
Eff	--	--	--	--	☒	☒
One	--	\$3,975	473	\$8.40	Comm Rm: ☒	Library: ☒
One/Den	--	--	--	--	Centrl Lndry: ☒	Arts&Crafts: ☒
Two	--	\$5,470	668	\$8.19	Elevator: ☐	Health Rms: ☒
Two/Den	--	--	--	--	Fitness: ☐	Guest Suite: ☐
Three	--	--	--	--	Hot Tub: ☐	Conv Store: ☐
Four+	--	--	--	--	Sauna: ☐	ComputerCtr: ☒
					Walking Pth: ☐	Beauty Salon: ☒

Features

Standard: Central A/C; Grabbar; Emergency Response; Van/Transportation;
Meals - 3 meals; Housekeeping

Select Units: --

Optional(\$): --

Security: --

Parking: Free Surface Parking

Comments

Occupancy information is unavailable

Assisted living community, 10 memory care units

Property Manager: --

Owner: --

Floorplans (Published Rents as of 11/5/2012) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	--	\$4,080	473	\$8.63	Market	11/5/12	--	\$3,975	\$5,470	--
Garden	--	2	1	--	\$5,600	668	\$8.38	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent:

Heat Fuel: Electric

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

Windsor Manor

IA157-018294

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