

2012

Iowa Tax Credit Rental Housing Survey



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2012 Iowa Tax Credit Rental Housing Survey

Bowen National Research, a national real estate research firm, conducted a survey of more than 370 Tax Credit rental housing properties between March and May 2012 throughout the state of Iowa. We identified and attempted to survey rental product in each of the counties in the state that has Tax Credit product (77 counties). In the majority of the counties, we were able to survey 80.0% or more of the identified Tax Credit rental projects.

Iowa Tax Credit Rental Housing

Projects Surveyed: 371
Affordable Units Surveyed: 15,216
Occupancy Rate: 97.1%

This survey, conducted by telephone, includes only properties that operate with Low-Income Housing Tax Credits (both 4% and 9%). Some of these projects also operate with a project-based subsidy, such as Section 8 or Rural Development 515, and/or have market rate units. While this survey does not include all Tax Credit rental housing projects, it encompasses nearly 90.0% of the published Tax Credit rental housing alternatives in the state and provides a good representation of affordable rental housing market conditions.

This report includes aggregate occupancy and rental data, overall demographic growth trends, low-income household growth trends, and general economic data. As part of our rental housing survey, we also collected details on unit mixes, rents, rent concessions, vacancies, unit sizes (square feet), amenities, program types, utilities, year built, and other individual property information. Detailed project information is not provided in this report but can be obtained by contacting us directly.

The intent of the survey and the corresponding demographic and economic data is not to provide conclusions as to the strength or weakness of a market, but instead to provide research information to real estate professionals, government entities, and others that can serve as an overview of market conditions.

Bowen National Research surveyed 371 rental projects comprising 15,216 Tax Credit units in the state. There were 442 vacant Tax Credit units, yielding an overall occupancy rate of 97.1%. Note that our housing data is segmented between non-subsidized Tax Credit units and Tax Credit units that operate with a concurrent subsidy. The occupancy rate among the non-subsidized Tax Credit units was 96.9%, while the occupancy rate among the Tax Credit/Government-Subsidized units was 97.8%. Our occupancy data represents physical vacancies (vacant units that are currently available for rent), as opposed to economic vacancies (empty units that are not ready to rent due to maintenance or repair needs, for example).

Iowa LIHTC Statewide Occupancy			
Housing Type	Total Units	Vacant Units	Occupancy Rate
Tax Credit/Non-Subsidized	12,030	373	96.9%
Tax Credit/Government-Subsidized	3,186	69	97.8%
Overall	15,216	442	97.1%

Source: Bowen National Research

Among the 99 counties, 32 counties had overall occupancy rates at 100.0%. Thirteen of the counties had an occupancy rate below 90.0% (some counties' non-subsidized Tax Credit supply is below 90.0% occupied), with the lowest occupancy rate being 42.9% (Decatur County). Note: A list with all counties and their occupancy rates is included later in this section.

There were 13 counties with overall occupancy rates below 90.0%: Butler (90.0%), Decatur (42.9%), Greene (81.8%), Guthrie (81.8%), Hamilton (89.2%), Henry (78.8%), Howard (72.3%), Ida (81.3%), Iowa (84.4%), Jackson (89.1%), Lee (89.3%), Palo Alto (75.0%), and Winnebago (79.2%).

Iowa Statewide Tax Credit Gross Rental Rates	
Bedroom Type	Overall Median
Studio	\$448
One-Bedroom	\$588
Two-Bedroom	\$715
Three-Bedroom	\$839
Four-Bedroom	\$1,099

Source: Bowen National Research

We collected rental rate information at each project surveyed. The overall Tax Credit median gross rents (collected rent plus estimated cost for tenant-paid utilities) for the state are \$448 for studio units, \$588 for one-bedroom units, \$715 for two-bedroom units, \$839 for three-bedroom units, and \$1,099 for the four-bedroom units.

Detailed county-level information, including occupancy by type, rent ranges, median rents, demographics, and employment data is in the full version of this statewide overview.

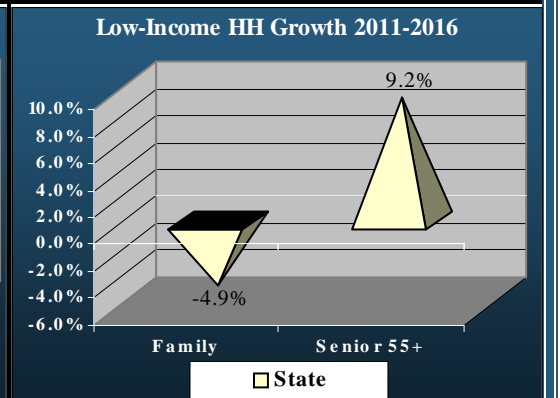
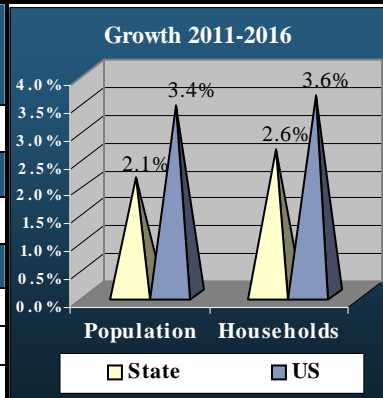
The following pages include aggregate statewide data followed by individual county summaries. For more information about the 2012 Iowa Tax Credit Rental Housing Survey, please contact us at 614-833-9300 or visit our website at www.bowennational.com.

Total Tax Credit Properties	Occupancy Rates	Occupancy Rate 	
372	Overall		
	97.1%		
	Market-Rate		
Total Tax Credit Units Surveyed	N/A		
15,274	Tax Credit		
	96.9%		
	Tax/Subsidized		
	97.8%		

2-BR Gross Rents	Gross Rent Comparisons					
	Unit Type	Total Tax Credit Units	Total Vacant	Median Tax Credit	60% Max. Allowable	Fair Market Rent
	Studio	433	10	\$448	\$624-\$844	\$345-\$557
	One-Bedroom	5,501	160	\$588	\$668-\$904	\$401-\$602
	Two-Bedroom	6,345	194	\$715	\$801-\$1,084	\$534-\$751
	Three-Bedroom	2,684	71	\$839	\$925-\$1,253	\$637-\$1,075
	Four+-Bedroom	253	7	\$1,099	\$1,032-\$1,398	\$656-\$1,258

State Demographics				
US Census, ESRI & Claritas Estimates	Population	Households (HH)	Family Renters \$10k-\$40k (HH)	Senior 55+ Renters \$10k-\$30k (HH)
2000 Census	2,926,324	1,149,262	136,749	38,059
2010 Census	3,046,355	1,221,576	-	-
Change 2000-2010	120,031	72,314	-	-
Percent Change 2000-2010	4.1%	6.3%	-	-
2011 Estimated	3,060,423	1,227,233	121,047	43,391
Change 2010-2011	14,068	5,657	-	-
Percent Change 2010-2011	0.5%	0.5%	-	-
2016 Projected	3,126,101	1,259,043	115,129	47,384
Change 2011-2016	65,678	31,810	-5,918	3,993
Percent Change 2011-2016	2.1%	2.6%	-4.9%	9.2%

2011 State Unemployment
5.9%
Employment Change (2010-2011)
605 (0.0%)
Top Three Industry Sectors
1. Education (15.0%)
2. Healthcare (14.3%)
3. Manufacturing (12.1%)



2012 Tax Credit Rental Housing Survey – County Comparison

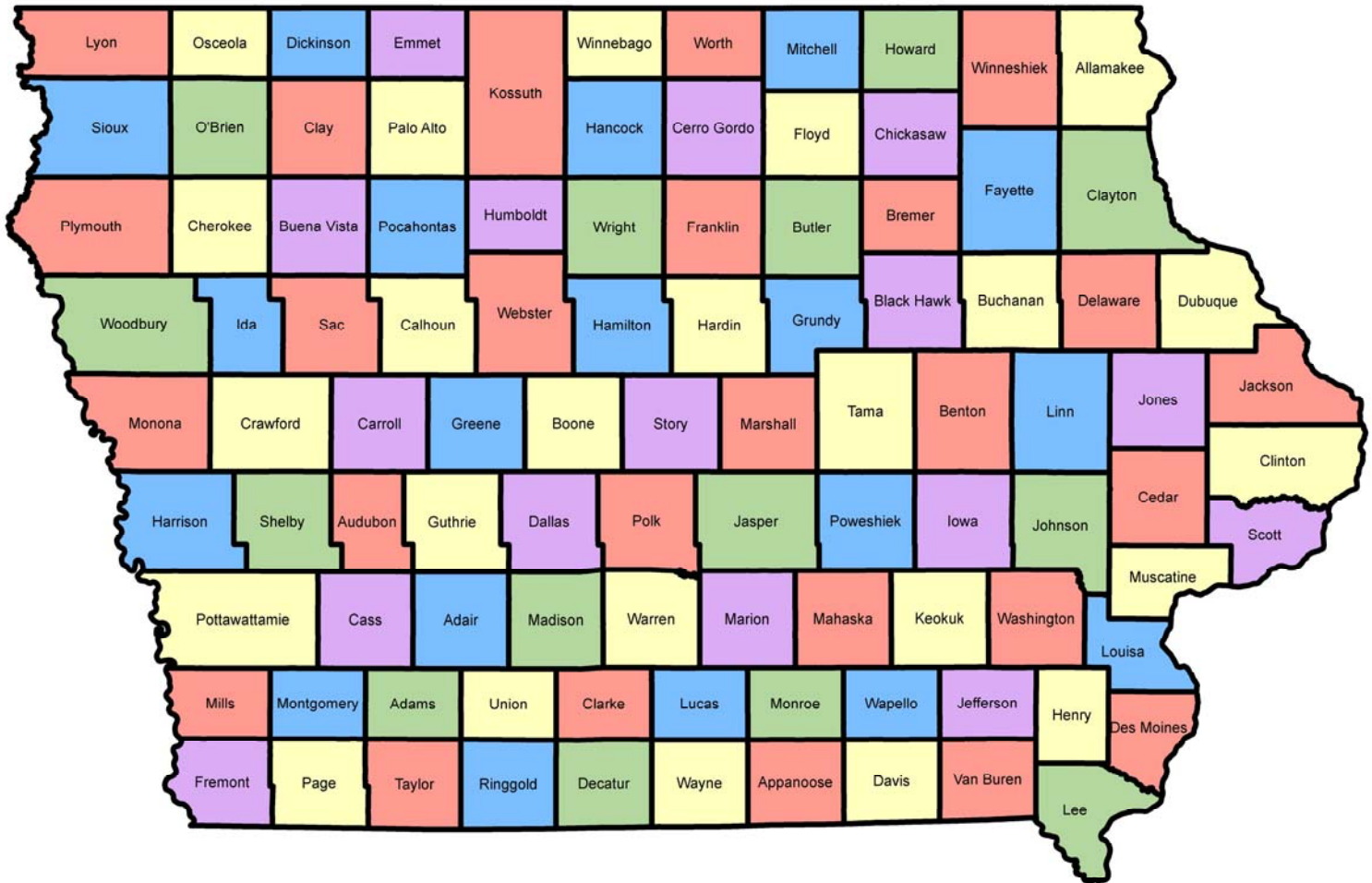
County	# of Projects	# of Units	Overall Occ.	Tax-Credit/ Non-Subsidized Occ.	Tax Credit/ Government-Subsidized Occ.
Adair	1	32	100.0%	-	100.0%
Adams	1	12	100.0%	100.0%	-
Allamakee	2	60	100.0%	100.0%	100.0%
Appanoose	1	49	100.0%	100.0%	-
Audubon	-	-	-	-	-
Benton	-	-	-	-	-
Black Hawk	13	638	95.5%	96.7%	91.8%
Boone	4	140	92.1%	77.5%	97.8%
Bremer	2	70	100.0%	100.0%	100.0%
Buchanan	2	24	100.0%	-	100.0%
Buena Vista	3	104	100.0%	100.0%	100.0%
Butler	1	20	90.0%	-	90.0%
Calhoun	1	16	100.0%	-	100.0%
Carroll	3	92	100.0%	100.0%	100.0%
Cass	1	32	100.0%	100.0%	-
Cedar	1	24	100.0%	-	100.0%
Cerro Gordo	10	375	96.3%	95.4%	98.2%
Cherokee	2	44	93.2%	100.0%	87.5%
Chickasaw	-	-	-	-	-
Clarke	3	95	98.9%	100.0%	97.9%
Clay	2	40	97.5%	97.5%	-
Clayton	-	-	-	-	-
Clinton	7	169	98.8%	98.8%	-
Crawford	-	-	-	-	-
Dallas	7	434	97.0%	96.8%	100.0%
Davis	-	-	-	-	-
Decatur	1	7	42.9%	42.9%	-
Delaware	2	44	100.0%	-	100.0%
Des Moines	3	194	100.0%	100.0%	100.0%
Dickinson	5	82	100.0%	100.0%	-
Dubuque	13	484	100.0%	100.0%	100.0%
Emmet	2	16	100.0%	-	100.0%
Fayette	2	60	96.7%	94.4%	100.0%
Floyd	1	24	100.0%	-	100.0%
Franklin	1	24	100.0%	-	100.0%
Fremont	-	-	-	-	-
Greene	1	11	81.8%	-	81.8%
Grundy	1	16	100.0%	100.0%	-
Guthrie	1	11	81.8%	-	81.8%
Hamilton	4	102	89.2%	87.0%	91.7%
Hancock	-	-	-	-	-
Hardin	3	72	97.2%	98.0%	-
Harrison	2	21	100.0%	100.0%	-
Henry	3	104	78.8%	72.5%	100.0%
Howard	3	47	72.3%	84.4%	46.7%
Humboldt	2	39	94.9%	100.0%	90.0%
Ida	2	48	81.3%	62.5%	100.0%
Iowa	2	32	84.4%	-	84.4%
Jackson	3	64	89.1%	87.5%	91.7%

2012 Tax Credit Rental Housing Survey – County Comparison

County	# of Projects	# of Units	Overall Occ.	Tax-Credit/ Non-Subsidized Occ.	Tax Credit/ Government-Subsidized Occ.
Jasper	9	326	96.3%	95.7%	97.4%
Jefferson	2	50	100.0%	100.0%	-
Johnson	11	311	100.0%	100.0%	-
Jones	-	-	-	-	-
Keokuk	-	-	-	-	-
Kossuth	1	24	100.0%	-	100.0%
Lee	9	280	89.3%	86.5%	95.5%
Linn	21	1,283	95.7%	95.6%	100.0%
Louisa	-	-	-	-	-
Lucas	-	-	-	-	-
Lyon	-	-	-	-	-
Madison	2	48	100.0%	100.0%	100.0%
Mahaska	4	94	98.9%	100.0%	98.4%
Marion	3	78	100.0%	100.0%	-
Marshall	6	160	99.4%	99.3%	100.0%
Mills	-	-	-	-	-
Mitchell	-	-	-	-	-
Monona	1	24	91.7%	91.7%	-
Monroe	-	-	-	-	-
Montgomery	-	-	-	-	-
Muscatine	7	278	96.4%	98.1%	91.7%
O'Brien	-	-	-	-	-
Osceola	-	-	-	-	-
Page	-	-	-	-	-
Palo Alto	1	24	75.0%	75.0%	-
Plymouth	3	72	91.7%	91.7%	91.7%
Pocahontas	-	-	-	-	-
Polk	73	4,465	97.8%	97.5%	100.0%
Pottawattamie	12	780	97.8%	97.8%	100.0%
Poweshiek	3	89	98.9%	98.5%	100.0%
Ringgold	-	-	-	-	-
Sac	2	26	100.0%	100.0%	100.0%
Scott	25	1,013	99.7%	99.6%	100.0%
Shelby	-	-	-	-	-
Sioux	1	24	100.0%	-	100.0%
Story	7	364	98.4%	98.0%	100.0%
Tama	1	24	100.0%	100.0%	-
Taylor	1	16	100.0%	-	100.0%
Union	4	104	100.0%	100.0%	100.0%
Van Buren	-	-	-	-	-
Wapello	3	67	94.0%	94.0%	-
Warren	4	148	91.2%	78.3%	100.0%
Washington	-	-	-	-	-
Wayne	-	-	-	-	-
Webster	6	200	98.0%	98.0%	-
Winnebago	1	24	79.2%	-	79.2%
Winneshiek	2	31	100.0%	100.0%	-
Woodbury	21	827	98.1%	97.0%	20.0%
Worth	-	-	-	-	-
Wright	2	48	100.0%	-	100.0%

2012 Tax Credit Rental Housing Survey – County Links

Click on the county name in the listing to get detailed county-specific rental housing data.



Adair	Calhoun	Dallas	Grundy	Jefferson	Marshall	Polk	Van Buren
Adams	Carroll	Davis	Guthrie	Johnson	Mills	Pottawattamie	Wapello
Allamakee	Cass	Decatur	Hamilton	Jones	Mitchell	Poweshiek	Warren
Appanoose	Cedar	Delaware	Hancock	Keokuk	Monona	Ringgold	Washington
Audubon	Cerro Gordo	Des Moines	Hardin	Kossuth	Monroe	Sac	Wayne
Benton	Cherokee	Dickinson	Harrison	Lee	Montgomery	Scott	Webster
Black Hawk	Chickasaw	Dubuque	Henry	Linn	Muscatine	Shelby	Winnebago
Boone	Clarke	Emmet	Howard	Louisa	O'Brien	Sioux	Winneshiek
Bremer	Clay	Fayette	Humboldt	Lucas	Osceola	Story	Woodbury
Buchanan	Clayton	Floyd	Ida	Lyon	Page	Tama	Worth
Buena Vista	Clinton	Franklin	Iowa	Madison	Palo Alto	Taylor	Wright
Butler	Crawford	Fremont	Jackson	Mahaska	Plymouth	Union	
		Greene	Jasper	Marion	Pocahontas		

About Bowen National Research

Bowen National Research is a national real estate research and consulting firm specializing in market feasibility evaluations for a variety of development alternatives. With experience in markets throughout the United States, Canada and Puerto Rico, Bowen National Research is prepared to meet the needs of state agencies, developers, investors and syndicators. The staff at Bowen National Research has evaluated market conditions for nearly every type of real estate alternative. Each staff member has hands-on experience evaluating housing stock, analyzing market characteristics and trends, and providing realistic recommendations and conclusions.

Bowen National Research Can Help You in Iowa!

The staff has provided dozens of market studies for past applications and is very knowledgeable of IFA's requirements. Given the amount of research we recently completed for this statewide rental housing survey, we can assist you in any preliminary market analysis and help you build the best project concept for your target market.

Types of Studies

Bowen National Research provides overall needs assessments and site-specific market research for the following types of development:

- Tax Credit apartments
- Market-rate apartments
- Government-subsidized apartments
- Student housing
- Senior residential care facilities
- Condominiums
- Single-family developments
- Retail and office space
- Neighborhood Revitalization
- Housing Authority Portfolios
- City, state and countywide housing needs assessments

NCAHMA MEMBER

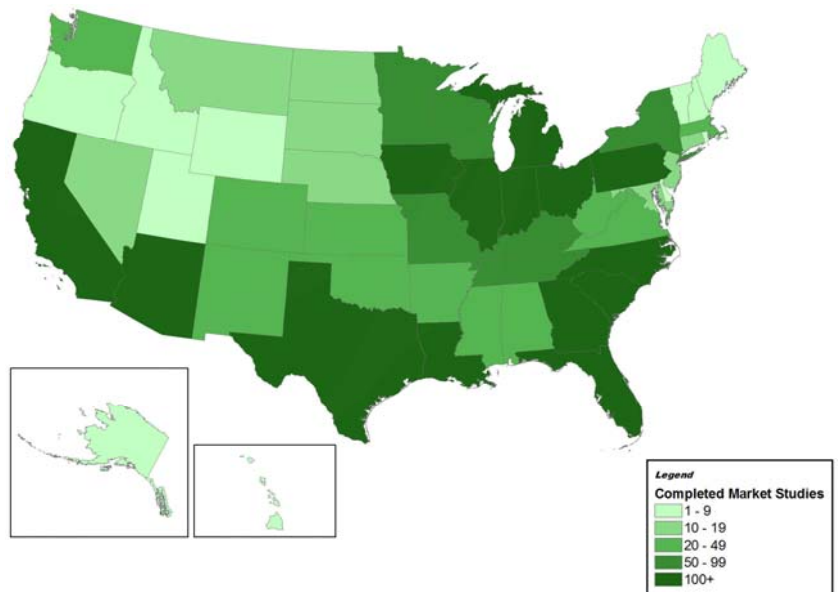
Bowen National Research is an approved member of the National Council of Affordable Housing Market Analysts. As a result, our firm's research and studies meet, and often exceed, the comprehensive standards established by NCAHMA.

For more information on NCAHMA, please visit www.housingonline.com.



Nationwide Experience

The staff of Bowen National Research has completed market studies in every state in the nation and in Canada and Puerto Rico. The map below shows the number of studies completed within each state.



Disclaimers

The intent of this report is to provide general housing, demographic and economic data on a county level basis for each of the 99 counties within the state of Iowa, as well as statewide aggregate data. This report does not draw conclusions as to the performance of the housing markets, demographic trends, or economic conditions. Instead, this report is meant to provide summary data that may serve as a baseline for developers, investors, government entities and other real estate professionals to make their own assessments of each county and the market opportunities they may present. Additional analysis is recommended prior to any definitive conclusions being drawn for any of the subject counties.

Bowen National Research makes the following additional disclaimers:

- We surveyed approximately 85% of all Tax Credit rental housing properties we were able to identify in the state. We believe this survey to be an adequate sampling of the Tax Credit rental housing stock to reveal certain characteristics and trends of such housing. We excluded all other types of rental housing from our survey.
- Some properties contained market-rate and/or government subsidized (non Tax Credit) units. These units have been excluded from all total and aggregate numbers of each county profile.
- Rental housing data was provided by property managers and leasing agents for the individual properties we surveyed between March and April 2012. Bowen National Research is not responsible for incorrect information provided by these secondary sources.
- The maximum allowable Tax Credit rents are those that were in affect as of December 1, 2011 and does not account for HERA Special and Hold Harmless rent and income restrictions, nor were these rents adjusted for being in “rural markets” as defined in section 520 of the Housing Act of 1949.
- Gross rents shown in the report represent the collected/tenant-paid rents plus the estimated value of tenant-paid utilities. It is important to note that some Tax Credit rents shown in the report may exceed maximum allowable rents under the Tax Credit program. This rent differential is due to a variety of factors including the actual utility estimates used by individual property management companies or special HUD-adjusted rents for such things as HERA and Hold Harmless areas, or areas defined as “rural” by HUD.
- Fair Market Rents are from HUD’s 2012 limits.
- The 2010 unemployment rate reported for each county is the annualized unemployment rate of that year.
- Because we were unable to contact all properties in some counties, it is likely that overall occupancy levels in some counties are different than those we reported.

Please contact Patrick Bowen at Bowen National Research for any questions or clarifications regarding the research methods used or the data presented in this report at the following:

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