



# **Comprehensive Housing Needs Analysis Vinton, Iowa**



**Maxfield**  
Research & Consulting

Prepared for:  
**City of Vinton**

August 2016





September 2, 2016

Mr. Chris Ward  
City Administrator  
City of Vinton  
110 West Third Street  
Vinton, IA 52349

Dear Mr. Ward:

Attached is the *Comprehensive Housing Needs Analysis for Vinton, Iowa* conducted by Maxfield Research & Consulting, LLC. The study projects housing demand from 2016 through 2025, and gives recommendations on the amount and type of housing that could be built in Vinton to satisfy demand from current and future residents over the remainder of the decade.

The study identifies a potential demand for over 300 housing units in Vinton over the remainder of the decade (including a variety of housing options). Demand will be spread across all product types; including for-sale units, general-occupancy rental units, and age-restricted units. It is important to note not all of the demand can be achieved due to factors such as development costs, land availability, public finding, etc. Detailed information regarding recommended housing concepts and challenges can be found in the *Conclusions and Recommendations* section at the end of the report.

We have enjoyed performing this study for you and are available should you have any questions or need additional information.

Sincerely,

MAXFIELD RESEARCH & CONSULTING, LLC

Brian Smith  
Senior Research Analyst

Attachment



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### Overview

Maxfield Research Inc. was engaged by the City of Vinton to prepare a Comprehensive Housing Needs Analysis for the City. The Housing Needs Analysis provides recommendations on the amount and types of housing that should be developed in order to meet the needs of current and future households residing in the City.

The scope of this study includes: an analysis of the demographic and economic characteristics of the City and surrounding area; a review of existing housing stock characteristics; an analysis of the for-sale housing market; an evaluation of rental market conditions in the City; and, a senior housing supply and demand analysis. Detailed recommendations are provided for the housing types identified as being needed in Vinton to 2025. An assessment of other challenges associated with housing development in the City is also provided.

Based on the demographic characteristics of the Vinton Study Area there appears to be demand for a variety of housing products, including: rental housing targeting the young adult (25 to 34) age group as well as the empty nester population (55 to 74 age group); entry-level ownership housing for first-time home buyers (25 to 39); move-up housing for the 35 to 44 age group; executive housing (ages 35 to 55) and, senior housing.

In total, we find demand to support 187 general occupancy housing units between 2016 and 2025. Demand is relatively split but the higher demand is expected in the ownership housing category, representing roughly 55% of the total general occupancy housing demand, while rental housing represents 45% of general occupancy housing demand.

There is demand for many types of housing in the area, most notably mid-level homes priced under \$150,000 to \$200,000 along with some executive housing. Housing demand appears to be highest for moderately-priced homes as half of the residential transactions in recent years were for homes priced between \$100,000 and \$150,000.

General occupancy rental housing vacancy rates are currently below market equilibrium at 2.9% (5.0% vacancy rate). As of August 2016, the vacancy rate for market rate rental properties in the Study Area was 0.0% while the subsidized vacancy rate was 5.6%. Today's renter base is seeking newer rental properties with additional and updated amenities that are not offered in older developments. Because of the age of the Vinton rental housing inventory, most properties do not provide modern features and amenities. However, Vinton renters are price sensitive and do not have incomes that can afford newer amenities. We believe that development of new general occupancy rental housing is needed to increase the variety of housing options in the community and potentially draw in younger professionals who rent before they own. Based on our analysis, we estimate that Vinton can accommodate approximately 51 new market rate rental housing units, 25 shallow-subsidy units, and eight deep-subsidy units through 2025.



We also found excess demand for a total of 130 senior housing units in 2021. Of these senior units, roughly 72% would be market rate housing and the remaining 28% would be shallow-subsidy or deep-subsidy units. We found demand for most senior housing product types over the next several years, other than assisted living, vacancy rates among the existing senior housing inventory is below equilibrium suggesting that there is pent-up demand for additional senior housing units in the Study Area.

### Demographic Analysis

- Vinton population grew 3% between 2000 and 2010, while the number of households increased by 3.4%. As of 2010, the average household size in the City of Vinton was 2.33, remaining stable from 2000. By 2020, Vinton is projected to add 10 people (2%) and increase by 49 households (2.2%). The greatest growth is expected to occur among older adults in Vinton. Aging of baby boomers led to a 44% increase in the 55 to 64 population between 2000 and 2010 in Vinton. As this group ages, cohorts ages 55 to 74 are expected to see increases over the next several years.
- Based on the median contract rent of \$447 for renter-occupied housing units in the City of Vinton, a household would need to have an annual income of roughly \$17,840 or greater to not exceed 30% of its monthly income on rental housing costs. In 2016, 89% of all Study Area households are estimated to have incomes of at least \$18,000. In 2016, the median sale price for homes in Vinton was \$104,500. A household would need to have a minimum annual income of roughly \$29,857 to be income-qualified for a home purchased at the median sale price. In 2016, roughly 75% of the households have incomes of \$30,000 or higher.
- In Vinton, the percentage of renter households increased from 28.4% in 2000 to 30.5% in 2010, while the percentage of owner households declined from 71.6% to 69.5% over the decade. This was consistent with household tenure trends throughout Iowa and the United States.
- Shifting household types can drive demand for housing in a community. Married couple families with children typically generate demand for single-family detached ownership housing. Single-family detached housing demand in Vinton is also likely being driven by other household types such as married couples without children and non-family households due to a limited supply of high-quality multifamily housing options. Other family households (typically single-parent households) often require affordable housing, and the 31% increase in other family households in Vinton suggests a growing need for affordable housing options in the City. An increase in the percentage of nonfamily households indicates a shift in housing needs that favors rental development. The number of households with one resident increased 8.5% over the decade.

### Employment Trends

- Benton County's labor force has declined slightly over the past 10 years, dropping from 14,433 in 2005 to 13,875 in 2015 for an average annual growth rate of -0.3%. Resident employment has also declined at an average rate of -0.3% per year. Most major employers interviewed stated slight job increases over the past few with stable to minimal growth over the next few years.
- A household earning the average weekly wage in Benton County (\$696 as of 2015) would be able to afford an apartment renting for approximately \$905 per month to not exceed 30% of its monthly income on housing costs. Assuming that a potential home buyer has good credit and makes a 10% down payment, a household earning the average weekly wage would be able to afford to purchase a home priced at approximately \$126,500 or lower to not be cost burdened (paying more than 30% of their income for housing).
- Vinton is an exporter of workers as a higher number of nonresidents commute out of the City for work. Roughly 1,459 workers come into the City for work (inflow) while 1,791 leave (outflow) and 736 both live and work in Vinton. With over 1,450 workers commuting out of Vinton daily, many coming from over 25 miles or more (14% along with 18% from greater than 50 miles), there appears to be an opportunity to provide housing options for a portion of these workers.
- Based on our interviews with many of the largest employers in Vinton, there appears to be a short supply of suitable housing in, particularly entry-level, mid-level housing, and executive housing. While many new hires initially want to live in Vinton, they end up moving to a neighboring community because they are not able to find suitable housing in Vinton. There are times when employers lose an employee due to the lack of housing options available.

### Housing Characteristics

- Single-family (one-unit) detached units are the most common housing type in the Study Area, comprising 80% of the housing units in Vinton. Structures with two to four units (duplexes, triplexes, and fourplexes) are the second most common housing structure, comprising 10% of all housing units in Vinton.
- Housing production has been minimal in Vinton since the 1970s with only 296 housing units were added (17% of the total). Residential building activity is currently average about 6 units per year in Vinton.
- The median owner-occupied home value was \$103,900 in Vinton. The largest proportion of owner-occupied housing units in Vinton is estimated to be valued in the \$50,000 to \$99,999

range with 36% of all owner-occupied units in the City (574 units). The median contract rent in Vinton was \$447.

### For-Sale Market Analysis

- As of July 2016, the median sale price in Vinton was \$104,500. Residential sales activity reached a high point in 2007, with 90 total sales in Vinton. Over the past five years (2011 through 2015), homes in Vinton have been selling at average annual rate of 71 units per year. Multifamily homes comprise a relatively small proportion of the housing market in Vinton.
- There supply of lower- and mid-priced homes consist the largest in Vinton. All other price ranges are undersupplied in the market. Lower-priced (below \$100,000) homes represent 35% of the homes listed for sale and mid-priced (\$100,000 to \$150,000) represent 49%.
- There are only two subdivisions active in the Vinton area. The absorption of the identified subdivisions is slow with roughly 1 lot or less per year at each subdivision.
- Based on interviews with Realtors and residential home builders active in Vinton, there seems to be particularly strong demand for low-level homes below \$150,000 and particularly below \$100,000. However, the supply is not necessarily meeting as the condition of some of the existing stock being listed is not meeting buyer qualifications and small local builders cannot build within this price range due to high construction costs.
- Our interviews also indicate there is demand for mid-level homes along with a limited amount of executive lots. The existing housing stock in these price ranges is very limited and those that do come on market often need updating and improvements. Thus, new construction would serve this market, however the limited lot supply in Vinton is also not serving this market. Families end up purchasing homes outside of Vinton because of the housing stock and they can find the home they are looking for in other communities.
- We found demand for 77 single-family homes in the City between 2016 and 2025. We recommend that that the majority of these homes be priced in the mid-level range (\$150,000 to \$250,000). We also found demand for 26 multifamily units. Because the multifamily target market will likely be first time homebuyers or older householders looking to downsize, we recommend that multifamily housing be evenly split between the modest (less than \$150,000) and move-up (\$200,000+) price ranges.

### Rental Market Analysis

- Maxfield Research compiled detailed information for larger general occupancy apartment projects with eight or more units in the Study Area, including four market rate apartment properties and one subsidized communities in August 2015. These properties represent a

combined total of 140 units, including 68 market rate units and 72 subsidized section 8 rural development units. At the time of our survey, four units were vacant (all at the subsidized property), resulting in an overall vacancy rate of 2.9%. There were no market rate vacancies indicating pent-up demand for additional rental housing.

- Market rate rental rate across all general occupancy properties ranged from \$375 to \$610 per month. It appears that many of the market rate units have rental rates that fall below the affordable rent thresholds established by HUD and would be affordable to households earning less than 60% AMI.
- Vinton rental housing market is aging, only one of the five were opened after 1981 and there has not been a new project developed since 2001. The newest project (Hamling Apartments) was developed in the 2001. Vinton Park Apartments and West Vinton Park Apartments are largest development built in 1980 (Both 36 units and subsidized). Because of the tight rental market, renters are renting in other communities to satisfy their rental needs. We believe that the development of new general occupancy rental housing is needed to increase the variety of housing options in the community.
- Based on our demand calculations, we estimate that Vinton can accommodate approximately 51 new market rate rental housing units, 25 shallow-subsidy units, and eight deep-subsidy units through 2020.

### Senior Housing Market Analysis

- The greatest population growth is expected to occur among older adults in the Study Area. Aging of baby boomers led to an increase of 175 people (44%) in the 55 to 64 population between 2000 and 2010 in the Study Area. As this group ages, all cohorts age 55 or greater are expected to see increases over the next several years, particularly the 65 to 74 age group which is projected to grow 13% (65 people) in the Study Area between 2016 and 2021.
- Maxfield Research identified six senior housing developments in the Study Area. Combined, these projects contain a total of 188 senior housing units. All of the properties are market rate however, residents at Cedar Valley Ranch assisted living are all on county subsidy. Country Gardens used to Rural Development subsidized but was recently converted to market rate general occupancy (Still occupied by all seniors). Of the 188 senior housing units, 12 are currently vacant, representing a 6.4% vacancy rate.
- There are a total of 62 active adult units (all market rate – two ownership and four rental), two of which are vacant for a 3.2% vacancy rate. The equilibrium vacancy rate for active adult housing is considered to be 5.0% which allows for normal turnover and an adequate supply of alternatives for prospective residents.

- Roughly 67% of the inventory consists of service-enhanced housing units, for a total of 126 units (104 assisted living, and 22 memory care units). As of August 2016, there are 10 vacant service-enhanced units (7.9% vacancy rate). A 93% occupancy rate is generally considered equilibrium in service-enhanced senior housing, so the current supply is technically at equilibrium. However, seven of the 10 vacant units are at Rock Ridge Residential in Shellsburg. Excluding those units, the Vinton product vacancy rate would be at 3.3% which is well below equilibrium.
- We found demand for most senior housing product types over the next several years, and vacancy rates among the existing senior housing inventory is below equilibrium suggesting that there is pent-up demand for additional senior housing units in the Study Area. Demand was projected for 16 market rate active adult rental and 24 owner-occupied units in Vinton in 2021. We also estimate that there is demand for 12 affordable and 25 subsidized active adult units through 2020. In addition, we find demand for a total of 48 service-enhanced units in Vinton through 2021 (30 congregate units, 6 assisted living units, and 12 memory care units).

## PURPOSE AND SCOPE

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Maxfield Research & Consulting, LLC was engaged by the City of Vinton to prepare a Comprehensive Housing Needs Analysis for the City. The Housing Needs Analysis provides recommendations on the amount and types of housing that should be developed in order to meet the needs of current and future households residing in the City.

The scope of this study includes: an analysis of the demographic and economic characteristics of the City and surrounding area; a review of existing housing stock characteristics; an analysis of the for-sale housing market; an evaluation of rental market conditions in the City; and, a senior housing supply and demand analysis. Detailed recommendations are provided for the housing types identified as being needed in Vinton through 2025. An assessment of other challenges associated with housing development in the City is provided.

The impetus for this study was driven by several factors, such as:

- A perceived shortage of quality housing options in the City which is potentially restricting population and household growth;
- Potential challenges associated with developing the needed housing, including lot and land availability, as well as development costs.

### Introduction

This section of the report examines factors related to the current and future demand for both owner- and renter-occupied housing in Vinton, Iowa. It includes an analysis of population and household growth trends and projections, projected age distribution, household income, household types, household tenure, employment growth trends and characteristics, age of housing stock, and recent residential building permit trends in Vinton. A review of these characteristics will provide insight into the demand for various types of housing in the City.

### Vinton Study Area Definition

The draw area or “Study Area” for housing products in Vinton was determined based on geographic and man-made boundaries, commuting patterns, community orientation, places of employment, and discussions with local officials. Based on these factors, we delineated a Study Area consisting of four cities and nine county subdivisions in Benton County, Iowa. This Study Area approximates includes.

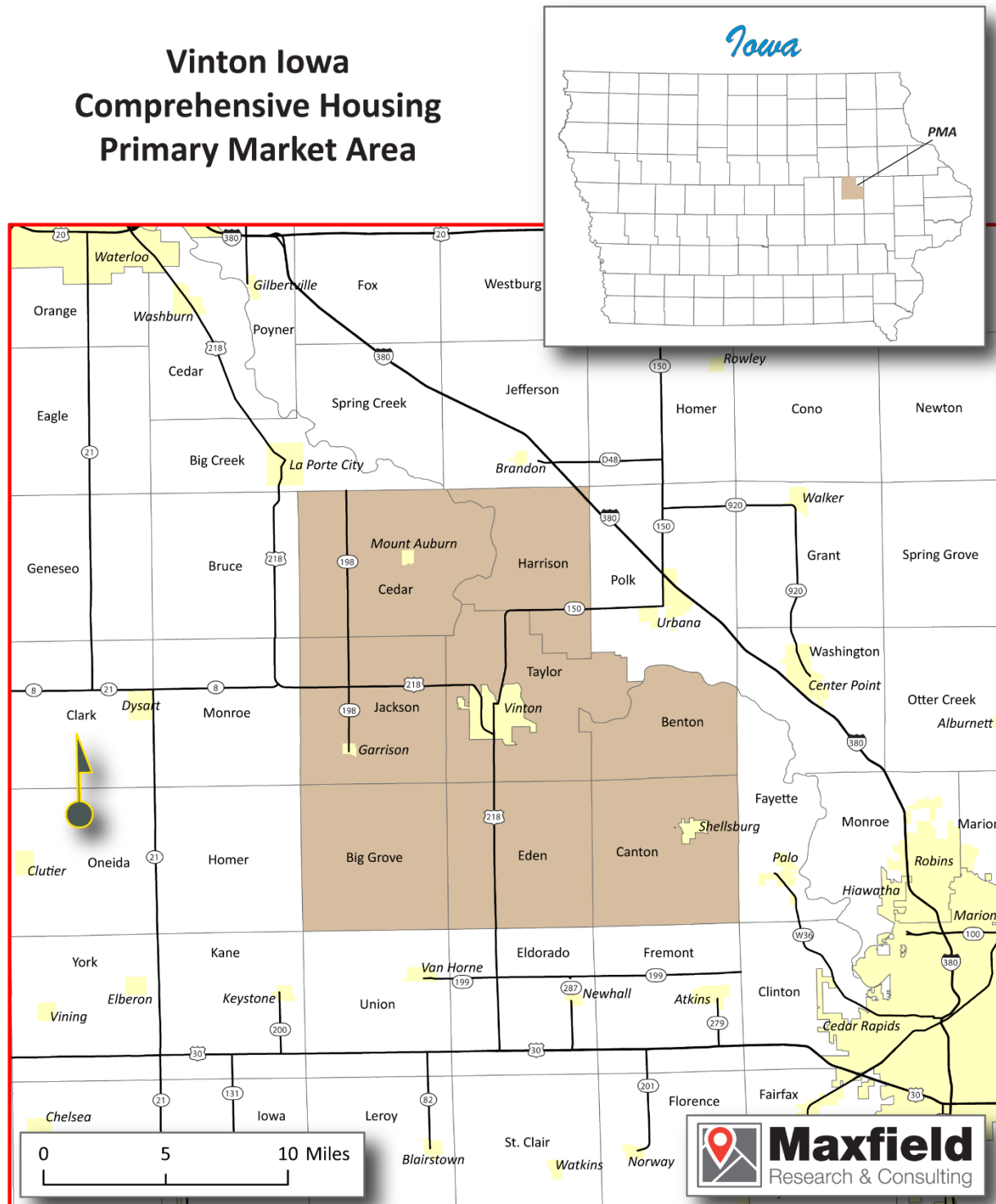
#### Benton County

- City of Vinton
- City of Garrison
- City of Mount Auburn
- City of Shellsburg
- Benton Township
- Big Grove Township
- Canton Township
- Cedar Township
- Eden Township
- Harrison Township
- Harrison Township
- Jackson Township
- Taylor Township

In some cases, additional demand for housing will come from individuals moving from just outside the Vinton area, those who return from other locations (particularly young households returning after pursuing their degrees or elderly returning from retirement locations), seniors who move to be near the adult children living in Vinton, and individuals from larger cities nearby (Waterloo and Cedar Rapids area) looking to move to a smaller community. Demand generated from within and outside of Vinton is considered in the demand calculations presented later in this analysis.

## Vinton Study Area

### Vinton Iowa Comprehensive Housing Primary Market Area



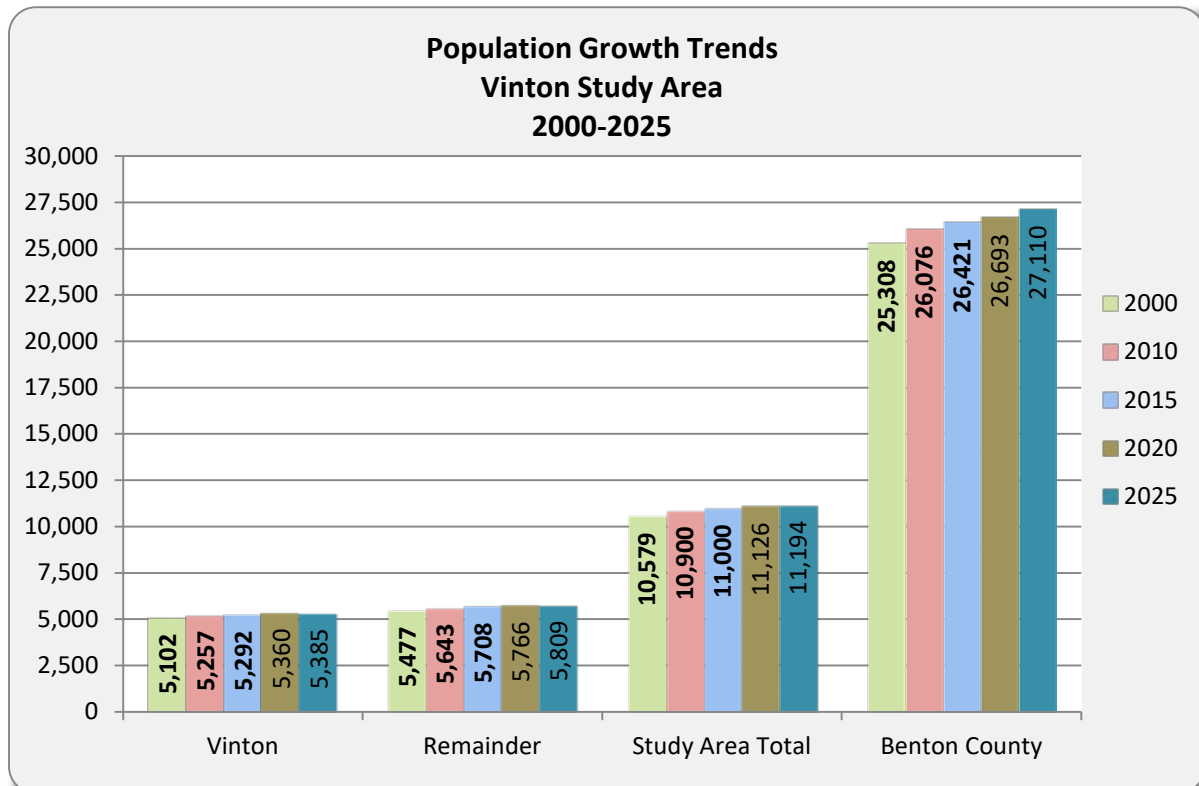


## Population and Household Growth Trends and Projections 1990 to 2025

Table D-1 presents the population trends for the Vinton Study Area in 1990, 2000, and 2010 with estimates for 2016 and projections for 2021 and 2025. The 1990, 2000 and 2010 data is from the U.S. Census. The 2016, 2021 and 2026 projections were obtained from the State Data Center of Iowa with adjustments made by Maxfield Research and based on local building trends and demographic projections by ESRI (a nationally recognized demographics firm).

### Population

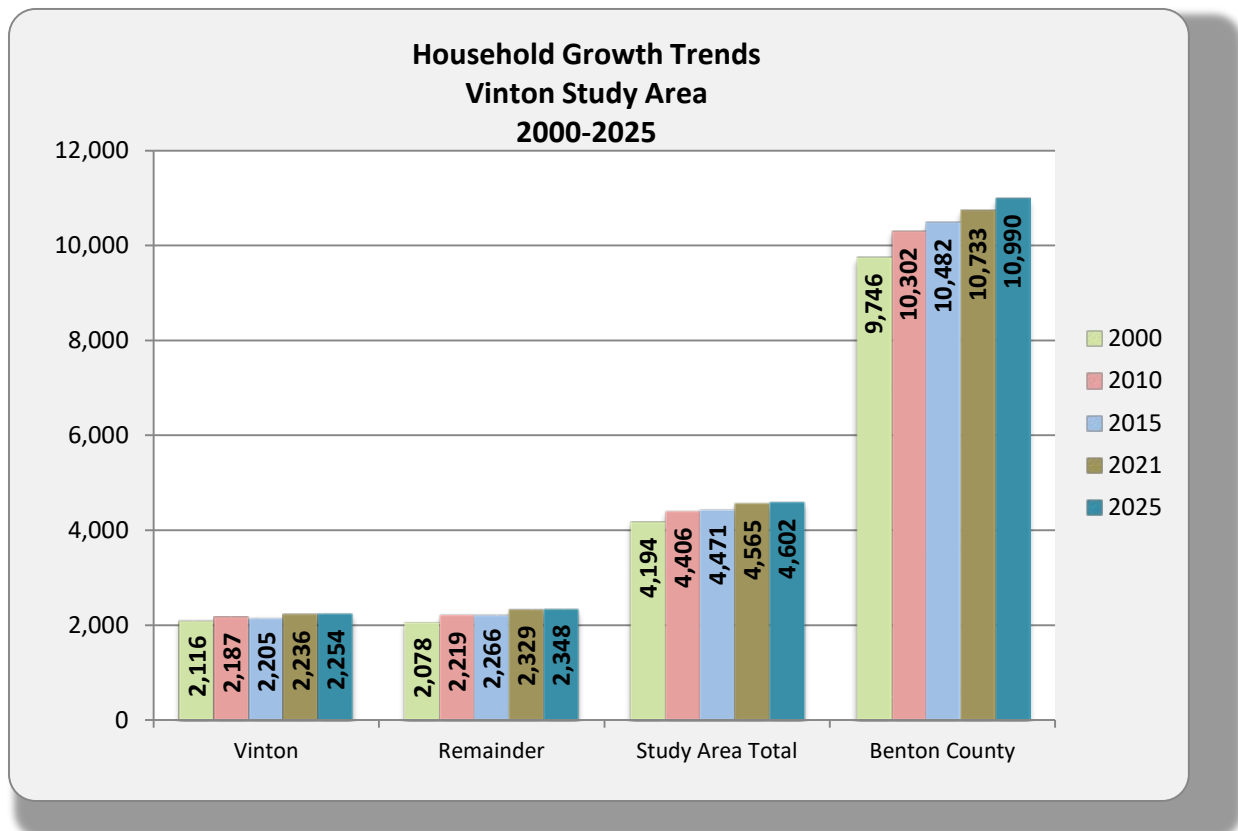
- As of 2010, the City of Vinton contained a total of 5,257 people. Since 2000, the population increased in Vinton by 155 people (3%). The Vinton Study Area had a total population of 10,900, an increase 321 people (3%) from 2000. The population gain occurred fairly evenly between Vinton and the Remainder of the Study Area.



- Vinton is projected to experience a slight increase in population during the next decade gaining roughly 103 people, an increase of 2% by 2021. The Vinton Study Area is projected to increase by 226 people (2%)

### Households

- Household growth trends are typically a more accurate indicator of housing needs than population growth since a household is, by definition, an occupied housing unit. However, additional demand can result from changing demographics of the population base, which results in demand for different housing products.
- The City of Vinton had a total of 2,187 households in 2010. The City experienced an increase of 71 households (3%) since 2000. The Study Area as a whole increased by 212 households (5%).



- Population and household growth rates were even in Vinton. Vinton's population and households increased by 3% between 2000 and 2010. In the Study Area as a whole, the household growth rate outpaced the population rate over the decade. The higher rate of household growth is likely the result of fewer persons in each household, caused by demographic and social trends such as couples delaying marriage, an increasing senior base, and couples' decisions to have fewer children or no children at all.
- Vinton is projected to experience moderate population growth (103 people) and households (49 households) from 2010 to 2021. The Study Area is projected to continue to growth in both population and households albeit at a slower rate than last decade.

# DEMOGRAPHIC ANALYSIS

**TABLE D-1  
POPULATION AND HOUSEHOLD GROWTH TRENDS AND PROJECTIONS  
VINTON STUDY AREA  
1990 - 2025\***

								Change					
	Census				Projections		1990 - 2000		2000 - 2010		2010 - 2021		
	1990	2000	2010	2016	2021	2025	No.	Pct.	No.	Pct.	No.	Pct.	
Population													
Vinton	5,103	5,102	5,257	5,292	5,360	5,385	-1	0.0	155	3.0	103	2.0	
Remainder of Study Area	5,201	5,477	5,643	5,708	5,766	5,809	276	5.3	166	3.0	123	2.2	
Study Area Total	10,304	10,579	10,900	11,000	11,126	11,194	275	2.7	321	3.0	226	2.1	
Benton County Total	22,429	25,308	26,076	26,421	26,693	27,110	2,879	12.8	768	3.0	617	2.4	
Households													
Vinton	2,012	2,116	2,187	2,205	2,236	2,254	104	5.2	71	3.4	49	2.2	
Remainder of Study Area	1,893	2,078	2,219	2,266	2,329	2,348	185	9.8	141	6.8	110	5.0	
Study Area Total	3,905	4,194	4,406	4,471	4,565	4,602	289	7.4	212	5.1	159	3.6	
Benton County Total	8,518	9,746	10,302	10,482	10,733	10,990	1,228	14.4	556	5.7	431	4.2	

\* Estimates and projections do not account for units lost due to Tornado in July 2016.

Sources: U.S. Census; State Data Center of Iowa; Esri; Maxfield Research & Consulting, LLC

## Household Size

Nationally, the average number of people per household has been declining for over a century; however, there have been sharp declines starting in the 1960s and 1970s. Persons per household in the U.S. were about 4.5 in 1916 and declined to 3.2 in the 1960s. Over the past 50 years, it dropped to 2.57 as of the 2000 Census. However, due to the economic recession this trend has been temporarily halted as renters and laid-off employees “doubled-up,” which increased the average U.S. household size to 2.59 as of the 2010 Census.

The declining household size has been caused by many factors, including: aging, higher divorce rates, cohabitation, smaller family sizes, demographic trends in marriage, etc. Most of these changes have resulted from shifts in societal values, the economy, and improvements in health care that have influenced how people organize their lives. Tables D-2 shows households by size and D-3 shows average household size in the Vinton Study Area.

- Households with two people comprised the largest portion of household sizes in the Vinton Study Area at 40%. One person households comprised the second largest population at 25.5%. Roughly 65.5% of the Study Area’s households are one and two person households.
- In comparison, the City of Vinton has a higher percentage of one person households at 31% and two person households at 36%.

<b>TABLE D-2</b> <b>HOUSEHOLDS BY SIZE</b> <b>VINTON STUDY AREA</b> <b>2010</b>						
Size	Vinton		Remainder		Study Area Total	
	Number	Pct.	Number	Pct.	Number	Pct.
1PP Household	677	31.0%	448	20.2%	1,125	25.5%
2PP Household	795	36.4%	962	43.4%	1,757	39.9%
3PP Household	311	14.2%	322	14.5%	633	14.4%
4PP Household	218	10.0%	283	12.8%	501	11.4%
5PP Household	123	5.6%	147	6.6%	270	6.1%
6PP Household	44	2.0%	36	1.6%	80	1.8%
7PP+ Household	19	0.9%	21	0.9%	40	0.9%
<b>Total</b>	<b>2,187</b>	<b>100%</b>	<b>2,219</b>	<b>100%</b>	<b>4,406</b>	<b>100%</b>
Sources: U.S. Census Bureau; Maxfield Research & Consulting, LLC						

- In 2010, the average household size in the Study Area was 2.42 a significant decline from 2.48 in 2000. In the City of Vinton, the average household size remained stable at 2.33. As the population ages, especially in more rural communities such as Vinton the sizes are likely to continue to decline.

<b>TABLE D-3</b> <b>AVERAGE HOUSEHOLD SIZE</b> <b>VINTON STUDY AREA</b> <b>2000-2010</b>				
	Census			
	2000	2010	2016	2021
Vinton	2.33	2.33	2.31	2.30
<b>Study Area Total</b>	<b>2.48</b>	<b>2.42</b>	<b>2.42</b>	<b>2.41</b>
<b>Benton County Total</b>	<b>2.56</b>	<b>2.50</b>	<b>2.49</b>	<b>2.49</b>
Sources: U.S. Census, Maxfield Research & Consulting, LLC				

## Age Distribution Trends

Table D-4 shows the distribution of persons within eight age cohorts for the Vinton Study Area in 2000 and 2010 with estimates for 2016 and projections for 2021/2025. The 2000 and 2010 age distribution is from the U.S. Census Bureau. Maxfield Research derived the 2016 estimates and 2021/2025 projections by adjustments made to data obtained from ESRI, a nationally recognized demographics firm.

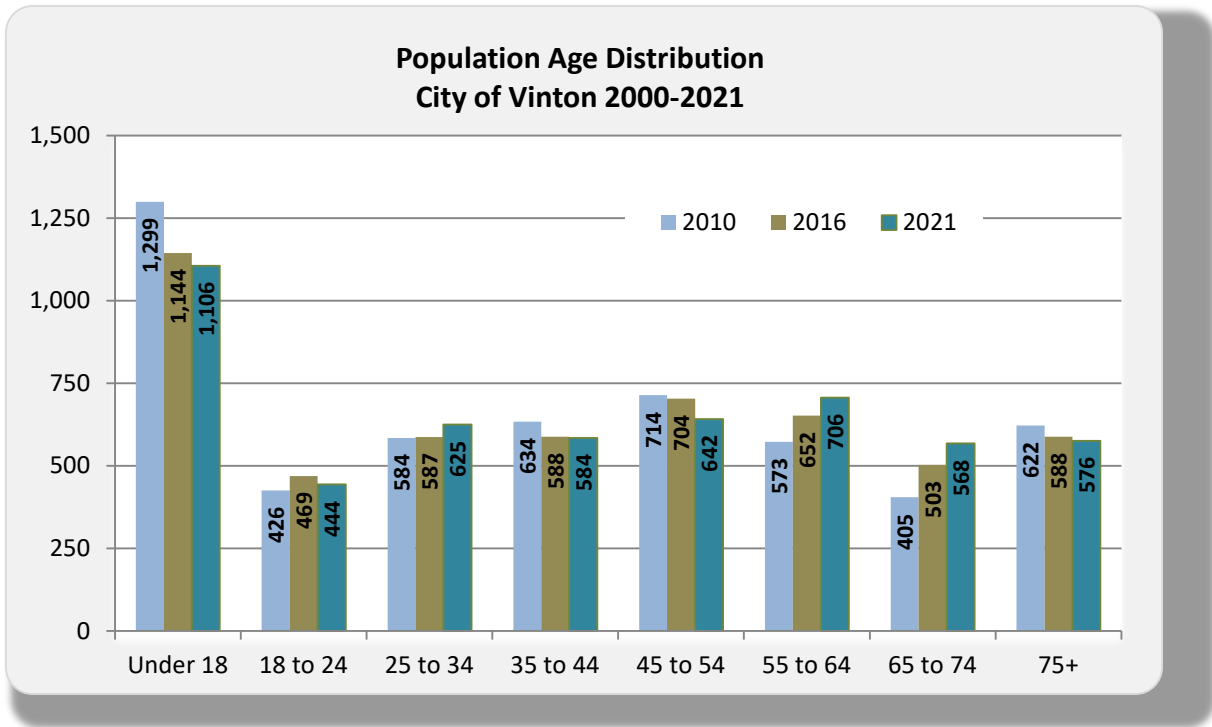
- In 2010, the largest adult cohort in the Study Area was 45 to 54, totaling 1,826 people (17% of the total population). Mirroring trends observed across the Nation, the aging baby boomer generation is substantially impacting the composition of the Study Area's population. Born between 1946 and 1964, these individuals comprised the age groups 45 to 54 and 55 to 64 in 2010. As of 2010, baby boomers accounted for 29.5% of the Study Area's population and 25.5% in the City of Vinton.
- The social changes that occurred with the aging of the baby boom generation, such as higher divorce rates, higher levels of education, and lower birth rates has led to a greater variety of lifestyles than existed in the past – not only among the baby boomers, but also among their parents and children. The increased variety of lifestyles has fueled demand for alternative housing products to the single-family homes. Seniors, in particular, and middle-aged persons tend to do more traveling and participate in more activities than previous generations, and they increasingly prefer maintenance-free housing that enables them to spend more time on activities outside the home.
- The Under 18 age group was the largest cohort in Vinton in 2010 with 1,299 people (25%). However declining, this age group is projected to remain the largest in Vinton through 2021, comprising approximately 22% in 2016 and 21% in 2021. The 45 to 54 age group was the second largest in the adult cohort with 714 people (13.5%), followed by the 35 to 44 age cohort with 634 people (12%) and the 75+ age group with 622 people (12%).

**TABLE D-4**  
**POPULATION AGE DISTRIBUTION**  
**VINTON STUDY AREA**  
**2000 to 2020**

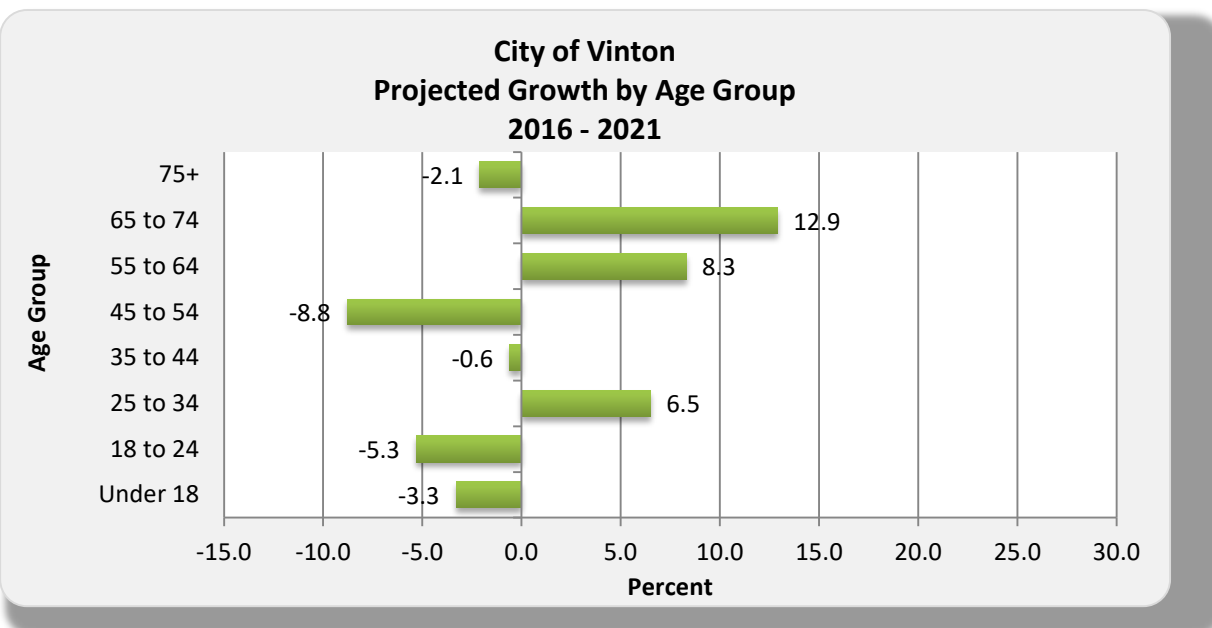
	Number of People				Change			
	U.S. Census		ESRI		U.S. Census		ESRI	
	2000	2010	2016	2021	2000-2010		2016-2021	
<b>Vinton</b>	No.	No.	No.	No.	No.	Pct.	No.	Pct.
Under 18	1,276	1,299	1,144	1,106	23	1.8%	-38	-3.3%
18 to 24	405	426	469	444	21	5.2%	-25	-5.3%
25 to 34	613	584	587	625	-29	-4.7%	38	6.5%
35 to 44	781	634	588	584	-147	-18.8%	-4	-0.6%
45 to 54	599	714	704	642	115	19.2%	-62	-8.8%
55 to 64	398	573	652	706	175	44.0%	54	8.3%
65 to 74	438	405	503	568	-33	-7.5%	65	12.9%
75+	592	622	588	576	30	5.1%	-12	-2.1%
<b>Total</b>	<b>5,102</b>	<b>5,257</b>	<b>5,292</b>	<b>5,360</b>	<b>155</b>	<b>3.0%</b>	<b>16</b>	<b>0.3%</b>
<b>Reaminder of Study Area</b>	No.	No.	No.	No.	No.	Pct.	No.	Pct.
Under 18	1,478	1,299	1,248	1,305	-179	-12.1%	57	4.6%
18 to 24	322	335	407	365	13	4.0%	-42	-10.3%
25 to 34	622	531	519	510	-91	-14.6%	-10	-1.8%
35 to 44	1,043	711	670	697	-332	-31.8%	27	4.1%
45 to 54	803	1,112	901	769	309	38.5%	-132	-14.6%
55 to 64	638	826	980	1,011	188	29.5%	31	3.2%
65 to 74	397	507	630	750	110	27.7%	120	19.0%
75+	265	322	369	467	57	21.5%	98	26.5%
<b>Total</b>	<b>5,568</b>	<b>5,643</b>	<b>5,708</b>	<b>5,766</b>	<b>75</b>	<b>1.3%</b>	<b>149</b>	<b>2.6%</b>
<b>Study Area Total</b>	No.	No.	No.	No.	No.	Pct.	No.	Pct.
Under 18	2,754	2,598	2,432	2,411	-156	-5.7%	-21	-0.8%
18 to 24	727	761	876	809	34	4.7%	-67	-7.6%
25 to 34	1,235	1,115	1,106	1,135	-120	-9.7%	28	2.6%
35 to 44	1,824	1,345	1,258	1,282	-479	-26.3%	23	1.9%
45 to 54	1,402	1,826	1,605	1,411	424	30.2%	-194	-12.1%
55 to 64	1,036	1,399	1,632	1,717	363	35.0%	85	5.2%
65 to 74	835	912	1,133	1,318	77	9.2%	185	16.3%
75+	857	944	957	1,043	87	10.2%	85	8.9%
<b>Total</b>	<b>10,670</b>	<b>10,900</b>	<b>11,000</b>	<b>11,126</b>	<b>230</b>	<b>2.2%</b>	<b>126</b>	<b>1.1%</b>

Source: U.S. Census Bureau; ESRI; Maxfield Research & Consulting, LLC

- The Study Area's population of 18 to 34 year olds, which consists primarily of renters and first-time homebuyers, decreased by 4.5% between 2000 and 2010, and is projected to decline 6% between 2016 and 2021.
- The 45 to 54 age cohort is projected to experience the largest percent decline between 2016 and 2021, declining by 15% (-252 people), followed by the 18 to 24 age cohort with a decline of 13% (-100 people).



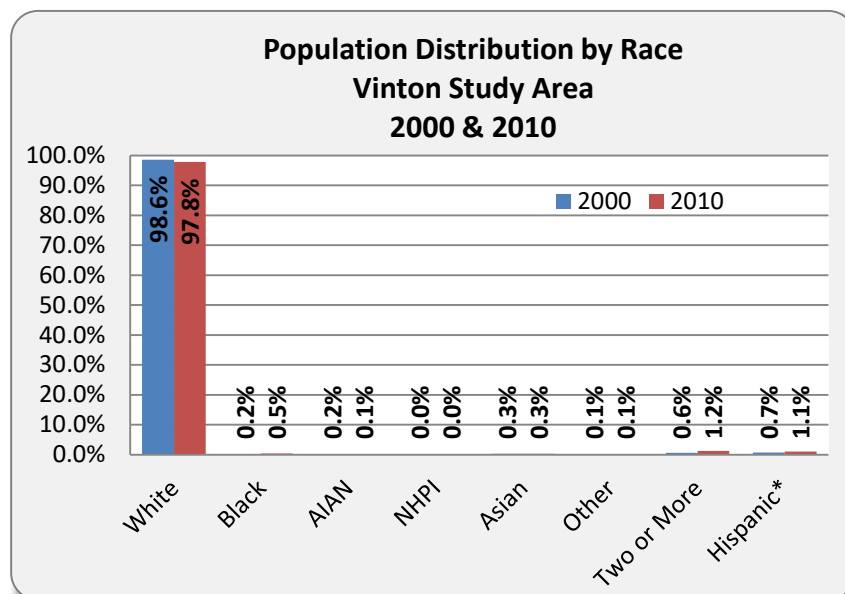
- In the Study Area, the 75+ age cohort is projected to have the greatest percentage growth increasing by 188 people (26%) from 2016 to 2021, followed by the 65 to 74 age cohort (19%). This illustrates that the Study Area is aging and most household growth is occurring in this demographic. All other age groups in the Study Area are projected grow slightly or decline.



## Race of Population

The race of the population illustrates the diversity for the Vinton Study Area. Data for 2000 and 2010 was obtained from the U.S. Census. Table D-5 on the following page presents race data in 2000 and 2010.

- In 2010, “Whites” comprised the largest proportion of the population in the Study Area at 97.8% and 97.1% in the City of Vinton.
- While “Whites” has remained the largest race category in 2010, it represented a smaller proportion of total population decreasing from 98.6% in 2000 to 97.8% in 2010. “Whites” experienced a slight increase in population in the Study Area gaining 136 people, an increase of 1%.
- All other races experienced remained stable or increased in population over the decade. “Black or African American” experienced the largest percentage growth between 2000 and 2010, increasing from 21 to 51 people, an increase of 143%. “Two or More Races Alone” increased as well between 2000 and 2010 by 94%.



## Household Income by Age of Householder

The estimated distribution of household incomes in the Study Area and the City of Vinton for 2016 and 2021 are shown in Tables D-6 and D-7. The data was estimated by Maxfield Research based on income trends provided by ESRI. The data helps ascertain the demand for different housing products based on the size of the market at specific cost levels.



## DEMOGRAPHIC ANALYSIS

TABLE D-5  
POPULATION DISTRIBUTION BY RACE  
VINTON STUDY AREA  
2000 & 2010

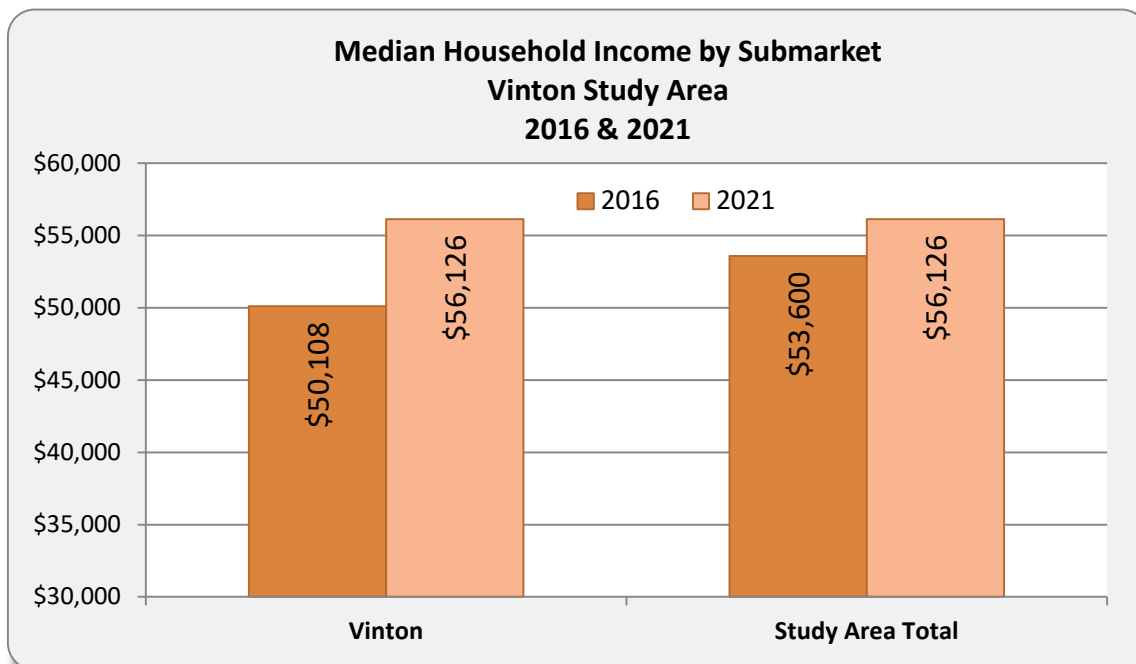
	White Alone		Black or African American Alone		American Indian or Alaska Native Alone (AIAN)		Native Hawaiian or Pacific Islander Alone (NHPI)		Asian Alone		Some Other Race		Two or More Races Alone		Hispanic*	
Submarket	2000	2010	2000	2010	2000	2010	2000	2010	2000	2010	2000	2010	2000	2010	2000	2010
<b>Number</b>																
Vinton	5,013	4,971	13	27	9	11	1	0	14	25	11	10	41	76	48	64
Remainder of SA	5,505	5,673	8	24	9	5	0	0	14	4	4	0	28	58	28	51
<b>Study Area Total</b>	<b>10,518</b>	<b>10,644</b>	<b>21</b>	<b>51</b>	<b>18</b>	<b>16</b>	<b>1</b>	<b>0</b>	<b>28</b>	<b>29</b>	<b>15</b>	<b>10</b>	<b>69</b>	<b>134</b>	<b>76</b>	<b>115</b>
<b>Percentage</b>																
Vinton	98.3%	97.1%	0.3%	0.5%	0.2%	0.2%	0.0%	0.0%	0.3%	0.5%	0.2%	0.2%	0.8%	1.5%	0.9%	1.3%
Remainder of SA	98.9%	98.4%	0.1%	0.4%	0.2%	0.1%	0.0%	0.0%	0.3%	0.1%	0.1%	0.0%	0.5%	1.0%	0.4%	0.9%
<b>Study Area Total</b>	<b>98.6%</b>	<b>97.8%</b>	<b>0.2%</b>	<b>0.5%</b>	<b>0.2%</b>	<b>0.1%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.3%</b>	<b>0.3%</b>	<b>0.1%</b>	<b>0.1%</b>	<b>0.6%</b>	<b>1.2%</b>	<b>0.7%</b>	<b>1.1%</b>
*The Hispanic population is not designated as its own separate race in the Census. The Hispanic designation can be included in any of the other categories. Thus, Hispanic total are based on the entire population.																
Sources: U.S. Census Bureau; Maxfield Research & Consulting, LLC																

## DEMOGRAPHIC ANALYSIS

The Department of Housing and Urban Development defines affordable housing costs as 30% of a household's adjusted gross income. For example, a household with an income of \$50,000 per year would be able to afford a monthly housing cost of about \$1,250. Maxfield Research & Consulting utilizes a figure of 25% to 30% for younger households and 40% or more for seniors, since seniors generally have lower living expenses and can often sell their homes and use the proceeds toward rent payments.

A generally accepted standard for affordable owner-occupied housing is that a typical household can afford to pay 3.0 to 3.5 times their annual income on a single-family home. Thus, a \$50,000 income would translate to an affordable single-family home of \$150,000 to \$175,000. The higher end of this range assumes that the person has adequate funds for down payment and closing costs, but also does not include savings or equity in an existing home.

- In 2016, the median household income in Vinton was estimated to be \$50,108 and is projected to climb nearly 12% to \$56,126 by 2021. The Study Area had median household incomes \$53,600 in 2016 (7% higher than the City of Vinton).
- As households age through the lifecycle, their household incomes tend to peak in their late 40s and early 50s which explains why most upscale housing is targeted to persons in this age group. This trend is apparent in the Study Area as households in the 45 to 54 age group have a median household income of \$60,647 in 2016. A household with this income could afford a monthly housing cost of about \$1,516 based on an allocation of 30% of income toward housing.



## DEMOGRAPHIC ANALYSIS

**TABLE D-6**  
**HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER**  
**CITY OF VINTON**  
**2016 & 2021**

	Age of Householder							
	Total	15-24	25-34	35-44	45-54	55-64	65 -74	75+
2016								
Less than \$15K	244	18	33	30	32	35	32	64
\$15K to \$24.9K	292	16	29	30	36	40	41	99
\$25K to \$34.9K	240	14	26	28	30	31	43	67
\$35K to \$49.9K	319	14	46	51	61	47	56	45
\$50K to \$74.9K	608	19	96	98	124	118	94	58
\$75K to \$99.9K	219	5	30	38	52	47	20	27
\$100K to \$149.9K	234	3	30	43	60	50	22	26
\$150K to \$199.9K	32	0	2	6	7	8	6	2
\$200K+	17	0	2	3	4	5	2	0
Total	2,205	89	294	328	407	381	317	388
Median Income	\$50,108	\$32,274	\$51,976	\$54,143	\$56,029	\$55,216	\$45,048	\$28,702
2021								
Less than \$15K	272	18	41	33	35	40	40	65
\$15K to \$24.9K	292	16	32	29	32	45	46	92
\$25K to \$34.9K	330	17	35	38	37	48	66	88
\$35K to \$49.9K	149	9	22	20	27	25	28	18
\$50K to \$74.9K	668	18	110	107	121	133	121	59
\$75K to \$99.9K	247	4	38	45	56	53	22	28
\$100K to \$149.9K	215	2	27	42	50	50	21	22
\$150K to \$199.9K	44	0	3	7	11	11	9	3
\$200K+	19	0	2	3	4	7	2	0
Total	2,236	84	311	325	373	412	355	375
Median Income	\$56,126	\$28,773	\$53,335	\$56,652	\$58,166	\$56,199	\$48,552	\$27,588
Change 2016 - 2021								
Less than \$15K	27	1	7	3	3	4	7	1
\$15K to \$24.9K	-0	1	3	-1	-4	5	5	-7
\$25K to \$34.9K	90	3	9	11	7	17	23	20
\$35K to \$49.9K	-170	-6	-23	-30	-34	-22	-28	-26
\$50K to \$74.9K	60	-0	14	9	-3	15	27	1
\$75K to \$99.9K	28	-1	8	7	4	7	3	1
\$100K to \$149.9K	-19	-1	-3	-2	-10	1	-0	-3
\$150K to \$199.9K	12	0	1	1	3	2	2	1
\$200K+	3	0	0	0	0	2	0	0
Total	31	-5	17	-3	-34	31	38	-13

Sources: ESRI; US Census Bureau; Maxfield Research & Consulting, LLC

## DEMOGRAPHIC ANALYSIS

**TABLE D-7**  
**HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER**  
**VINTON STUDY AREA**  
**2016 & 2021**

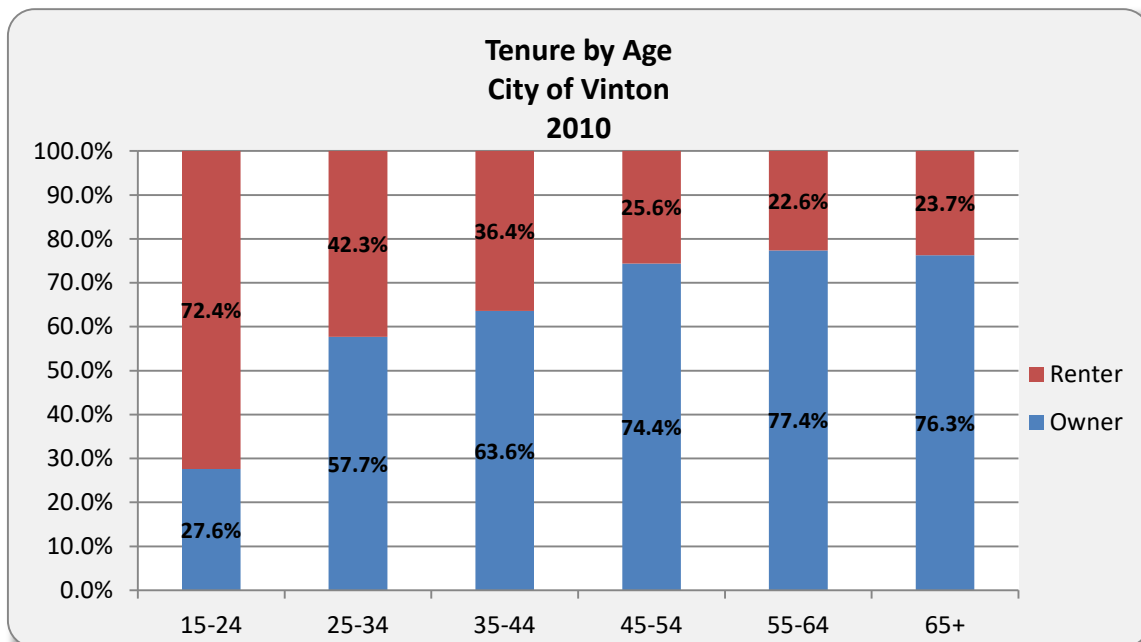
	Age of Householder							
	Total	15-24	25-34	35-44	45-54	55-64	65 -74	75+
<b>2016</b>								
Less than \$15K	371	22	43	43	45	67	56	94
\$15K to \$24.9K	481	20	41	47	61	82	80	150
\$25K to \$34.9K	532	21	50	59	77	86	95	145
\$35K to \$49.9K	646	21	79	93	115	112	130	95
\$50K to \$74.9K	984	29	149	156	210	210	155	76
\$75K to \$99.9K	545	10	69	97	138	138	57	35
\$100K to \$149.9K	706	9	87	124	202	152	92	40
\$150K to \$199.9K	139	0	9	22	37	47	19	4
\$200K+	67	0	8	10	13	27	8	0
<b>Total</b>	<b>4,471</b>	<b>133</b>	<b>535</b>	<b>652</b>	<b>899</b>	<b>922</b>	<b>691</b>	<b>639</b>
<b>Median Income</b>	<b>\$53,600</b>	<b>\$36,563</b>	<b>\$56,397</b>	<b>\$60,647</b>	<b>\$65,749</b>	<b>\$60,905</b>	<b>\$47,652</b>	<b>\$29,261</b>
<b>2021</b>								
Less than \$15K	398	25	51	46	43	68	66	99
\$15K to \$24.9K	469	20	42	44	48	82	86	147
\$25K to \$34.9K	720	22	63	77	87	116	145	211
\$35K to \$49.9K	384	12	46	47	55	69	92	63
\$50K to \$74.9K	997	26	155	158	182	214	184	78
\$75K to \$99.9K	558	7	76	103	127	142	64	38
\$100K to \$149.9K	764	7	94	142	183	173	121	44
\$150K to \$199.9K	198	0	12	31	43	69	31	10
\$200K+	78	0	8	10	14	33	11	0
<b>Total</b>	<b>4,565</b>	<b>119</b>	<b>547</b>	<b>658</b>	<b>783</b>	<b>966</b>	<b>801</b>	<b>691</b>
<b>Median Income</b>	<b>\$55,709</b>	<b>\$30,822</b>	<b>\$58,597</b>	<b>\$66,037</b>	<b>\$70,501</b>	<b>\$64,930</b>	<b>\$50,968</b>	<b>\$28,532</b>
<b>Change 2016 - 2021</b>								
Less than \$15K	27	3	7	2	-2	2	11	5
\$15K to \$24.9K	-12	-1	1	-3	-13	-0	6	-3
\$25K to \$34.9K	188	1	14	18	10	30	50	67
\$35K to \$49.9K	-262	-9	-33	-46	-60	-43	-38	-32
\$50K to \$74.9K	13	-3	7	3	-28	4	30	2
\$75K to \$99.9K	13	-3	7	6	-11	3	8	3
\$100K to \$149.9K	58	-2	7	17	-19	21	29	4
\$150K to \$199.9K	58	0	3	9	6	22	12	6
\$200K+	11	0	0	0	1	6	3	0
<b>Total</b>	<b>94</b>	<b>-14</b>	<b>13</b>	<b>6</b>	<b>-116</b>	<b>44</b>	<b>109</b>	<b>52</b>

Sources: ESRI; US Census Bureau; Maxfield Research & Consulting, LLC

## Tenure by Age of Householder

Table D-8 shows 2000 and 2010 tenure data for the Vinton Study Area from the U.S. Census Bureau. Table D-9 shows the number of owner and renter households by age group in 2000 and 2010. This data is useful in determining demand for certain types of housing since housing preferences change throughout an individual's life cycle.

- In 2000, 77.5% of all households in the Study Area owned their housing. By 2010, that percentage increased slightly to 78%. In 2010, the City of Vinton had a homeownership rate at 69.5%, a decrease from 71.6% in 2000. A counties largest city such as Vinton have a typically have a lower percentage of homeowners as they tend to have a higher concentration of rental housing options than their more rural counterparts.
- As households progress through their life cycle, housing needs change. Typically, the proportion of renter households decreases as households age out of their young-adult years. This pattern is apparent in Vinton as 72% of households age 15 to 24, 42% of age 25 to 34 households, and 36% of age 35 to 44 householders rented their housing in 2010.
- Rental households increased in the City of Vinton by 11% while the Remainder of the Study Area decreased by 5%, or 66 households. Both Vinton and the Remainder experienced a gain of owner occupied households over the decade with the Study Area losing 259 households, or 8%. However, owner households increased by less than 1% over the same period with much of the growth occurring in the surrounding communities.



## DEMOGRAPHIC ANALYSIS

TABLE D-8  
HOUSEHOLD TENURE  
VINTON STUDY AREA  
2000 and 2010

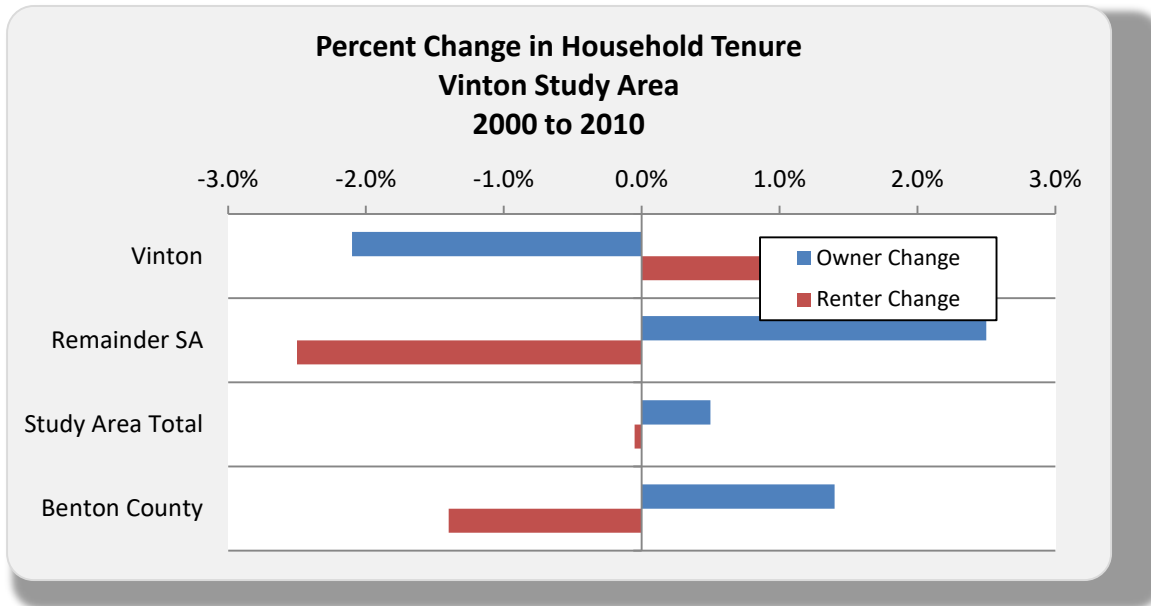
	2000					2010				
	Owner	Pct.	Renter	Pct.	Total	Owner	Pct.	Renter	Pct.	Total
Vinton	1,516	71.6	600	28.4	2,116	1,521	69.5	666	30.5	2,187
Remainder of SA	1,659	83.7	324	16.3	1,983	1,913	86.2	306	13.8	2,219
<b>SA TOTAL</b>	<b>3,175</b>	<b>77.5</b>	<b>924</b>	<b>22.5</b>	<b>4,099</b>	<b>3,434</b>	<b>77.9</b>	<b>972</b>	<b>22.1</b>	<b>4,406</b>
<b>Benton County</b>	<b>7,738</b>	<b>79.4</b>	<b>2,008</b>	<b>20.6</b>	<b>9,746</b>	<b>8,323</b>	<b>80.8</b>	<b>1,979</b>	<b>19.2</b>	<b>10,302</b>

Sources: U.S. Census; Maxfield Research & Consulting, LLC

TABLE D-9  
TENURE BY AGE OF HOUSEHOLDER  
VINTON STUDY AREA  
2010

Age		Vinton		Remainder of SA		SA Total		Benton County	
		No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
15-24	Own	24	27.6	23	46.9	47	34.6	129	41.2
	Rent	63	72.4	26	53.1	89	65.4	184	58.8
	<b>Total</b>	<b>87</b>	<b>100.0</b>	<b>49</b>	<b>100.0</b>	<b>136</b>	<b>100.0</b>	<b>313</b>	<b>100.0</b>
25-34	Own	172	57.7	174	73.7	346	64.8	920	69.9
	Rent	126	42.3	62	26.3	188	35.2	396	30.1
	<b>Total</b>	<b>298</b>	<b>100.0</b>	<b>236</b>	<b>100.0</b>	<b>534</b>	<b>100.0</b>	<b>1,316</b>	<b>100.0</b>
35-44	Own	231	63.6	246	80.9	477	71.5	1,481	79.8
	Rent	132	36.4	58	19.1	190	28.5	376	20.2
	<b>Total</b>	<b>363</b>	<b>100.0</b>	<b>304</b>	<b>100.0</b>	<b>667</b>	<b>100.0</b>	<b>1,857</b>	<b>100.0</b>
45-54	Own	311	74.4	505	89.5	816	83.1	2,074	85.7
	Rent	107	25.6	59	10.5	166	16.9	346	14.3
	<b>Total</b>	<b>418</b>	<b>100.0</b>	<b>564</b>	<b>100.0</b>	<b>982</b>	<b>100.0</b>	<b>2,420</b>	<b>100.0</b>
55-64	Own	267	77.4	403	91.4	670	85.2	1,522	86.1
	Rent	78	22.6	38	8.6	116	14.8	246	13.9
	<b>Total</b>	<b>345</b>	<b>100.0</b>	<b>441</b>	<b>100.0</b>	<b>786</b>	<b>100.0</b>	<b>1,768</b>	<b>100.0</b>
65 +	Own	516	76.3	436	87.4	952	81.0	2,197	83.6
	Rent	160	23.7	63	12.6	223	19.0	431	16.4
	<b>Total</b>	<b>676</b>	<b>100.0</b>	<b>499</b>	<b>100.0</b>	<b>1,175</b>	<b>100.0</b>	<b>2,628</b>	<b>100.0</b>
<b>TOTAL</b>	Own	1,521	69.5	1,787	85.4	3,308	77.3	8,323	80.8
	Rent	666	30.5	306	14.6	972	22.7	1,979	19.2
	<b>Total</b>	<b>2,187</b>	<b>100.0</b>	<b>2,093</b>	<b>100.0</b>	<b>4,280</b>	<b>100.0</b>	<b>10,302</b>	<b>100.0</b>

Sources: U.S. Census Bureau; Maxfield Research & Consulting, LLC



## Household Type

Table D-10 shows a breakdown of the type of households present in the Vinton Study Area in 2000 and 2010. The data is useful in assessing housing demand since the household composition often dictates the type of housing needed and preferred. The following key points are summarized from Table D-10.

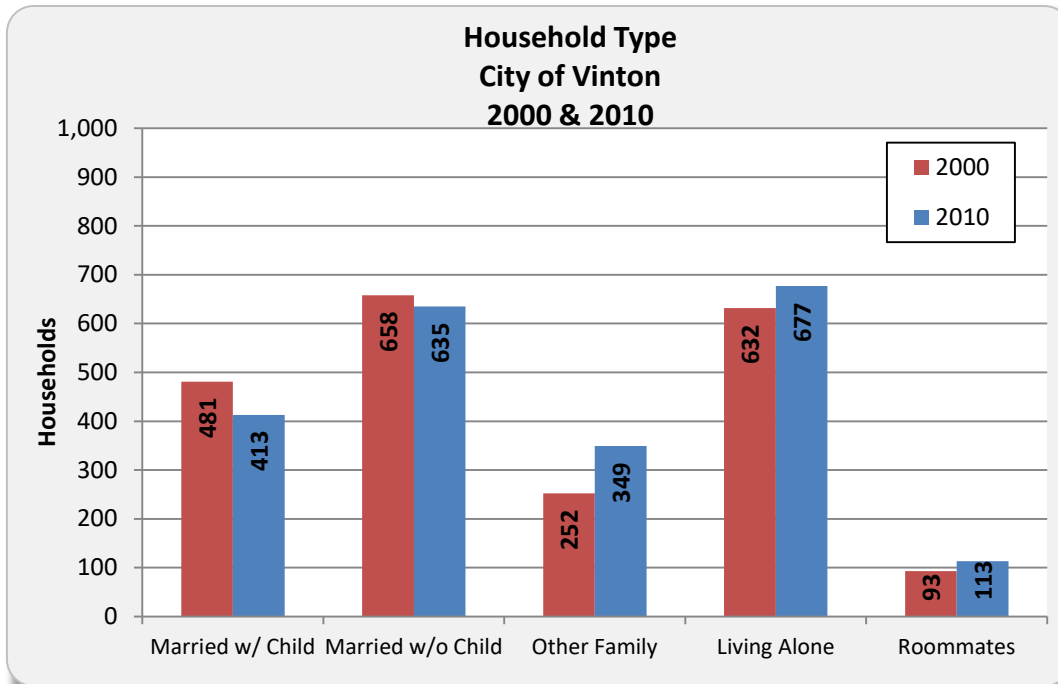
- Family households were the most common type of household in the Study Area, representing approximately 69% (64% of Vinton) of all households in 2010, respectively. Married couples without children comprised 36% (29% in Vinton) of all households in 2010. Married couple families with children comprised 21% (19% in Vinton) of all the Vinton households in 2010.
- Married couple families without children are generally made up of younger couples that have not had children and older couples with adult children that have moved out of the home. There is also a growing national trend toward married couples choosing to delay childbirth, delaying children, or choosing not to have children entirely as birthrates have noticeably decreased. Older couples with adult children often desire multifamily housing options for convenience reasons but older couples in rural areas typically hold onto their single-family homes until they need services. Married couple families with children typically generate demand for single-family detached ownership housing. Other family households, defined as a male or female householder with no spouse present (typically single-parent households), often require affordable housing.

# DEMOGRAPHIC ANALYSIS

**TABLE D-10  
HOUSEHOLD TYPE  
VINTON STUDY AREA  
2000 & 2010**

Households	Total HH's		Family Households						Non-Family Households			
			Married w/ Child		Married w/o Child		Other *		Living Alone		Roommates **	
	2000	2010	2000	2010	2000	2010	2000	2010	2000	2010	2000	2010
<b>Study Area Total</b>	<b>4,210</b>	<b>4,406</b>	<b>1,082</b>	<b>925</b>	<b>1,479</b>	<b>1,584</b>	<b>418</b>	<b>549</b>	<b>1,037</b>	<b>1,125</b>	<b>194</b>	<b>223</b>
Vinton	2,116	2,187	481	413	658	635	252	349	632	677	93	113
Remaider	2,094	2,219	601	512	821	949	166	200	405	448	101	110
<b>State of Iowa</b>	<b>1,149,276</b>	<b>1,221,576</b>	<b>282,572</b>	<b>244,753</b>	<b>350,682</b>	<b>380,420</b>	<b>136,430</b>	<b>164,861</b>	<b>313,083</b>	<b>347,479</b>	<b>66,509</b>	<b>84,063</b>
<b>Percent</b>												
<b>Study Area Total</b>	<b>100.0</b>	<b>100.0</b>	<b>25.7</b>	<b>21.0</b>	<b>35.1</b>	<b>36.0</b>	<b>9.9</b>	<b>12.5</b>	<b>24.6</b>	<b>25.5</b>	<b>4.6</b>	<b>5.1</b>
Vinton	100.0	100.0	22.7	18.9	31.1	29.0	11.9	16.0	29.9	31.0	4.4	5.2
Remaider	100.0	100.0	28.7	23.1	39.2	42.8	7.9	9.0	19.3	20.2	4.8	5.0
<b>State of Iowa</b>	<b>100.0</b>	<b>100.0</b>	<b>24.6</b>	<b>20.0</b>	<b>30.5</b>	<b>31.1</b>	<b>11.9</b>	<b>13.5</b>	<b>27.2</b>	<b>28.4</b>	<b>5.8</b>	<b>6.9</b>
<b>Change 2000-2010</b>												
	<b>No.</b>	<b>Pct.</b>	<b>No.</b>	<b>Pct.</b>	<b>No.</b>	<b>Pct.</b>	<b>No.</b>	<b>Pct.</b>	<b>No.</b>	<b>Pct.</b>	<b>No.</b>	<b>Pct.</b>
<b>Study Area Total</b>	<b>196</b>	<b>4.7%</b>	<b>-157</b>	<b>-14.5%</b>	<b>105</b>	<b>7.1%</b>	<b>131</b>	<b>31.3%</b>	<b>88</b>	<b>8.5%</b>	<b>29</b>	<b>13.0%</b>
Vinton	71	3.4%	-68	-14.1%	-23	-3.5%	97	38.5%	45	7.1%	20	21.5%
Remaider	125	6.0%	-89	-14.8%	128	15.6%	34	20.5%	43	10.6%	9	8.9%
<b>State of Iowa</b>	<b>72,300</b>	<b>6.3%</b>	<b>-37,819</b>	<b>-13.4%</b>	<b>29,738</b>	<b>8.5%</b>	<b>28,431</b>	<b>20.8%</b>	<b>34,396</b>	<b>11.0%</b>	<b>17,554</b>	<b>20.9%</b>
* Single-parents with children												
** Includes unmarried couples without children and group quarters												
Sources: U. S. Census; ESRI, Inc.; Maxfield Research & Consulting, LLC												





- Non-family households in Vinton made up 36% of all households in 2010. The percentage of people living alone was 31% 2010. Roommates and unmarried couples comprised 5% of Vinton's households in 2010.
- Between 2000 and 2010, Other family households in Vinton experienced the largest numerical and percentage increase (97 households, 38.5%). Other families include single-parents and unmarried couples with children. With usually only one income, these families are most likely to need affordable or modest housing, both rental and for-sale.
- According to the 2016 National Association of Realtors (NAR) Home Buyer and Seller Generational Trends, approximately 67% of all homebuyers were married couples, 24% were single, 7% were unmarried couples, and 1% were other.

## Net Worth

Table D-11 shows household net worth in Vinton Study Area in 2016. Simply stated, net worth is the difference between assets and liabilities, or the total value of assets after the debt is subtracted. The data was compiled and estimated by ESRI based on the Survey of Consumer Finances and Federal Reserve Board data. According to the Urban Institute Housing Finance Center, the average homeowner's net housing worth is \$150,506 compared to an average net worth of just over \$5,000 for renters reported by the 2013 Federal Reserve Survey of Consumer Finances.

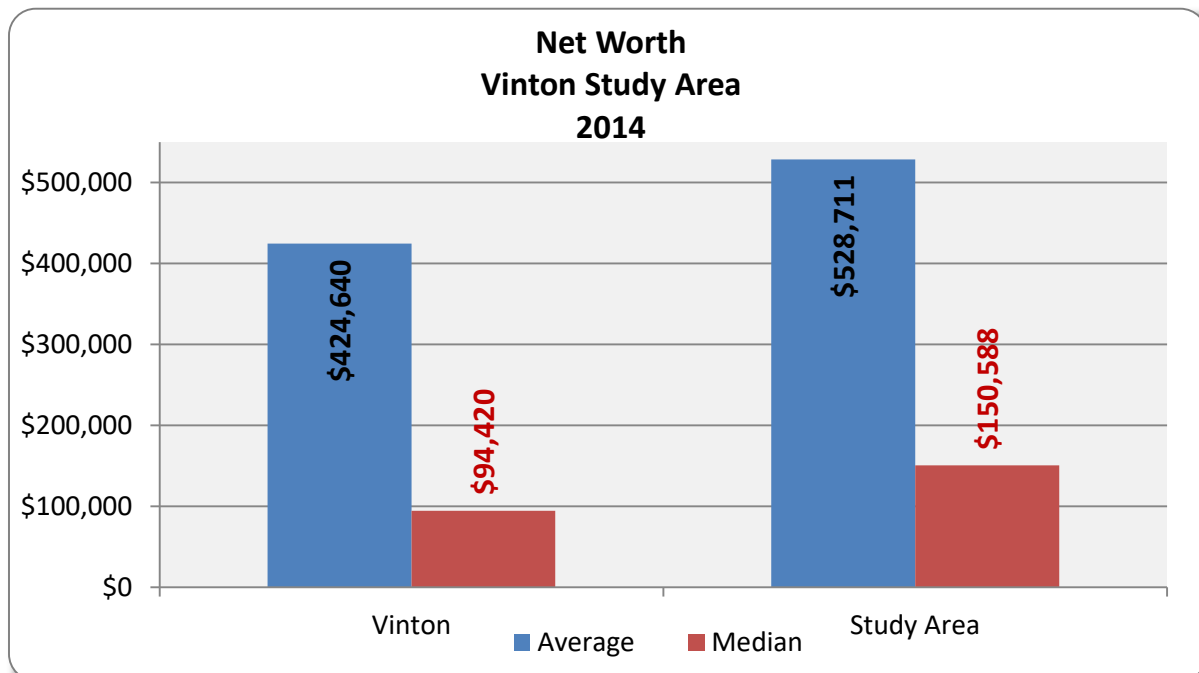
TABLE D-11  
ESTIMATED NET WORTH BY AGE OF HOUSEHOLDER  
VINTON STUDY AREA  
2016

	Age of Householder							
	Total		<25		25-34		35-44	
	Average	Median	Average	Median	Average	Median	Average	Median
Vinton	\$424,640	\$94,420	\$22,001	\$10,991	\$65,567	\$20,938	\$121,604	\$34,546
Study Area Total	\$528,711	\$150,588	\$32,403	\$12,662	\$111,177	\$39,261	\$222,632	\$60,840
	45-54		55-64		65-74		75+	
	Average	Median	Average	Median	Average	Median	Average	Median
	Average	Median	Average	Median	Average	Median	Average	Median
Vinton	\$325,435	\$94,399	\$596,013	\$171,735	\$817,352	\$232,014	\$600,987	\$198,465
Study Area Total	\$527,278	\$166,461	\$654,174	\$250,001	\$1,016,679	\$250,001	\$290,173	\$214,238

Sources: ESRI; Maxfield Research & Consulting, LLC

## DEMOGRAPHIC ANALYSIS

- The City of Vinton had an average net worth of \$424,640 in 2016 and a median net worth of \$94,420. The Study Area had an average net worth of \$528,711 and a median net worth of \$158,588. Median net worth is generally a more accurate depiction of wealth than the average figure. A few households with very large net worth can significantly skew averages.
- Similar to household income, net worth increases as households age and decreases after they pass their peak earning years and move into retirement. Median and average net worth peak in the 65 to 74 age cohort, posting an average net worth of \$817,352 and a median net worth of \$232,014 in the City of Vinton compared to \$1,016,679 and \$250,001 in the Study Area.



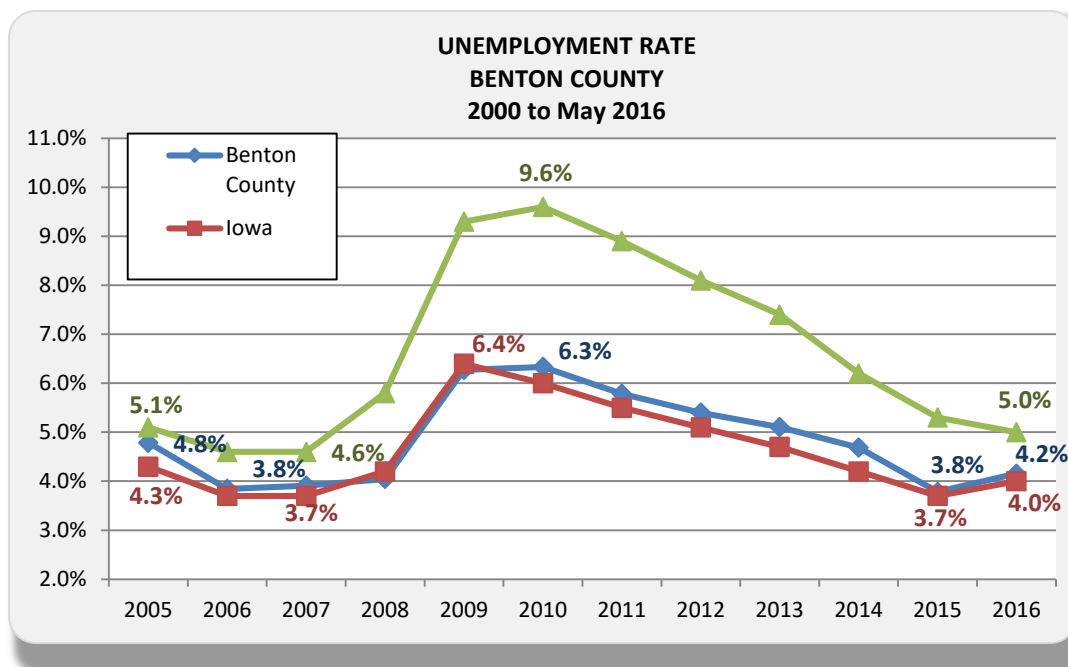
### Employment Trends

Employment characteristics are an important component in assessing housing needs in any given market area. These trends are important to consider since job growth can generally fuel household and population growth as people generally desire to live near where they work. Long commute times have encouraged households to move closer to major employment centers.

### Resident Labor Force

Table E-1 presents resident employment data for Benton County from 2000 through May 2016. Resident employment data is calculated as an annual average *and reveals the work force and number of employed persons living in the County*. It is important to note that not all of these individuals necessarily work in the County. The data is from the Iowa Workforce Development and was not available for the City of Vinton alone.

- Resident employment in Benton has decreased by 392 people between 2005 and 2015 (-3%). The number of individuals in the labor market also decreased, but at a slightly higher rate (-4%) than resident employment.
- Benton County's unemployment rate has been marginally higher than the State of Iowa's unemployment rate between 2005 and 2015. Average unemployment rate in Benton County over this time period is 4.9%, which is higher than the average Iowa (4.7%) still lower than the U.S unemployment rate (6.8%).



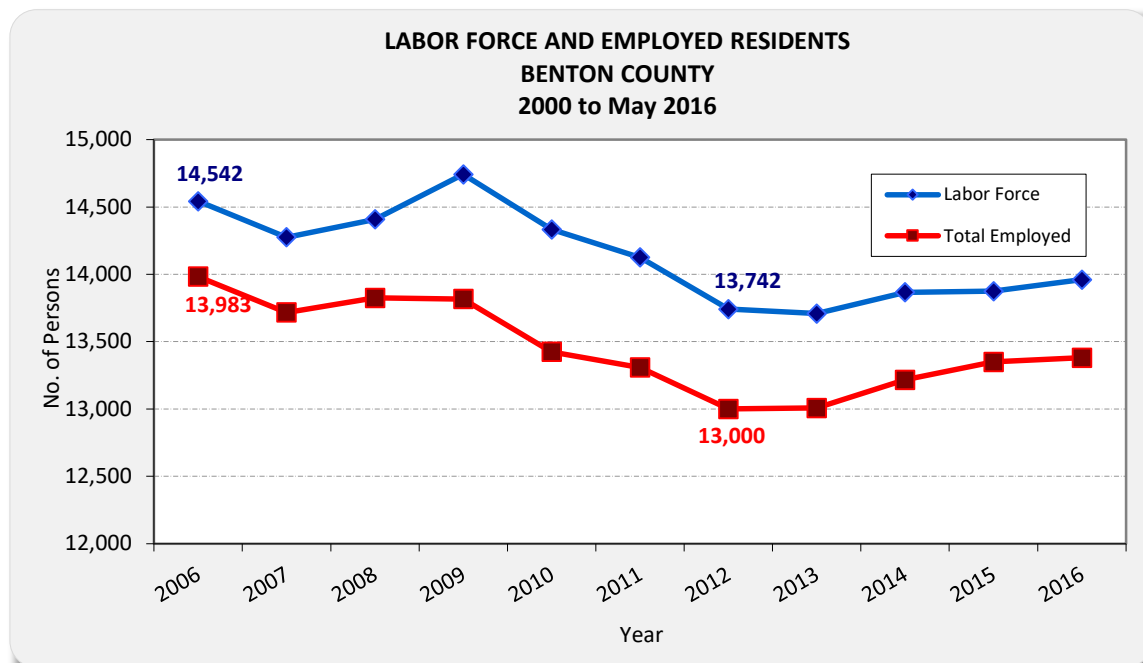
## EMPLOYMENT TRENDS

- The unemployment rate rose to 6.4% in the State of Iowa and 6.3% in Benton County in 2009. However, as of 2016, the unemployment rate in Benton County has fallen to 4.2%, still above the State at 4.0% but below the nation at 5.0%.

<b>Year</b>	<b>Total Labor Force</b>	<b>Total Employed</b>	<b>Total Unemployed</b>	<b>Benton Co. Unemployment Rate</b>	<b>Iowa Unemployment Rate</b>	<b>U.S. Unemployment Rate</b>
2005	14,433	13,742	691	4.8%	4.3%	5.1%
2006	14,542	13,983	559	3.8%	3.7%	4.6%
2007	14,275	13,717	558	3.9%	3.7%	4.6%
2008	14,408	13,825	583	4.0%	4.2%	5.8%
2009	14,742	13,817	925	6.3%	6.4%	9.3%
2010	14,333	13,425	908	6.3%	6.0%	9.6%
2011	14,125	13,308	817	5.8%	5.5%	8.9%
2012	13,742	13,000	742	5.4%	5.1%	8.1%
2013	13,708	13,008	700	5.1%	4.7%	7.4%
2014	13,867	13,217	650	4.7%	4.2%	6.2%
2015	13,875	13,350	525	3.8%	3.7%	5.3%
2016*	13,960	13,380	580	4.2%	4.0%	5.0%
<b>Change 2005-15</b>	<b>-558</b>	<b>-392</b>	<b>-166</b>	<b>-1.0%</b>	<b>-0.6%</b>	<b>0.2%</b>

\* Data average through May 2016

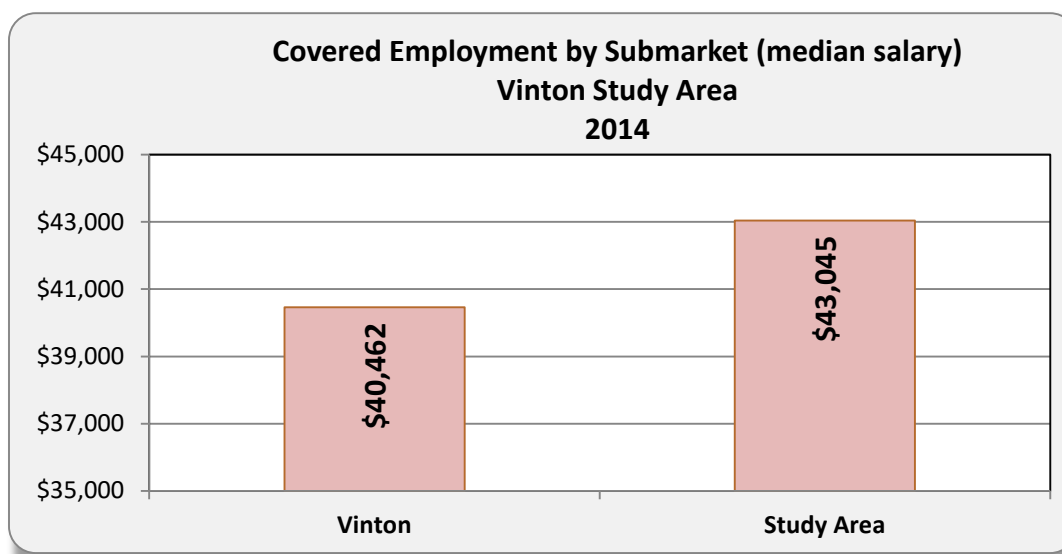
Sources: Iowa Workforce Development; Maxfield Research & Consulting, LLC



### Covered Employment by Industry

Table E-2 presents covered employment in the Study Area for 2015 (the most recent data available). Covered employment data is calculated as an annual average and *reveals the number of jobs in the County*, which are covered by unemployment insurance. Most farm jobs, self-employed persons, and some other types of jobs are not covered by unemployment insurance and are not included in the table. The data is from the U.S. Bureau of Labor and the U.S Census.

- The Vinton Study Area's largest employment numbers are in the Public Administration industry followed by the Retail Trade industry. As a percentage, the Public Administration is about 15% of the employee total and Retail Trade is roughly 1%. Educational Services and Health Care and Social Assistance calculate to 7% and 9%, respectively. Combined, these four industries contain 43% of jobs in the Study Area. These total 49% of the jobs in Vinton.
- The overall median salary in the Study Area was \$43,045. The City of Vinton has a median salary at \$40,462.
- The industries with the highest median salaries in Vinton were Public Administration (\$77,661), Manufacturing (\$55,658), Construction (\$46,298), and Information (\$41,417). One quarter of the industries have median wages between \$30,000 and \$45,000. A median wage of \$45,000 can in theory afford a home roughly around \$127,500. Five of the industry sectors have median salaries less than \$20,000 while three have incomes between \$20,000 and \$30,000.
- The industries with the lowest median wages include Other Services (\$1,858), Accommodation and Food Service (\$2,500), and Arts, Entertainment, and Recreation (\$8,095).



## EMPLOYMENT TRENDS

**TABLE E-2  
COVERED EMPLOYMENT BY INDUSTRY  
VINTON STUDY AREA  
2015**

	Vinton			Remainder*			Study Area Total		
	Employment		Med. Salary	Employment		Med. Salary	Employment		Med. Salary
Agriculture, Forestry, Fishing & Hunting	12	0.5%	\$20,234	47	6.9%	--	59	1.8%	--
Mining	21	0.8%	n.a.	2	0.3%	--	23	0.7%	--
Utilities	33	1.3%	n.a.	0	0.0%	--	33	1.0%	--
Construction	176	7.0%	\$46,298	97	14.3%	--	273	8.5%	--
Manufacturing	51	2.0%	\$55,658	39	5.8%	--	90	2.8%	--
Wholesale Trade	186	7.4%	\$38,125	16	2.4%	--	202	6.3%	--
Retail Trade	348	13.8%	\$24,286	27	4.0%	--	375	11.7%	--
Transportation and Warehousing	62	2.5%	\$28,500	80	11.8%	--	142	4.4%	--
Information	59	2.3%	\$41,417	80	11.8%	--	139	4.3%	--
Finance and Insurance	79	3.1%	\$31,012	12	1.8%	--	91	2.8%	--
Real Estate, Rental and Leasing	21	0.8%	n.a.	9	1.3%	--	30	0.9%	--
Professional and Technical Services	60	2.4%	\$40,868	25	3.7%	--	85	2.7%	--
Management of Companies	0	0.0%	--	2	0.3%	--	2	0.1%	--
Administrative and Waste Services	14	0.6%	\$40,243	10	1.5%	--	24	0.7%	--
Educational Services	218	8.6%	\$17,083	0	0.0%	--	218	6.8%	--
Health Care and Social Assistance	255	10.1%	\$19,507	28	4.1%	--	283	8.8%	--
Arts, Entertainment, and Recreation	29	1.1%	\$8,095	18	2.7%	--	47	1.5%	--
Accommodation and Food Services	201	8.0%	\$2,500	24	3.5%	--	225	7.0%	--
Other Services	287	11.4%	\$1,858	81	12.0%	--	368	11.5%	--
Public Administration	415	16.4%	\$77,661	80	11.8%	--	495	15.4%	--
<b>Total</b>	<b>2,527</b>	<b>100%</b>	<b>\$40,462</b>	<b>677</b>	<b>100%</b>	<b>--</b>	<b>3,204</b>	<b>100%</b>	<b>\$43,045</b>

\* Due to the information available from the American Community Survey we were unable to extrapolate median salary for the Remainder of the Study Area and the total Study Area.

Sources: U.S. Bureau of Labor Statistics; U.S. Census (American Community Survey 2014 5-Year Estimate); Maxfield Research & Consulting, LLC

## EMPLOYMENT TRENDS

- The average weekly wage in Benton County grew by 31% between 2005 and 2015, compared to 33% for the State of Iowa. The average annual growth follows a similar trend with 3.1% in Benton County, about even with the State of Iowa with 3.3%.
- As of 2015, the average weekly wage was \$696 in Benton County (\$36,192 annually) and \$848 in the State of Iowa (\$44,096 annually). Comparatively, the average weekly wage was \$530 in Benton County in 2005, compared to \$636 in the State of Iowa. Benton County wages are 22% lower than the State of Iowa.

TABLE E-3 AVERAGE WEEKLY WAGE BENTON COUNTY, IOWA 2005 - 2015		
	Benton County	Iowa
% Growth '05-'15	31%	33%
Avg. Annual Growth	3.1%	3.3%
2015	\$696	\$848
2014	\$674	\$818
2013	\$646	\$791
2012	\$635	\$776
2011	\$616	\$754
2010	\$597	\$733
2009	\$581	\$715
2008	\$586	\$711
2007	\$560	\$688
2006	\$549	\$660
2005	\$531	\$636

Sources: U.S. Bureau of Labor Statistics; Maxfield Research & Consulting

## Existing Business Mix by NAICS

Table E-4 presents business data as compiled from ESRI in 2016 which is sourced from the Dun & Bradstreet database. The data is characterized based on the six-digit North American Industry Classification System (NAICS). The NAICS is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy.

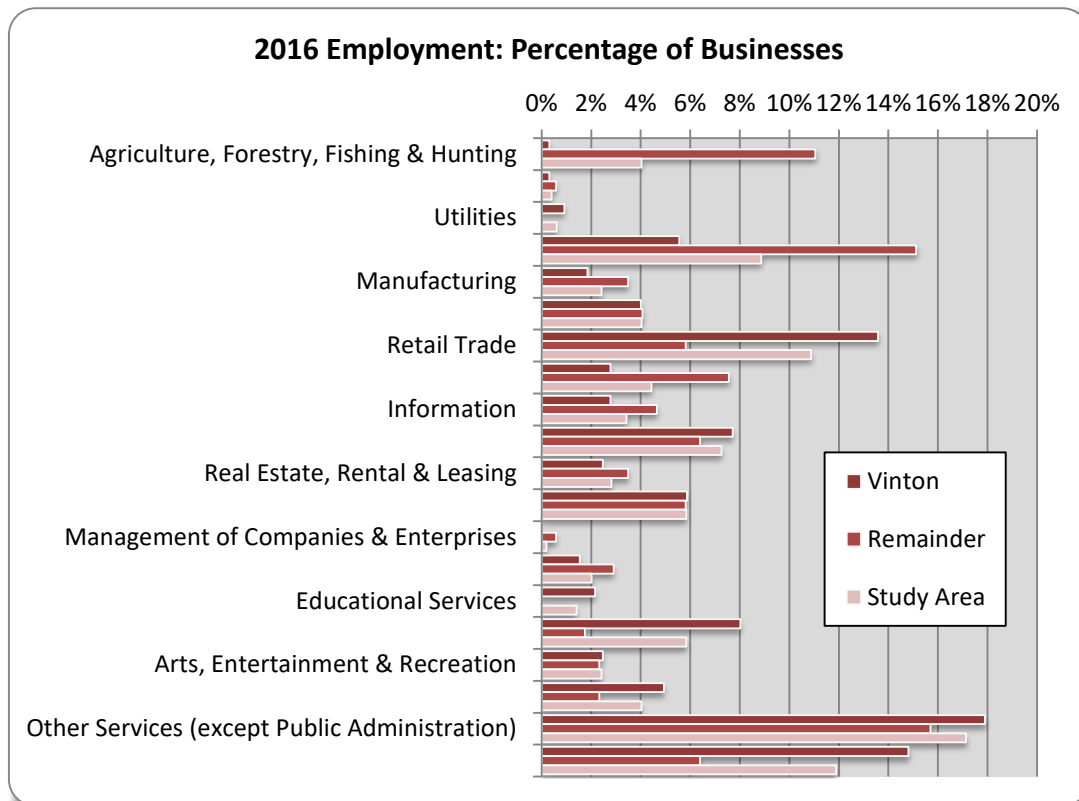
Dun & Bradstreet utilizes its exclusive DUNSRight™ process that harvests information from a mix of data sources to collect, maintain, and verify information on individual establishments. This process leverages Dun & Bradstreet's proprietary databases, customer-generated information, and publicly available sources such as business registries, Internet/web mining, news and media reports, telephone directories, court and legal filings, company financials, banking information, directory assistance, industry trade data, and telephone interviews. Due



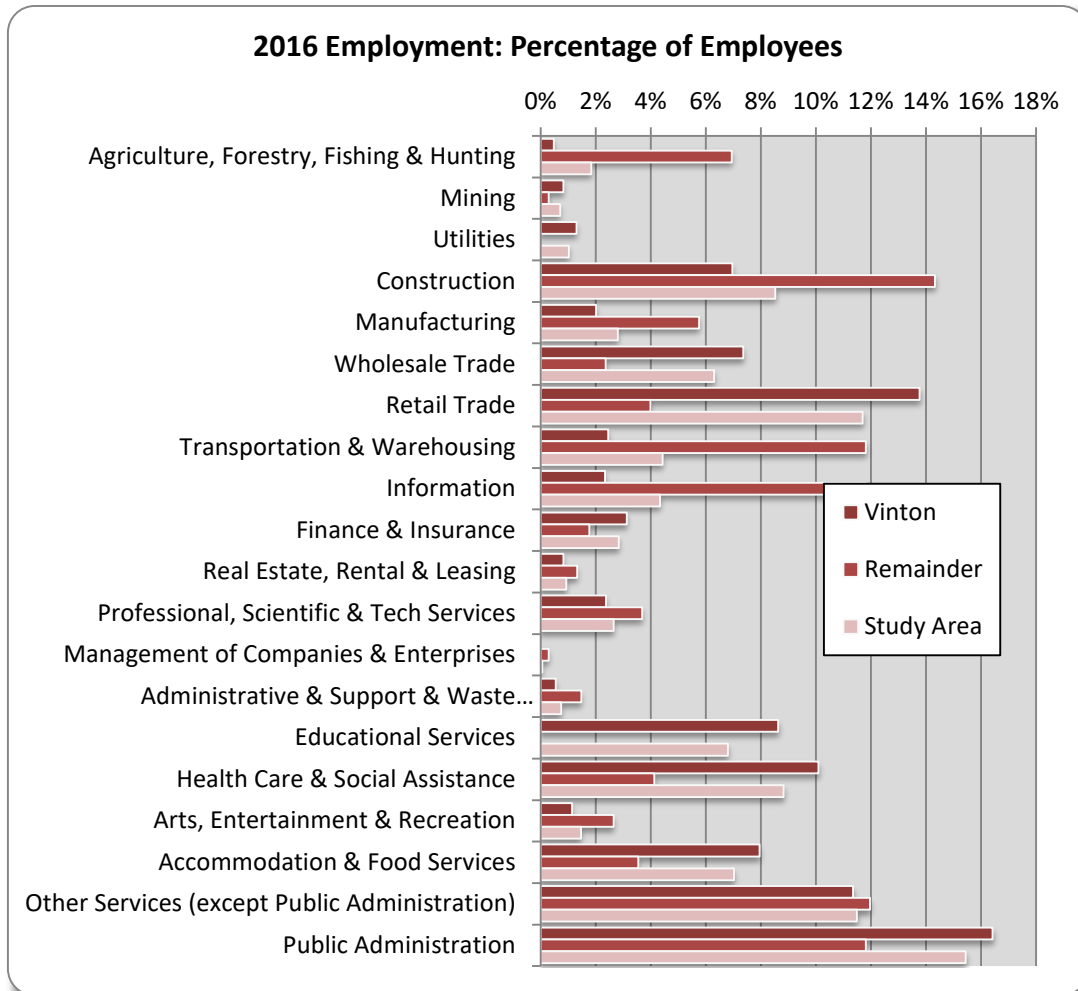
## EMPLOYMENT TRENDS

to the various avenues of collection, we have encountered that the business summary data to be inaccurate in certain markets.

- Other Services comprises of the largest percentage of business total. This category is about 17% of the Study Areas business total, while in the City of Vinton, it accounts for roughly 18% which are followed by Public Administration (16%), and the Retail Trade (14%) industries.



- The Study Area has 495 employees who work in Public Administration, which accounts for nearly 15% of the total number of employees. Retail Trade and Other Services follow with 375 and 368 employees respectively, or each 11.5% of the total employees in the Study Area.
- In the City of Vinton Public administration employees accounted for 16% of the workforce followed by Retail Trade followed at 14%. Retail jobs are typically lower paying positions and would likely house the majority of renters.



## EMPLOYMENT TRENDS

**TABLE E-4**  
**BUSINESS SUMMARY - BY NAICS CODE**  
**VINTON STUDY AREA**  
**2016**

Business/Industry	VINTON				Remainder				Study Area Total			
	Businesses		Employees		Businesses		Employees		Businesses		Employees	
	#	%	#	%	#	%	#	%	#	%	#	%
<b>NAICS CODES</b>												
Agriculture, Forestry, Fishing and Hunting	1	0.3%	12	0.5%	19	11.0%	47	6.9%	20	4.0%	59	1.8%
Mining	1	0.3%	21	0.8%	1	0.6%	2	0.3%	2	0.4%	23	0.7%
Utilities	3	0.9%	33	1.3%	0	0.0%	0	0.0%	3	0.6%	33	1.0%
Construction	18	5.6%	176	7.0%	26	15.1%	97	14.3%	44	8.9%	273	8.5%
Manufacturing	6	1.9%	51	2.0%	6	3.5%	39	5.8%	12	2.4%	90	2.8%
Wholesale Trade	13	4.0%	186	7.4%	7	4.1%	16	2.4%	20	4.0%	202	6.3%
Retail Trade	44	13.6%	348	13.8%	10	5.8%	27	4.0%	54	10.9%	375	11.7%
Transportation & Warehousing	9	2.8%	62	2.5%	13	7.6%	80	11.8%	22	4.4%	142	4.4%
Information	9	2.8%	59	2.3%	8	4.7%	80	11.8%	17	3.4%	139	4.3%
Finance & Insurance	25	7.7%	79	3.1%	11	6.4%	12	1.8%	36	7.3%	91	2.8%
Real Estate, Rental & Leasing	8	2.5%	21	0.8%	6	3.5%	9	1.3%	14	2.8%	30	0.9%
Professional, Scientific & Tech Services	19	5.9%	60	2.4%	10	5.8%	25	3.7%	29	5.8%	85	2.7%
Management of Companies & Enterprises	0	0.0%	0	0.0%	1	0.6%	2	0.3%	1	0.2%	2	0.1%
Admin. & Support & Waste Mgmt. & Remediation	5	1.5%	14	0.6%	5	2.9%	10	1.5%	10	2.0%	24	0.7%
Educational Services	7	2.2%	218	8.6%	0	0.0%	0	0.0%	7	1.4%	218	6.8%
Health Care & Social Assistance	26	8.0%	255	10.1%	3	1.7%	28	4.1%	29	5.8%	283	8.8%
Arts, Entertainment & Recreation	8	2.5%	29	1.1%	4	2.3%	18	2.7%	12	2.4%	47	1.5%
Accommodation & Food Services	16	4.9%	201	8.0%	4	2.3%	24	3.5%	20	4.0%	225	7.0%
Other Services (except Public Administration)	58	17.9%	287	11.4%	27	15.7%	81	12.0%	85	17.1%	368	11.5%
Public Administration	48	14.8%	415	16.4%	11	6.4%	80	11.8%	59	11.9%	495	15.4%
<b>Total</b>	<b>324</b>	<b>100%</b>	<b>2,527</b>	<b>100%</b>	<b>172</b>	<b>100%</b>	<b>677</b>	<b>100%</b>	<b>496</b>	<b>100%</b>	<b>3,204</b>	<b>100%</b>
Sources: ESRI, Maxfield Research & Consulting, LLC												

## Commuting Patterns

Proximity to employment is often a primary consideration when choosing where to live, since transportation costs often account for a hefty proportion of households' budgets. Table E-5 highlights the commuting patterns of workers in Vinton in 2014 (the most recent data available), based on Employer-Household Dynamics data from the U.S. Census Bureau.

- As the table illustrates, Vinton is the place of residence for about one-third of employees that work in the city with a 33.5% share, while the majority are commuting from a wide range of communities.
- Roughly 29% of those employed living in Vinton have jobs in the city, while the remaining workers are choosing other locations outside of Vinton. Cedar Falls is the employment destination for the highest number of Vinton residents 490 people (19%)

**TABLE E-5  
COMMUTING PATTERNS  
CITY OF VINTON  
2014**

<b>Workers Place of Residence</b>			<b>Residents Place of Work</b>		
<u>Place of Residence</u>	<u>Count</u>	<u>Share</u>	<u>Place of Employment</u>	<u>Count</u>	<u>Share</u>
Vinton	736	33.5%	Vinton	736	29.1%
Cedar Rapids	84	3.8%	Cedar Rapids	490	19.4%
Urbana	61	2.8%	Des Moines	79	3.1%
Waterloo	37	1.7%	Waterloo	79	3.1%
Van Horne	36	1.6%	Hiawatha	61	2.4%
Cedar Falls	27	1.2%	Cedar Falls	52	2.1%
Marion City	22	1.0%	Iowa City	51	2.0%
Marshalltown	21	1.0%	Marion City	38	1.5%
Shellsnurg	21	1.0%	Coralville	34	1.3%
Davenport	19	0.9%	West Des Moines	27	1.1%
All Other Locations	1,131	51.5%	All Other Locations	880	34.8%
<u>Distance Traveled</u>			<u>Distance Traveled</u>		
Total Primary Jobs	2,195	100.0%	Total Primary Jobs	2,527	100.0%
Less than 10 miles	1,048	47.7%	Less than 10 miles	854	33.8%
10 to 24 miles	439	20.0%	10 to 24 miles	708	28.0%
25 to 50 miles	315	14.4%	25 to 50 miles	457	18.1%
Greater than 50 miles	393	17.9%	Greater than 50 miles	508	20.1%

Sources: US Census Bureau Local Employment Dynamics (OnTheMap); Maxfield Research & Consulting, LLC

- About 48% of the workers in Vinton reside within ten miles of their place of employment while 18% travel greater than 50 miles. 20% of workers in the County travel 10 to 24 miles for employment and 14% commute a distance ranging from 25 to 50 miles.

## EMPLOYMENT TRENDS

- Nearly 34% of Vinton residents travel less than ten miles to their place of employment, while 20% have a commute distance greater than 50 miles. 28% commute between 10 to 24 miles and 18% travel 25 to 50 miles.

### Inflow/Outflow

Table E-6 provides a summary of the inflow and outflow of workers in the City of Vinton. Outflow reflects the number of workers living in the city but are employed outside of the city while inflow measures the number of workers that are employed in the city but live outside.

- Vinton can be considered an exporter of workers, as the number of residents leaving the city for work (outflow) is over half than the number of workers entering the city (inflow) for employment. Approximately 1,459 workers came into the city for work while 1,791 workers left, for a net difference of -332.

**Vinton Inflow/Outflow**

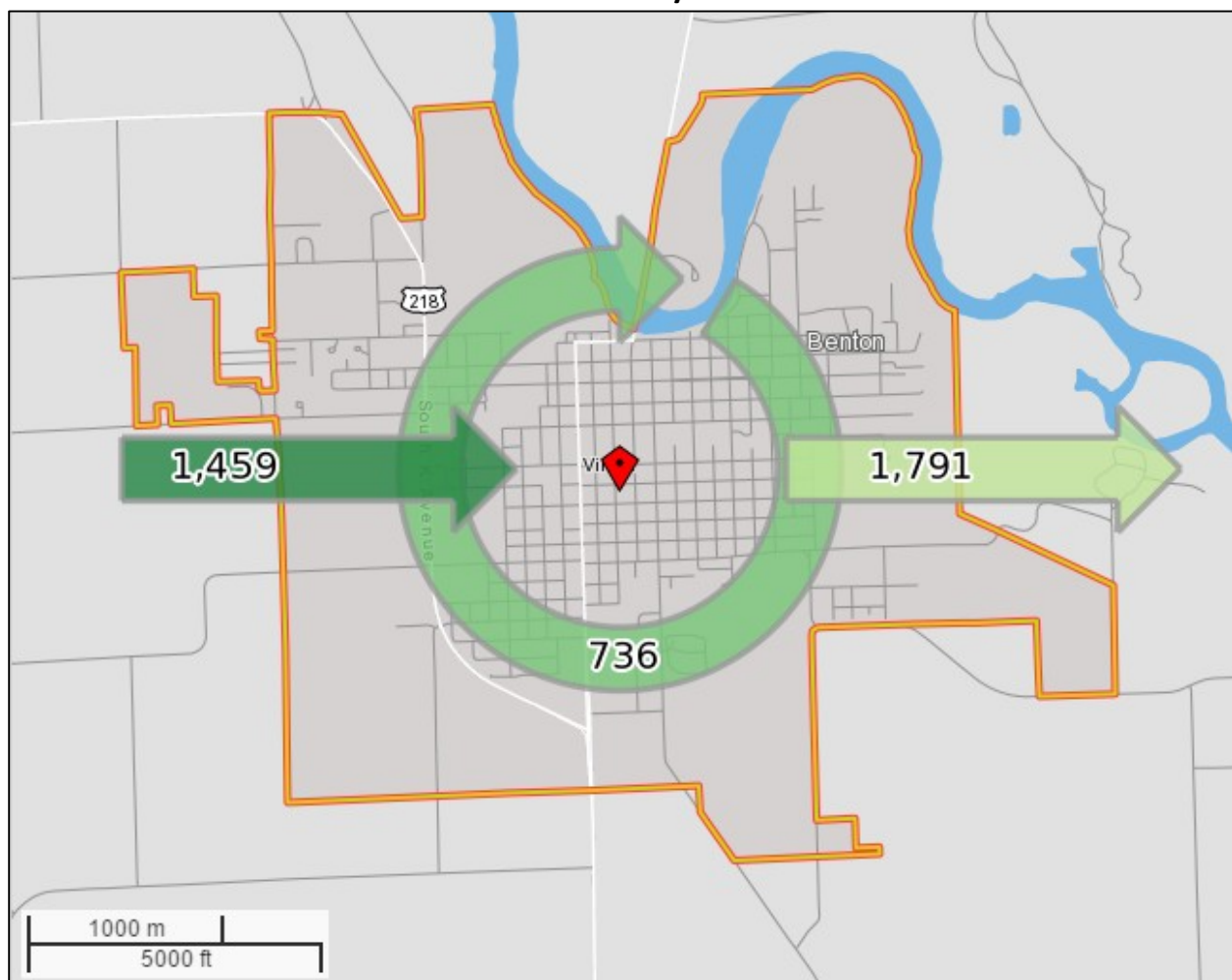
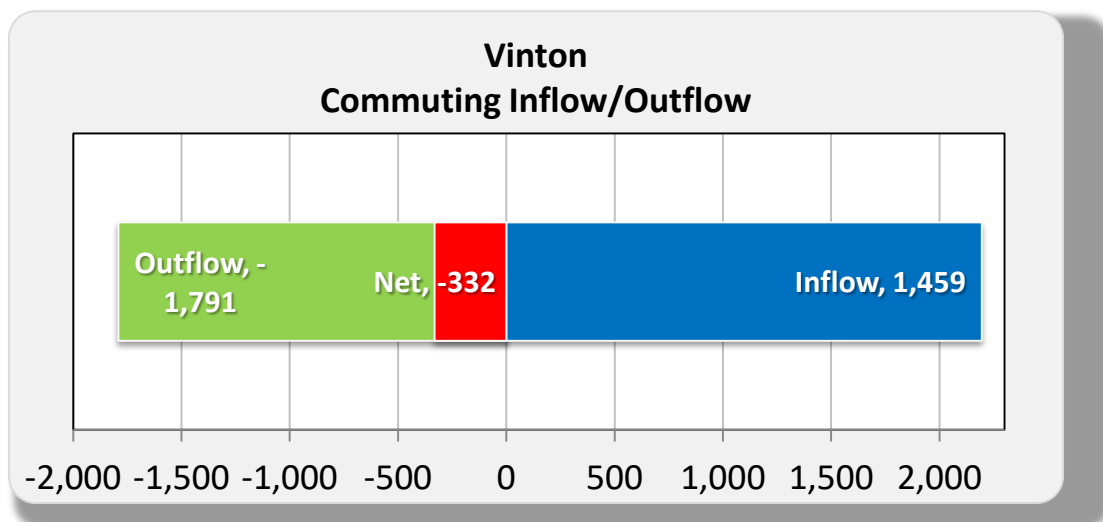


TABLE E-6 COMMUTING INFLOW/OUTFLOW VINTON STUDY AREA 2014		
City of Vinton		
	Num.	Pct.
Employed in the Selection Area	2,195	100%
Employed in the Selection Area but Living Outside	1,459	66.5%
Employed and Living in the Selection Area	736	33.5%
Living in the Selection Area	2,527	100%
Living in the Selection Area but Employed Outside	1,791	70.9%
Living and Employed in the Selection Area	736	29.1%
Study Area		
	Num.	Pct.
Employed in the Selection Area	2,417	100%
Employed in the Selection Area but Living Outside	1,363	56.4%
Employed and Living in the Selection Area	1,054	43.6%
Living in the Selection Area	5,246	100%
Living in the Selection Area but Employed Outside	4,192	79.9%
Living and Employed in the Selection Area	1,054	20.1%
Benton County		
	Num.	Pct.
Employed in the Selection Area	5,262	100%
Employed in the Selection Area but Living Outside	2,520	47.9%
Employed and Living in the Selection Area	2,742	52.1%
Living in the Selection Area	13,348	100%
Living in the Selection Area but Employed Outside	10,606	79.5%
Living and Employed in the Selection Area	2,742	20.5%
Sources: U.S. Census Bureau; Maxfield Research & Consulting, LLC		



## EMPLOYMENT TRENDS

**TABLE E-7  
WORKER PROFILE  
VINTON STUDY AREA  
2014**

	Vinton		Remainder		Study Area	
	Num	Pct.	Num	Pct.	Num	Pct.
<b>Total Jobs</b>						
Total All Jobs	2,195	84%	429	16%	2,624	100%
<b>Monthly Earnings</b>						
\$1,250 or Less	732	33%	139	32%	871	33%
\$1,251 to \$3,333	786	36%	169	39%	955	36%
More Than \$3,333	677	31%	121	28%	798	30%
<b>Worker Ages</b>						
Age 29 or Younger	465	21%	112	26%	577	22%
Age 30 to 54	1,114	51%	201	47%	1,315	50%
Age 55 or Older	616	28%	116	27%	732	28%
<b>Worker Race and Ethnicity</b>						
<b>Race</b>						
White Alone	2,142	98%	411	96%	2,553	97%
Black or African American Alone	19	1%	15	3%	34	1%
American Indian or Alaska Native Alone	8	0%	1	0%	9	0%
Asian Alone	10	0%	0	0%	10	0%
Native Hawaiian or Other Pacific Islander Alone	2	0%	0	0%	2	0%
Two or More Race Groups	14	1%	2	0%	16	1%
<b>Ethnicity</b>						
Not Hispanic or Latino	2,172	99%	421	98%	2,593	99%
Hispanic or Latino	23	1%	8	2%	31	1%
<b>Worker Educational Attainment</b>						
Less Than High School	135	6%	21	5%	156	6%
High School or Equivalent, No College	598	27%	124	29%	722	28%
Some College or Associate Degree	619	28%	110	26%	729	28%
Bachelor's Degree or Advanced Degree	378	17%	60	14%	438	17%
Educational Attainment Not Available	--	--	--	--	--	--
<b>NAICS Industry Sector</b>						
Agriculture, Forestry, Fishing and Hunting	8	0%	38	9%	46	2%
Mining, Quarrying, and Oil and Gas Extraction	29	1%	0	0%	29	1%
Utilities	22	1%	0	0%	22	1%
Construction	59	3%	49	11%	108	4%
Manufacturing	118	5%	46	11%	164	6%
Wholesale Trade	81	4%	11	3%	92	4%
Retail Trade	401	18%	15	3%	416	16%
Transportation and Warehousing	81	4%	50	12%	131	5%
Information	22	1%	13	3%	35	1%
Finance and Insurance	61	3%	8	2%	69	3%
Real Estate and Rental and Leasing	23	1%	7	2%	30	1%
Professional, Scientific, and Technical Services	35	2%	10	2%	45	2%
Management of Companies and Enterprises	10	0%	0	0%	10	0%
Admin & Support, Waste Mgmt and Remediation	41	2%	20	5%	61	2%
Educational Services	235	11%	36	8%	271	10%
Health Care and Social Assistance	480	22%	61	14%	541	21%
Arts, Entertainment, and Recreation	17	1%	12	3%	29	1%
Accommodation and Food Services	127	6%	33	8%	160	6%
Other Services (excluding Public Administration)	64	3%	10	2%	74	3%
Public Administration	281	13%	10	2%	291	11%

Source: U.S. Census Bureau; Maxfield Research & Consulting, LLC

## Worker Profile

Table E-7 compares characteristics of employed residents living in Vinton and the Study Area in 2014. Information on monthly earnings, age, race and ethnicity, educational attainment and job classification is provided.

- Approximately 31% of Vinton employees earned more than \$3,333 per month with the majority of jobs earning between \$1,251 to \$3,333 (36%). Earnings in the Remainder of the Study Area mirror the City of Vinton.
- Health Care and Social Services comprise the largest percentage of jobs in Vinton (22%) followed by Retail Trade (18%), Public Administration (13%), and Educational Services (11%).

## Major Employers

A portion of the employment growth in Vinton will be generated by the largest employers in the City of Vinton. The table below lists some of the top employers along with a description of their primary industry and number of employees. Table E-8 shows the major employers in Vinton in 2016 based on data provided by City of Vinton.

- The Virginia Gay Hospital & Clinics is the largest employer in Vinton with about 295 total employees. There is roughly a 50/50% split of full-time and part-time Jobs at the hospital.
- The Vinton Shellsburg community School District is the second largest employer in the Study Area with 260 employees (88% are full-time jobs).

<b>TABLE E-8</b> <b>MAJOR EMPLOYERS</b> <b>VINTON</b> <b>August 2016</b>			
Name	Industry	Employment Size	
		Full-Time	Part-Time
Virginia Gay Hospital & Clinics	Healthcare	150	145
Vinton Shellsburg Community School District	Education	198	30
Lutheran Home	Senior Care Facility	48	72
Ideal Industries	Manufacturing	40	0
Kerry	Food Industry	25	0
Farmers Savings Bank	Financial Bank	15	3
Custom Millwork & Finishing	Manufacturing	13	3
Source: City of Vinton; Maxfield Research & Consulting, LLC			



### Employer Survey

Maxfield Research surveyed representatives from a select number of the largest employers in Vinton. The questions covered topics such as recent trends in job growth, average wages and salaries, employee turnover, and projected job growth. In addition, representatives were asked their opinion about issues related to housing in the area. Specifically, they were asked whether the current supply of housing in the area matches the needs of their workforce. The following points summarize the findings of this survey process.

- Overall, the employers surveyed stated that housing is not a large issue when hiring and retaining employees. However, this does not mean it does not have any affect at all. Depending on the position at a specific employer (i.e. physician, nurse, teacher, managerial, etc) the lack of quality buildable lots, maintained and updated existing homes, along with newer quality rental housing has been an issue at times. Employers believe these issues could dissuade potential new employees relocating to the area is the issues stay stagnant.
- Employers said their employees commute from up to a 45-mile radius from their residence. As shown previously, Vinton has more residents leaving the City for employment than coming into the City. Many of the part-time and/or hourly positions often employ workers that live in the city or commute from a relatively short distance from Vinton.
- Employers have been somewhat stable or experienced a slight increase their workforce slightly over the past few years. Except for the hospital, hiring is expected to remain minimal over the next few years as most employers expect to be rather stable over the period. Turnover is relatively low at most companies with the Lutheran home stating high rate (but normal in the industry) compared to the others. Those who travel from Cedar Rapids are likely to have a higher turnover.
- Typically, the jobs filled by those recruited from outside the commuting area and whom would need to relocate to the area have been skilled positions (doctors, nurses, and teachers) or are executive/management in nature.
- Although most prefer to buy or build, a portion of employees relocating are looking for temporary workforce rental housing. The first choice for many is single family rental options as children often accompany these employees. The opinion is that the current rental supply is dated and that there is a lack of quality or “clean single family rental units.
- Employers find that most employees relocating to Vinton prefer to purchase an existing single-family home or build a new home. Some avoid building new because they do not want to wait for the build out and costs tend to be higher. The existing single-family supply in thin and lacking in choices with the majority of homes listed from \$50,000 to \$149,999. Homes priced in this range that are well maintained and updated sell quickly but are few.

## EMPLOYMENT TRENDS

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The majority of these homes need updating which increases cost and commitment from the buyer. Homes priced at \$100,000 or below are usually in need of major work.

- There is typically nothing on the market priced above \$150,000. As the data shows, roughly 11.5% of resales (roughly eight homes) each year are for home priced from \$150,000 or higher.
- If an employee decided to build, there are only two subdivisions that can accommodate new construction within the City. The Bascom's and Eastview Estates subdivisions. However, homes being built in this subdivision are higher end homes typically priced around \$150,000.
- Employers believe there is need for quality buildable lots with homes from roughly \$175 to \$250. In addition, there are exiting administration, executives, and physicians looking for lots to build move up upper-level homes of \$300,000 or higher. Some of these lots are available but outside of the city limits.

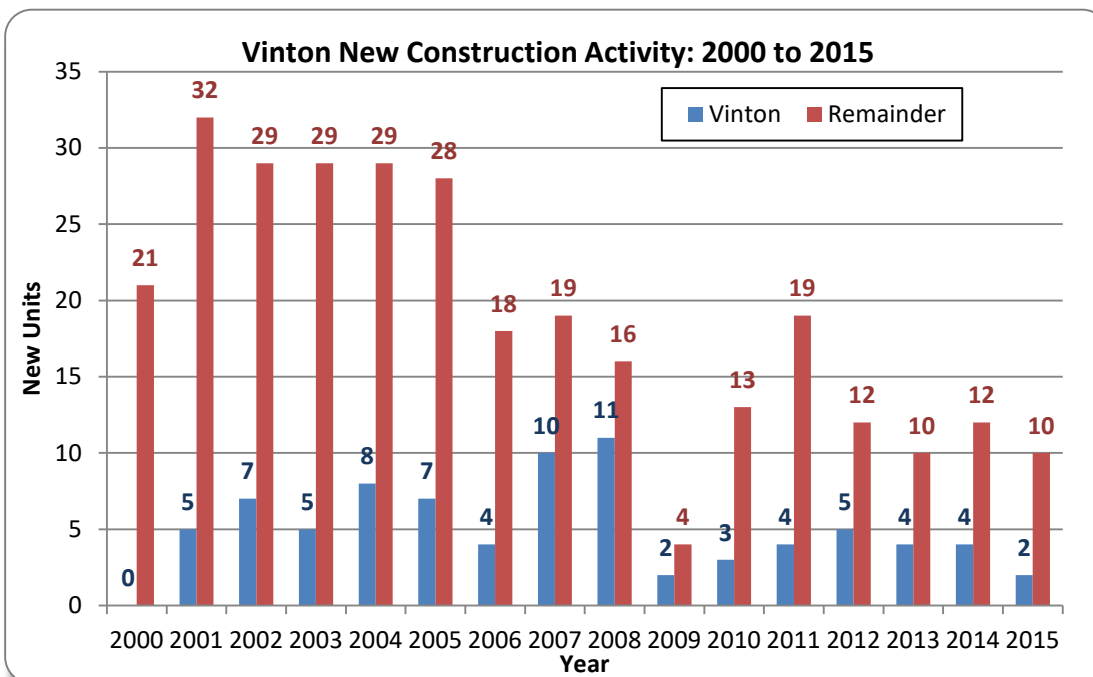
## Introduction

The variety and condition of the housing stock in a community provides the basis for an attractive living environment. Housing functions as a building block for neighborhoods and goods and services. We examined the housing market in the Vinton Study Area by reviewing data on the age of the existing housing supply; examining residential building trends since 2000; and reviewing housing data from the American Community Survey.

## Residential Construction Trends 2000 to Present

Maxfield Research obtained data on the number of new construction housing units from 2000 through 2016 from the Benton County Assessor for the City of Vinton. Table HC-1 displays the number of units for new construction.

- Between 2001 and 2016, Vinton averaged just over six new construction units a year. The new construction trends have fluctuated slightly over the period, which peaked in 2007 and 2008 (10 & 11 new construction units) and bottomed out in 2009 (two new construction units).
- The majority of development in the Study Area is occurring outside of the City of Vinton in the surrounding townships. The Remainder of the Study Area was higher with 301 homes built over the period, or an average of 23 homes per year from 2000 to 2015.



## HOUSING CHARACTERISTICS

**TABLE HC-1  
NEW CONSTRUCTION ACTIVITY  
VINTON STUDY AREA  
2000 to 2016**

	NUMBER OF UNITS																	
Area	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Total
Vinton	n.a.	5	7	5	8	7	4	10	11	2	3	4	5	4	4	2	1	75
Remainder of Study Area	21	32	29	29	29	28	18	19	16	4	13	19	12	10	12	10	n.a.	301

Sources: City of Vinton, Benton County Assesor, Maxfield Research & Consulting, LLC

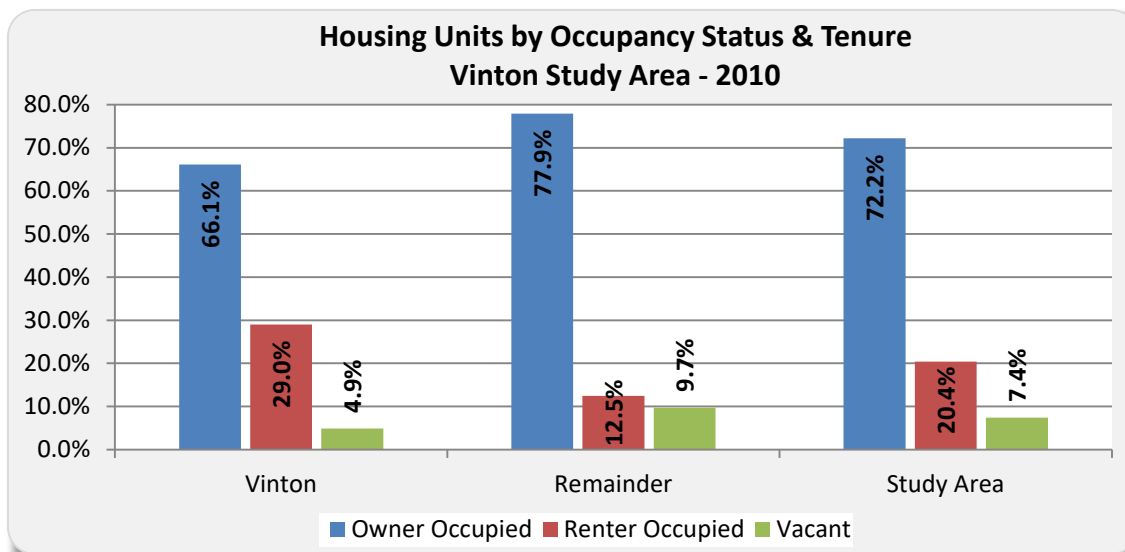
## Housing Units by Occupancy Status & Tenure

Tenure is a key variable that analyzes the propensity for householders to rent or own their housing unit. Tenure is an integral statistic used by numerous governmental agencies and private sector industries to assess neighborhood stability. Table HC-2 shows historic trends in 2010 by the Study Area.

- The Remainder of the Study Area (78%) had the higher percentage of owner-occupied housing units than Vinton (66%). The higher rental rate is common in many cities when compared to rural townships.
- The City of Vinton had a percentage of vacant units at 5% while the Remainder of the Study Area had a percentage of vacant housing units at 10%. The Remainder of the Study Area had significantly higher number of vacant units with nearly 240 units while Vinton had 112. Maxfield Research has found that vacant unit figures from the Census can sometimes be overstated.

<b>TABLE HC-2</b> <b>HOUSING UNITS BY OCCUPANCY STATUS AND TENURE</b> <b>VINTON STUDY AREA</b> <b>2010</b>						
Occupancy	Vinton		Remainder		Study Area	
	No.	Pct.	No.	Pct.	No.	Pct.
Owner Occupied	1,521	66.1%	1,913	77.8%	3,434	72.2%
Renter Occupied	666	29.0%	306	12.5%	972	20.4%
Vacant	112	4.9%	238	9.7%	350	7.4%
<b>Total</b>	<b>2,299</b>	<b>99.9%</b>	<b>2,457</b>	<b>99.9%</b>	<b>4,756</b>	<b>100.0%</b>

Sources: U.S. Census Bureau; Maxfield Research & Consulting, LLC



## HOUSING CHARACTERISTICS

**TABLE HC-3  
VACANCY STATUS  
VINTON STUDY AREA  
2010**

	Total Vacant	For Rent		Rented, Not Occupied		For Sale Only		Sold, Not Occupied		For Seasonal Use		For Migratory Workers		Other Vacant	
	No.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Vinton	112	38	34%	2	2%	21	19%	9	8%	4	4%	0	0%	38	34%
Remainder	238	25	11%	1	0%	39	16%	12	5%	82	34%	1	0%	78	33%
<b>Study Area Total</b>	<b>350</b>	<b>63</b>	<b>18%</b>	<b>3</b>	<b>1%</b>	<b>60</b>	<b>17%</b>	<b>21</b>	<b>6%</b>	<b>86</b>	<b>25%</b>	<b>1</b>	<b>0%</b>	<b>116</b>	<b>33%</b>

Sources: U.S. Census Bureau; Maxfield Research & Consulting, LLC

- About 5% of Vinton housing stock was vacant in 2010. It is important to note, however, that the Census's definition of vacant housing units includes: units that have been rented or sold, but not yet occupied, seasonal housing (vacation or second homes), housing for migrant workers, and even boarded-up housing. Thus, the U.S. Census vacancy figures are not always a true indicator of adequate housing available for new households wishing to move into the area. Based on data in Table HC-3, approximately 4% of the vacant units in Vinton were for seasonal use, 19% were for sale, and 38% were for rent.

### American Community Survey

The American Community Survey ("ACS") is an ongoing statistical survey administered by the U.S. Census Bureau that is sent to approximately 3 million addresses annually. The survey gathers data previously contained only in the long form of the decennial census. As a result, the survey is ongoing and provides a more "up-to-date" portrait of demographic, economic, social, and household characteristics every year, not just every ten years. The most recent ACS highlights data collected between 2009 and 2014. It should be noted that all ACS surveys are subject to sampling error and uncertainty. The ACS reports margins of errors (MOEs) with estimates for most standard census geographies. The MOE is shown by reliability from low, medium to high. Due to the MOE, 2014 ACS data may have inconsistencies with previous 2010 Census data.

Tables HC-4 through HC-9 show key data from the American Community Survey for the Vinton Study Area.

### Age of Housing Stock

The graph on the following page shows the age distribution of the housing stock based on data from the U.S. Census Bureau and the American Community Survey (5-Year). Table HC-4 includes the number of housing units built in the Study Area, prior to 1940 and during each decade since.

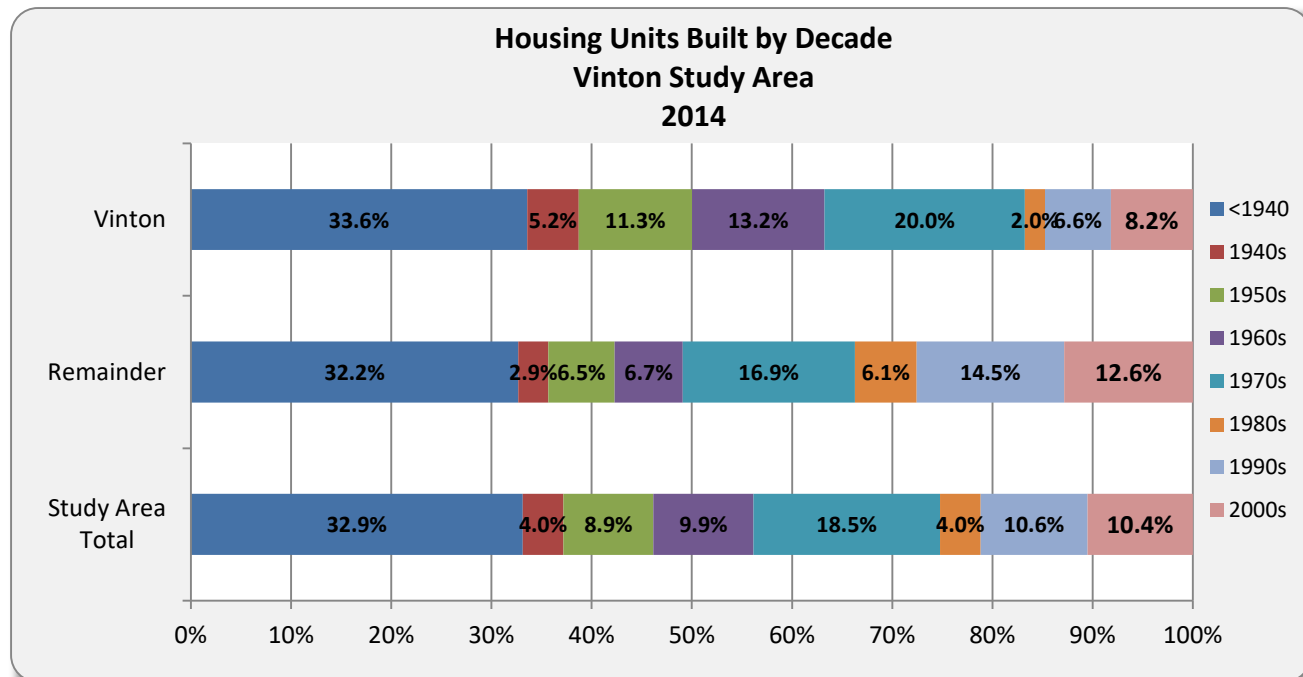
- The greatest percentage of homes in Vinton was built before the 1940s, which comprised 34% of the entire housing stock in the city. The second highest percentage of homes in Vinton was built in the 1970s (20%).
- The Remainder of the Study Area had a similar percentage of homes built before 1940, which comprised 32%. Homes built in the 1970s followed at 17%.
- Since 2000, 476 housing units have been added to the Study Area's housing stock, roughly 11% of the total. Vinton added 173 units (4%) and the Remainder added 303 units (14%).

## HOUSING CHARACTERISTICS

**TABLE HC-4**  
**AGE OF HOUSING STOCK (OCCUPIED HOUSING UNITS)**  
**VINTON STUDY AREA**  
**2016 (2014 ACS)**

	Total Units	Med. Yr. Built	Year Structure Built																	
			<1940		1940s		1950s		1960s		1970s		1980s		1990s		2000s		2010+	
			No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Vinton	2,113	1958	709	33.6%	109	5.2%	239	11.3%	279	13.2%	423	20.0%	42	2.0%	139	6.6%	173	8.2%	0	0.0%
Remainder	2,143	1969	690	32.2%	63	2.9%	140	6.5%	143	6.7%	363	16.9%	130	6.1%	311	14.5%	271	12.6%	32	1.5%
<b>Study Area Total</b>	<b>4,256</b>	<b>1963</b>	<b>1,399</b>	<b>32.9%</b>	<b>172</b>	<b>4.0%</b>	<b>379</b>	<b>8.9%</b>	<b>422</b>	<b>9.9%</b>	<b>786</b>	<b>18.5%</b>	<b>172</b>	<b>4.0%</b>	<b>450</b>	<b>10.6%</b>	<b>444</b>	<b>10.4%</b>	<b>32</b>	<b>0.8%</b>

Sources: U.S. Census Bureau - American Community Survey; Maxfield Research & Consulting, LLC

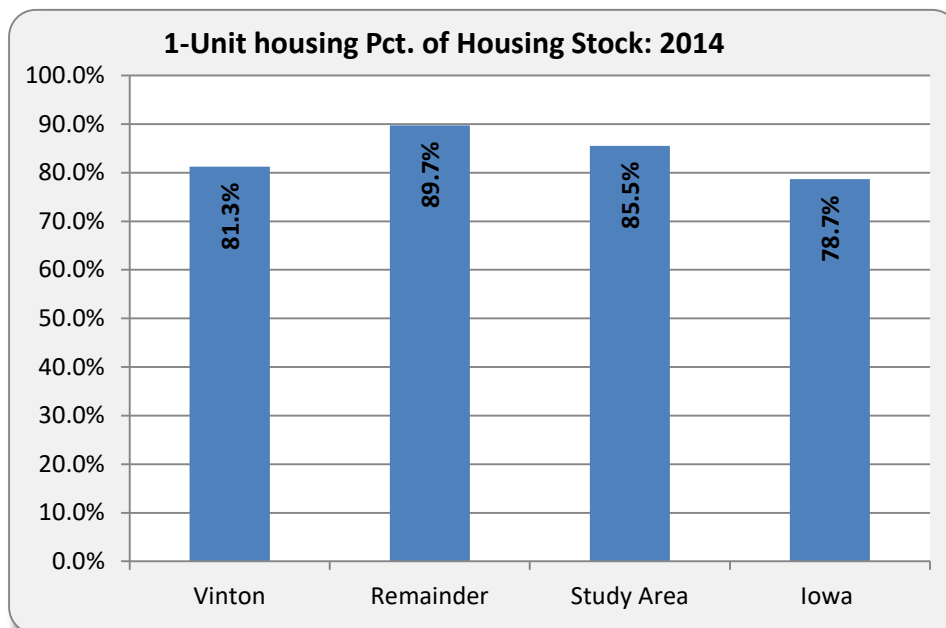




### Housing Units by Structure and Occupancy or (Housing Stock by Structure Type)

Table HC-5 shows the housing stock in Vinton by type of structure and tenure based on the 2014 ACS.

- The dominant housing type in Vinton is the single-family detached home, representing 80% of all housing units in the city while comprising 84.5% of the Remainder of the Study Area. As a comparison, approximately 75% of all homes in Iowa are single-family detached.
- The majority of the housing units with two or more units are renter-occupied. Approximately 91.5% of housing in Vinton with two or more units is renter-occupied. All of the housing with two or more units in the Remainder of the Study Area are renter-occupied.
- Roughly 38% of Vinton rental units are single-family detached housing (10% of all housing units). About 63.5% of the Remainder of the Study Area single-family detached renter housing units (7% of all housing units).



**TABLE HC-5**  
**HOUSING UNITS BY STRUCTURE TYPE AND TENURE**  
**VINTON STUDY AREA**  
**2016 (2014 ACS)**

	<b>Vinton</b>		<b>Remainder</b>		<b>Study Area</b>		<b>Iowa Total</b>	
	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>
<b>Total Housing Units</b>	<b>2,113</b>	<b>100%</b>	<b>2,143</b>	<b>100%</b>	<b>4,256</b>	<b>100%</b>	<b>1,232,228</b>	<b>100%</b>
1-unit, detached	1,689	79.9%	1,909	89.1%	3,598	84.5%	922,192	74.8%
1-unit, attached	28	1.3%	14	0.7%	42	1.0%	47,317	3.8%
2 units	55	2.6%	11	0.5%	66	1.6%	27,357	2.2%
3 or 4 units	160	7.6%	28	1.3%	188	4.4%	39,467	3.2%
5 to 9 units	82	3.9%	2	0.1%	84	2.0%	43,049	3.5%
10 to 19 units	16	0.8%	23	1.1%	39	0.9%	45,929	3.7%
20 to 49 units	50	2.4%	3	0.1%	53	1.2%	41,196	3.3%
50 or more units	0	0.0%	0	0.0%	0	0.0%	21,982	1.8%
Mobile home	33	1.6%	153	7.1%	186	4.4%	43,405	3.5%
Boat, RV, van, etc.	0	0.0%	0	0.0%	0	0.0%	334	0.0%
<b>Owner-Occupied</b>	<b>1,576</b>	<b>100.0%</b>	<b>1,894</b>	<b>100.0%</b>	<b>3,470</b>	<b>100.0%</b>	<b>884,984</b>	<b>100.0%</b>
1-unit, detached	1,484	94.2%	1,751	92.4%	3,235	93.2%	800,138	90.4%
1-unit, attached	28	1.8%	14	0.7%	42	1.2%	31,521	3.6%
2 units	14	0.9%	0	0.0%	14	0.4%	3,931	0.4%
3 or 4 units	17	1.1%	0	0.0%	17	0.5%	3,367	0.4%
5 to 9 units	0	0.0%	0	0.0%	0	0.0%	2,894	0.3%
10 to 19 units	0	0.0%	0	0.0%	0	0.0%	3,757	0.4%
20 to 49 units	0	0.0%	0	0.0%	0	0.0%	2,572	0.3%
50 or more units	0	0.0%	0	0.0%	0	0.0%	1,841	0.2%
Mobile home	33	2.1%	129	6.8%	162	4.7%	34,698	3.9%
Boat, RV, van, etc.	0	0.0%	0	0.0%	0	0.0%	265	0.0%
<b>Renter-Occupied</b>	<b>537</b>	<b>100.0%</b>	<b>249</b>	<b>100.0%</b>	<b>786</b>	<b>100.0%</b>	<b>347,244</b>	<b>100.0%</b>
1-unit, detached	205	38.2%	158	63.5%	363	46.2%	122,054	35.1%
1-unit, attached	0	0.0%	0	0.0%	0	0.0%	15,796	4.5%
2 units	41	7.6%	11	4.4%	52	6.6%	23,426	6.7%
3 or 4 units	143	26.6%	28	11.2%	171	21.8%	36,100	10.4%
5 to 9 units	82	15.3%	2	0.8%	84	10.7%	40,155	11.6%
10 to 19 units	16	3.0%	23	9.2%	39	5.0%	42,172	12.1%
20 to 49 units	50	9.3%	3	1.2%	53	6.7%	38,624	11.1%
50 or more units	0	0.0%	0	0.0%	0	0.0%	20,141	5.8%
Mobile home	0	0.0%	24	9.6%	24	3.1%	8,707	2.5%
Boat, RV, van, etc.	0	0.0%	0	0.0%	0	0.0%	69	0.0%

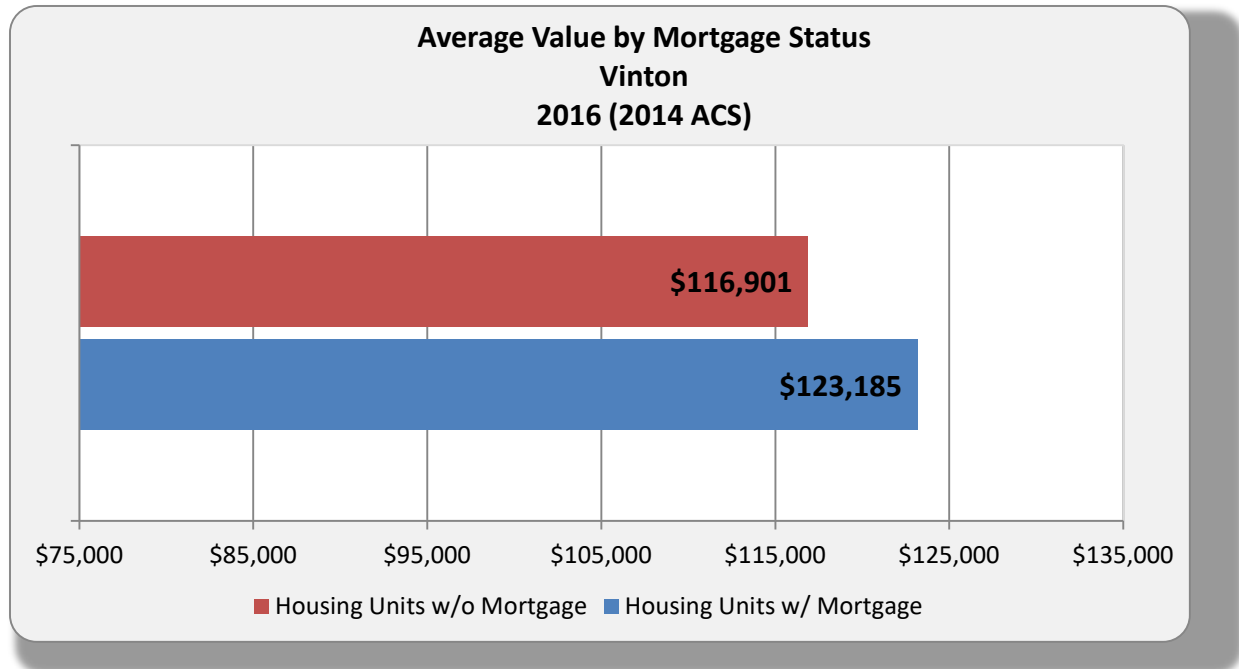
Sources: 2009-2014 American Community Survey; Maxfield Research & Consulting, LLC

## Owner-Occupied Housing Units by Mortgage Status

Table HC-6 shows mortgage status and average values from the American Community Survey for 2014 (5-Year). Mortgage status provides information on the cost of homeownership when analyzed in conjunction with mortgage payment data. A mortgage refers to all forms of debt where the property is pledged as security for repayment of debt. A first mortgage has priority claim over any other mortgage or if it is the only mortgage. A second (and sometimes third) mortgage is called a "junior mortgage," a home equity line of credit (HELOC) would also fall into this category. Finally, a housing unit without a mortgage is owned free and clear and is debt free.

- Approximately 60% of Vinton homeowners have a mortgage. Only 16% of homeowners with mortgages in Vinton also have a second mortgage and/or home equity loan. The Remainder of the Study Area has 64% of the homeowners have a mortgage and of those 11.5% have a second mortgage and/or home equity loan.
- Compared to the State of Iowa, Vinton has a slightly higher percentage of homeowners who no longer have a mortgage.
- The average value for homes with a mortgage for Vinton homeowners was approximately \$123,185 and \$116,901 without a mortgage. The Remainder of the Study Area values for those with a mortgage was \$188,563 and housing without a mortgage was \$137,715.

TABLE HC-6 OWNER-OCCUPIED HOUSING UNITS BY MORTGAGE STATUS VINTON STUDY AREA 2016 (2014 ACS)							
Mortgage Status	Vinton		Remainder		Study Area		Iowa
	No.	Pct.	No.	Pct.	No.	Pct.	Pct.
Housing units without a mortgage	632	40.1	687	36.3	1,319	38.0	38.3
Housing units with a mortgage/debt	944	59.9	1,207	63.7	2,151	62.0	61.7
<i>Second mortgage only</i>	77	4.9	70	3.7	147	4.2	2.9
<i>Home equity loan only</i>	167	10.6	121	6.4	288	8.3	7.1
<i>Both second mortgage and equity loan</i>	0	0.0	27	1.4	27	0.8	0.4
<i>No second mortgage or equity loan</i>	700	44.4	989	52.2	1,689	48.7	51.4
<b>Total</b>	<b>1,576</b>	<b>100.0</b>	<b>1,894</b>	<b>100.0</b>	<b>3,470</b>	<b>100.0</b>	<b>100.0</b>
<b>Average Value by Mortgage Status*</b>							
Housing units with a mortgage	\$123,185		\$188,563		\$159,871		
Housing units without a mortgage	\$116,901		\$137,715		\$127,742		
Sources: U.S. Census Bureau - American Community Survey; Maxfield Research & Consulting, LLC							



### Owner-Occupied Housing Units by Value

Table HC-7 presents data on housing values summarized by seven price ranges. Housing value refers to the estimated price point the property would sell if the property were for sale. For single-family and townhome properties, value includes both the land and the structure. For condominium units, value refers to only the unit.

- An estimated 66.2% of the owner-occupied homes within Vinton have home values between \$50,000 and \$149,999 with the largest category being the \$50,000 to \$99,999 (36%). Home with values from \$150,000 to \$199,999 are the next highest group at 14% followed by homes less than \$50,000 at 11%.
- Owner-occupied homes valued between \$50,000 to \$149,999 consist of 29% of the total units in the Remainder of the Study Area. While homes from \$150,000 to \$199,999 and from \$200,000 to \$299,999 consists of 21% and 26.5%, respectively. The Remainder of the Study Area has a similar percentage of homes valued less than \$50,000 at 12% then Vinton.
- The median owner-occupied home in Vinton was \$103,900, which is significantly lower than the Remainder of the Study Area of \$160,672.

TABLE HC-7 OWNER-OCCUPIED UNITS BY VALUE VINTON STUDY AREA 2016							
Home Value	Vinton		Remainder		Study Area		Iowa
	No.	Pct.	No.	Pct.	No.	Pct.	Pct.
Less than \$50,000	175	11.1	225	11.9	400	11.5	11.6
\$50,000-\$99,999	574	36.4	281	14.8	855	24.6	25.0
\$100,000-\$149,999	469	29.8	341	18.0	810	23.3	23.2
\$150,000-\$199,999	221	14.0	402	21.2	623	18.0	16.9
\$200,000-\$299,999	87	5.5	501	26.5	588	16.9	14.8
\$300,000-\$499,999	17	1.1	75	4.0	92	2.7	6.4
Greater than \$500,000	33	2.1	69	3.6	102	2.9	2.1
Total	1,576	100.0	1,894	100.0	3,470	100.0	100.0
Median Home Value	\$103,900		\$160,672		\$134,887		
Sources: U.S. Census Bureau - American Community Survey; Maxfield Research & Consulting							

## Renter-Occupied Units by Contract Rent

Table HC-8 presents information on the monthly housing costs for renters called contract rent (also known as asking rent). Contract rent is the monthly rent agreed to regardless of any utilities, furnishings, fees, or services that may be included.

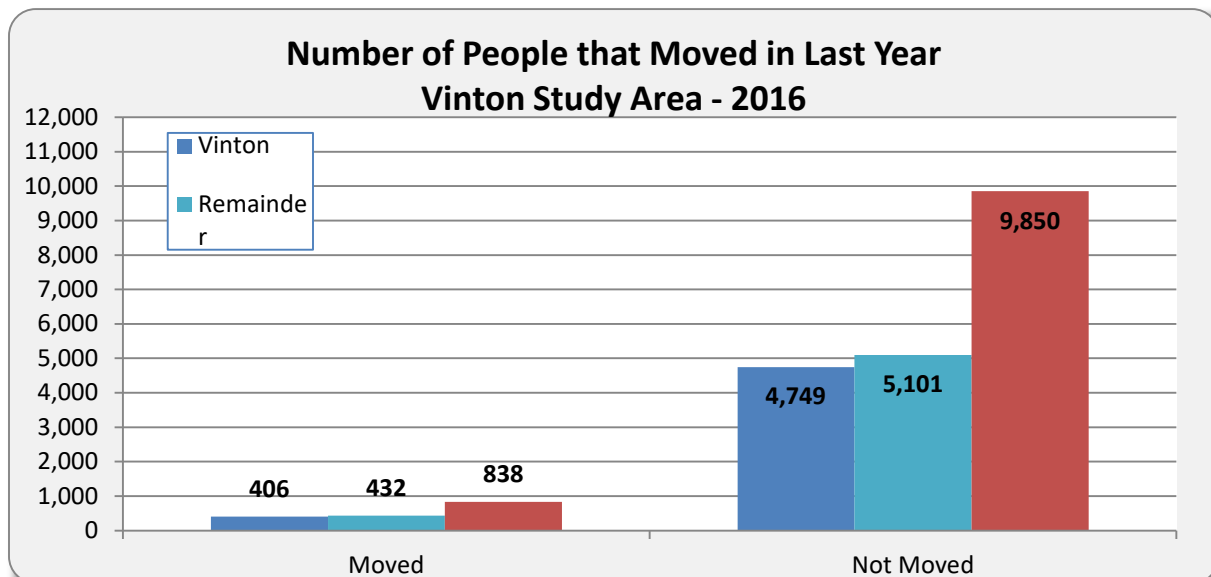
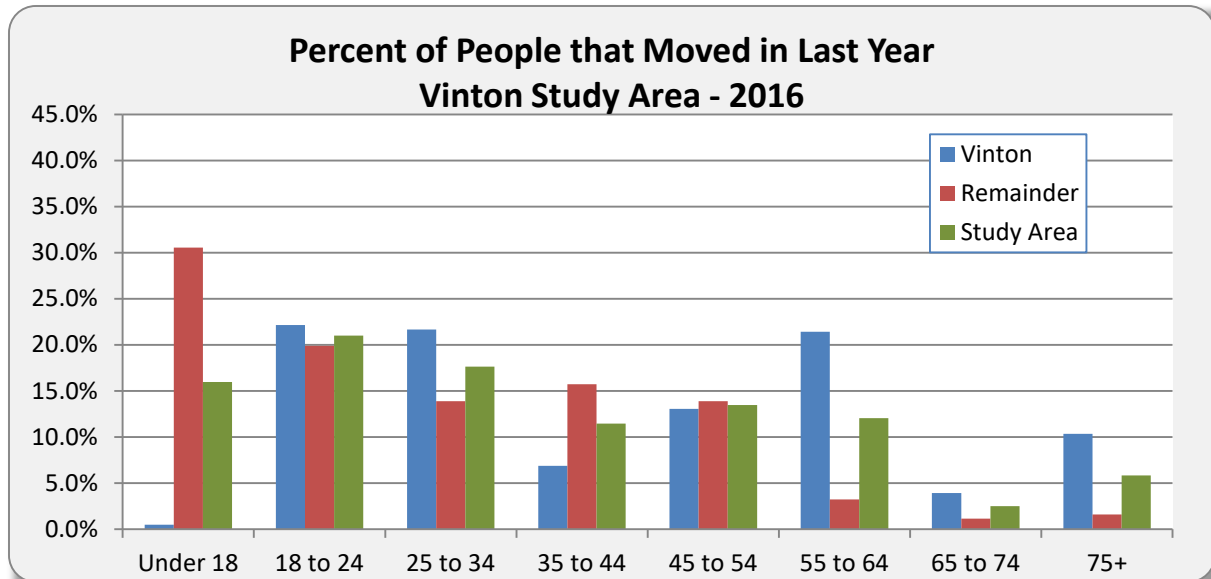
- Vinton contains roughly 25% of number of renter-occupied units (537 units) in the Study Area. Approximately 54% of Vinton renters pay monthly cash rents ranging from \$250 to \$499, 34% paid monthly rents ranging from \$500 to \$749, and 3% had monthly rents between \$0 and \$249. There are no renters in Vinton paying over \$750.
- Housing units without payment of rent ("no cash rent") make up only 8% of Vinton renters compared to 5% of the Remainder. Typically units may be owned by a relative or friend who lives elsewhere whom allow occupancy without charge. Other sources may include caretakers or ministers who may occupy a residence without charge.

TABLE HC-8							
RENTER-OCCUPIED UNITS BY CONTRACT RENT							
VINTON STUDY AREA							
2016 (2014 ACS)							
Contract Rent	Vinton		Remainder		Study Area		Iowa
	No.	Pct.	No.	Pct.	No.	Pct.	Pct.
No Cash Rent	44	8.2	13	5.2	57	7.3	6.6
Cash Rent	493	91.8	236	94.8	729	92.7	93.4
\$0 to \$249	17	3.2	22	8.8	104	13.2	6.9
\$250-\$499	292	54.4	136	54.6	731	93.0	31.2
\$500-\$749	184	34.3	50	20.1	234	29.8	34.9
\$750-\$999	0	0.0	12	4.8	30	3.8	12.1
\$1,000-\$1,500	0	0.0	0	0.0	21	2.7	5.7
\$1,500+	0	0.0	16	6.4	12	1.5	2.5
Total	537	100.0	249	100.0	786	100.0	100.0
Median Contract Rent	\$447		n.a.		n.a.		
Sources: U.S. Census Bureau - American Community Survey; Maxfield Research & Consulting, LLC							

## Mobility in the Past Year

Table HC-9 shows the mobility patterns of Vinton residents within a one-year time period (per 2014, the most current year available).

- The majority of residents in the Study Area did not move within the year (92% of Vinton and the Remainder).
- Of the residents that moved within the last year, approximately 2% moved from outside of Benton County but within Iowa, and 5% moved from within Benton County. The Remainder of the Study Area experienced roughly the same percentages
- A greater proportion of younger age cohorts in the Study Area tended to move within the last year compared to older age cohorts. Approximately 21% (22% in Vinton) of those age 18 to 24 moved within the last year compared to only 5% (10% in Vinton) of those 75+.



# HOUSING CHARACTERISTICS

**TABLE HC-9**  
**MOBILITY IN THE PAST YEAR BY AGE FOR CURRENT RESIDENCE**  
**VINTON STUDY AREA**  
**2016 (2014 ACS)**

Age	Not Moved		Moved							
	Same House		Within County		Different County Same State		Different State		Abroad	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	Pct.	Pct.
<b>Vinton</b>										
Under 18	1,218	99.8%	0	0.0%	1	0.1%	1	0.1%	0	0.0%
18 to 24	330	78.6%	35	8.3%	42	10.0%	13	3.1%	0	0.0%
25 to 34	283	76.3%	68	18.3%	19	5.1%	1	0.3%	0	0.0%
35 to 44	543	95.1%	28	4.9%	0	0.0%	0	0.0%	0	0.0%
45 to 54	729	93.2%	0	0.0%	22	2.8%	31	4.0%	0	0.0%
55 to 64	685	88.7%	58	7.5%	27	3.5%	2	0.3%	0	0.0%
65 to 74	383	96.0%	12	3.0%	0	0.0%	4	1.0%	0	0.0%
75+	578	93.2%	39	6.3%	3	0.5%	0	0.0%	0	0.0%
<b>Total</b>	<b>4,749</b>	<b>92%</b>	<b>240</b>	<b>4.7%</b>	<b>114</b>	<b>2.2%</b>	<b>52</b>	<b>1.0%</b>	<b>0</b>	<b>0.0%</b>
<b>Remainder</b>										
Under 18	1,018	88.5%	113	9.8%	19	1.7%	0	0.0%	0	0.0%
18 to 24	327	79.2%	18	4.4%	42	10.2%	26	6.3%	0	0.0%
25 to 34	493	89.2%	28	5.1%	23	4.2%	9	1.6%	0	0.0%
35 to 44	562	89.2%	59	9.4%	9	1.4%	0	0.0%	0	0.0%
45 to 54	1,024	94.5%	50	4.6%	10	0.9%	0	0.0%	0	0.0%
55 to 64	727	98.1%	3	0.4%	11	1.5%	0	0.0%	0	0.0%
65 to 74	646	99.2%	4	0.6%	1	0.2%	0	0.0%	0	0.0%
75+	304	97.7%	7	2.3%	0	0.0%	0	0.0%	0	0.0%
<b>Total</b>	<b>5,101</b>	<b>92.2%</b>	<b>282</b>	<b>5.1%</b>	<b>115</b>	<b>2.1%</b>	<b>35</b>	<b>0.6%</b>	<b>0</b>	<b>0.0%</b>
<b>Study Area</b>										
Under 18	2,236	94.3%	113	4.8%	20	0.8%	1	0.0%	0	0.0%
18 to 24	657	78.9%	53	6.4%	84	10.1%	39	4.7%	0	0.0%
25 to 34	776	84.0%	96	10.4%	42	4.5%	10	1.1%	0	0.0%
35 to 44	1,105	92.0%	87	7.2%	9	0.7%	0	0.0%	0	0.0%
45 to 54	1,753	93.9%	50	2.7%	32	1.7%	31	1.7%	0	0.0%
55 to 64	1,412	93.3%	61	4.0%	38	2.5%	2	0.1%	0	0.0%
65 to 74	1,029	98.0%	16	1.5%	1	0.1%	4	0.4%	0	0.0%
75+	882	94.7%	46	4.9%	3	0.3%	0	0.0%	0	0.0%
<b>Total</b>	<b>9,850</b>	<b>92.2%</b>	<b>522</b>	<b>4.9%</b>	<b>229</b>	<b>2.1%</b>	<b>87</b>	<b>0.8%</b>	<b>0</b>	<b>0.0%</b>
Sources: U.S. Census Bureau - American Community Survey; Maxfield Research & Consulting, LLC										



### Introduction

The following section of the report analyzes current market conditions for general occupancy rental housing in Vinton. Topics covered include rental housing data from the American Community Survey, detailed information on individual rental developments in the Study Area, and a calculation of rental housing demand. Maxfield Research identified and surveyed rental properties of six or more units in the Study Units. In addition, interviews were conducted with real estate agents, developers, rental housing management firms, and others in the community familiar with Study Area's rental housing stock.

For purposes of our analysis, we have classified rental projects into two groups, general occupancy and senior (age restricted). All senior projects are included in the *Senior Rental Analysis* section of this report. The general occupancy rental projects are divided into three groups, market rate (those without income restrictions), affordable (those receiving tax credits in order to keep rents affordable), and subsidized (those with income restrictions based on 30% allocation of income to housing).

### Overview of Rental Market Conditions

Maxfield Research utilized data from the American Community Survey (ACS) to summarize rental market conditions in Vinton and the Remainder of the Study Area. The ACS is an ongoing survey conducted by the United States Census Bureau that provides data every year rather than every ten years as presented by the decennial census. We use this data because these figures are not available from the decennial census. Please note that the ACS data includes all rental units, regardless of household type.

Table R-1 on the following page presents a breakdown of median gross rent and monthly gross rent ranges by number of bedrooms in renter-occupied housing units from the 2010-2014 ACS in Vinton and the Study Area, in comparison to Iowa. Gross rent is defined as the amount of the contract rent plus the estimated average monthly cost of utilities (electricity, gas, and water and sewer) and fuels (oil, coal, wood, etc.) if these are paid by the renter.

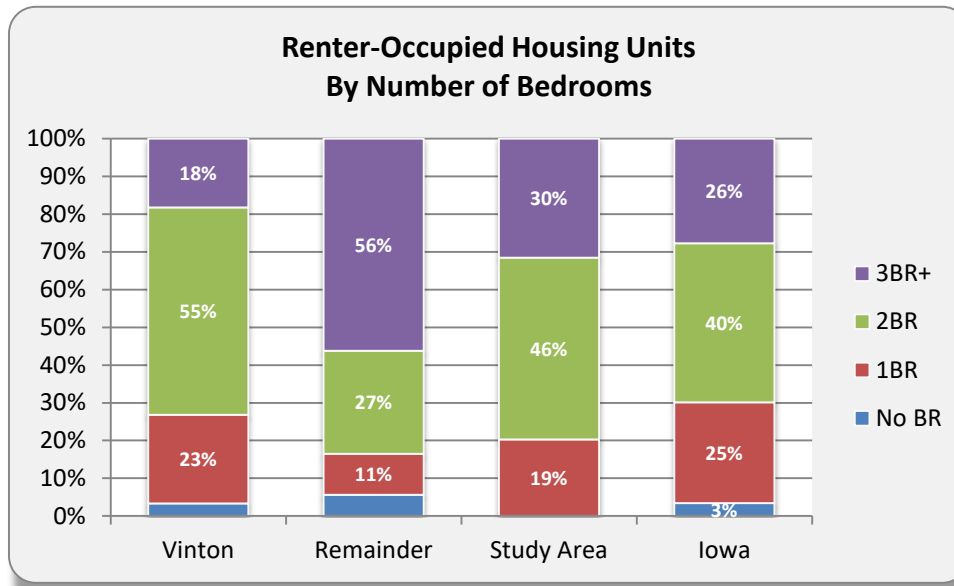
- Because of the difference in methodology between the decennial census and the ACS, there are slight differences in the total number of renter-occupied units presented between the two surveys. Census data indicates that there were 666 renter-occupied housing units in Vinton in 2010 while the 2014 ACS shows 537 renter-occupied housing units.
- Vinton has relatively affordable rents when compared to Iowa. The median gross rent in the County is at \$574 which is 17% lower than the median rent of \$689 in Iowa. Rural communities often have lower rents than metropolitan areas due to wage rates and the age of rental properties in rural areas.

- Two bedroom or more units are the most common rental unit type in Vinton, representing 55% of all occupied rental units in the city. One bedroom units are second with 23% and three bedroom units consist of 18%.

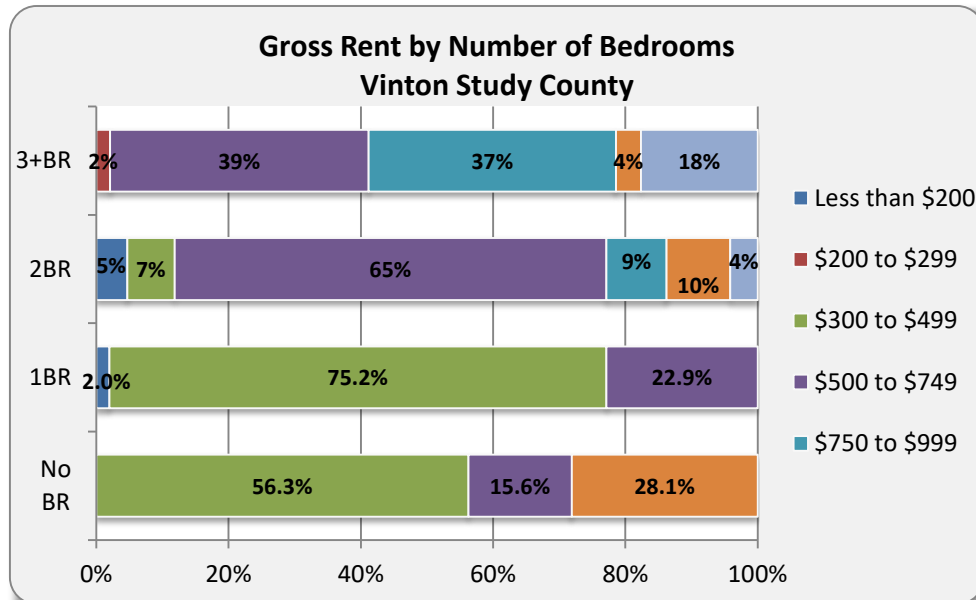
<b>TABLE R-1</b> <b>BEDROOMS BY GROSS RENT, RENTER-OCCUPIED HOUSING UNITS</b> <b>VINTON STUDY AREA</b> <b>2016 (2014 ACS)</b>							
	Vinton		Remainder		Study Area		Iowa
	#	% of Total	#	% of Total	#	% of Total	% of Total
<b>Total:</b>	<b>537</b>	<b>100%</b>	<b>249</b>	<b>100%</b>	<b>786</b>	<b>100%</b>	<b>100%</b>
<b>Median Gross Rent</b>	<b>\$574</b>		<b>n.a.</b>		<b>n.a.</b>		<b>\$689</b>
<b>No Bedroom</b>	<b>18</b>	<b>3%</b>	<b>14</b>	<b>6%</b>	<b>32</b>	<b>0%</b>	<b>3%</b>
Less than \$200	0	0%	0	0%	0	0%	3%
\$200 to \$299	0	0%	0	0%	0	0%	12%
\$300 to \$499	18	100%	0	0%	18	56%	38%
\$500 to \$749	0	0%	5	36%	5	16%	34%
\$750 to \$999	0	0%	0	0%	0	0%	7%
\$1,000 or more	0	0%	9	64%	9	28%	10%
No cash rent	0	0%	0	0%	0	0%	2%
<b>1 Bedroom</b>	<b>126</b>	<b>23%</b>	<b>27</b>	<b>11%</b>	<b>153</b>	<b>19%</b>	<b>25%</b>
Less than \$200	0	0%	3	11%	3	2%	3%
\$200 to \$299	0	0%	0	0%	0	0%	10%
\$300 to \$499	112	89%	3	11%	115	75%	30%
\$500 to \$749	14	11%	21	78%	35	23%	39%
\$750 to \$999	0	0%	0	0%	0	0%	10%
\$1,000 or more	0	0%	0	0%	0	0%	7%
No cash rent	0	0%	0	0%	0	0%	2%
<b>2 Bedrooms</b>	<b>295</b>	<b>55%</b>	<b>68</b>	<b>27%</b>	<b>363</b>	<b>46%</b>	<b>40%</b>
Less than \$200	17	6%	0	0%	17	5%	1%
\$200 to \$299	0	0%	0	0%	0	0%	2%
\$300 to \$499	0	0%	26	38%	26	7%	11%
\$500 to \$749	224	76%	13	19%	237	65%	43%
\$750 to \$999	14	5%	19	28%	33	9%	29%
\$1,000 or more	25	8%	10	15%	35	10%	13%
No cash rent	15	5%	0	0%	15	4%	5%
<b>3 or More Bedrooms</b>	<b>98</b>	<b>18%</b>	<b>140</b>	<b>56%</b>	<b>238</b>	<b>30%</b>	<b>26%</b>
Less than \$200	0	0%	0	0%	0	0%	1%
\$200 to \$299	0	0%	5	4%	5	2%	1%
\$300 to \$499	0	0%	0	0%	0	0%	7%
\$500 to \$749	49	50%	44	31%	93	39%	26%
\$750 to \$999	11	11%	78	56%	89	37%	30%
\$1,000 or more	9	9%	0	0%	9	4%	33%
No cash rent	29	30%	13	9%	42	18%	16%

Sources: 2010-2014 American Community Survey; Maxfield Research & Consulting

- Three-bedroom units comprise 56% of the Remainder of the Study Area's renter-occupied housing supply and units while only 27% of the renter-occupied units are two bedrooms and 11% are one bedrooms.
- By comparison, the State of Iowa consists of 40% two bedroom units, 26% three bedroom units, and 25% one bedrooms.



- Monthly gross rents in one-bedroom units in Vinton range from less than \$300 to over \$1,000 with over 89% renting for between \$300 and \$499 per month and approximately 11% have gross monthly rents between \$500 and \$749.
- Roughly 76% of the two-bedroom units in Vinton have gross monthly rents ranging from \$500 to \$749, and 5% have a rental rate range of \$750 to \$999. Units with rents of \$1,000 or more represent roughly 8% of the two-bedroom units in Vinton. There are 6% of units that have rents of \$200 or less.
- Roughly 50% of the units with three or more bedrooms in Vinton rent for between \$500 and \$749 per month. While 11% have a rental rate range of \$750 to \$999 and 9% have rents of over \$1,000 per month.
- As a percentage of each unit type 5% of the two-bedroom units, and 30% of the units with three or more bedrooms were reported as having no cash rent. These units may be owned by friends or relatives who live elsewhere and who allow occupancy at no charge. Rent-free houses or apartment units may be provided to compensate caretakers, ministers, tenant farmers, or other.



## General-Occupancy Rental Projects

Our research of the Study Area’s general occupancy rental market included a survey of four market rate apartment properties (8 units and larger) and one subsidized property August 2016. These projects represent a combined total of 104 units, including 68 market rate units and 36 subsidized units. In addition to these larger properties, the City of Vinton has a large number of smaller buildings ranging from single-family homes to 7-unit apartment homes. The majority being single-family homes, duplexes, three-plexes, and four-plexes. We will address these units together in summary. Although we were able to contact and obtain up-to-date information on the majority of rental properties, there were a few rental property owners/managers we were unable to contact. The largest property we were unable to contact was Vinton Park Apartments.

At the time of our survey, the only surveyed property with vacancies was Vinton Park and West Vinton Park Apartments, resulting in an overall vacancy rates of 0.0%. The overall market rate vacancy rate of 2.9% which is below the industry standard of 5% vacancy for a stabilized rental market, which promotes competitive rates, ensures adequate choice, and allows for unit turnover. Thus, the market indicates pent-up demand for additional market rate rental units.

The industry standard for a stabilized rental market for affordable and subsidized is typically 3%. A vacancy rate of 5.6% also indicates sufficient demand for subsidized units in the Study Area. There are no shallow-subsidy affordable rental properties within the Study Area.

Table R-2 summarizes information on market rate projects, while Table R-3 summarizes information affordable and subsidized projects.

### Market Rate

- *The Hamling Apartments*, located in the southeastern area of Vinton is the newest larger rental property which was built in 2001. Overall, Vinton's market rate rental housing stock was built primarily prior to 1981.
- There were no vacancies at surveyed properties identified, resulting in a vacancy rate of 0.0% as of August 2016. According to rental owners in market rate properties, turnover is relatively low and vacant units fill very quickly.
- The following is the monthly rent ranges for each unit type:
  - Efficiency units: \$385
  - One-bedroom units: \$375 to \$440
  - Two-bedroom units: \$425 to \$500
  - Three-bedroom units: \$610
- The majority of the properties surveyed have window or wall air conditioning, refrigerator, stove, and on-site common area laundry. In-unit washer and dryer hook ups are available at Hamling Apartments.
- Due the age of the properties, amenities are somewhat limited. Only the Imperial Apartments offered balconies/patios, there are no dishwashers, no extra storage space (unless is attached/detached garages if not used for a vehicle).
- Detached garages are prevalent at Imperial Apartments, 1009 8<sup>th</sup> Street, and Hamling Apartments which also offers some attached garages as well. Parking is included in rent. Although, utility packages differ from property to property, it was common for tenants to pay most utilities.

### Subsidized

- Vinton Park Apartments is the only subsidized rental property in Vinton in which the monthly rent is calculated based on 30% of a resident's adjusted gross income. This project is nearly 40 years of age. The resident profile is mixed in age with mostly singles and couples, and families. There some aged 55+ occupying subsidized units at general occupancy buildings.
- Table R-5 on page 67 shows the maximum allowable incomes by household size to qualify for affordable housing and maximum gross rents that can be charged by bedroom size in Benton County. Fair market rent is the amount needed to pay gross monthly rent at modest rental housing in a given area. This figure is used as a basis for determining the payment standard amount used to calculate the maximum monthly subsidy for families on at financially assisted housing.

## RENTAL MARKET ANALYSIS

TABLE R-2  
GENERAL OCCUPANCY RENTAL BUILDINGS (8 units or more)  
VINTON STUDY AREA  
August 2016

Building Name/Address	Year Built	Total Units	Vacant Units	Unit Mix	Monthly Rents	Unit Sizes (Sq. Ft.)	Tenant Profile	Description/Comments
Market Rate Apartments								
Imperial Apartments 1504 2nd Avenue Vinton	1981	32	0	4 - 1BR 28 - 2BR	\$400 \$500	n.a. n.a.	Mix of residents	U-shaped two-story brick building. Typically full with waiting list. Portion of building severely damaged by Tornado in July 2016.
1009 8th Street Apts. Vinton	1975	8	0	4 - 1BR 4 - 2BR	\$375 \$475	n.a. n.a.	Mixed ages of singles and couples/roommates	Typically full and open unit will fill quickly. Deattached garages.
Hamling Apartments 2nd Avenue Vinton	2001	15	0	n.a. - 2BR n.a. - 3BR	\$425 - \$460 \$610	650 800	Roommates, Couples, and Families	Three-townhome style buildings w/some attached garages. Typically full w/ low turnover. Lost one 4-plex building to tornado in July 2016
Hummel Apts 112 East 5th Street Vinton	1900	13	0	n.a. - EFF n.a. - 1BR	\$385 \$420 - \$440	n.a. n.a.	Singles, roommates, elderly	Commercial style building located downtown. Typically full with low turnover.
Subsidized Apartments								
Vinton Park Apartments/ West Vinton Park 1603 1st Street W Vinton	1980	72	4	64 - 2BR 8 - 3BR	\$723 - \$765 \$928 - \$942 Market Rents	616 772	--	Section 8 subsidized. Typically have an occupacny rate of 90%-94%. Turnover of around 5% per year. Utilities included.
				Rents are based on 30% of AGI				
Total/Average		140	4	2.9%				
Source: Maxfield Research & Consulting, LLC								

## RENTAL MARKET ANALYSIS

TABLE R-3 COMMON AREA FEATURES/AMENITIES EXISTING GENERAL OCCUPANCY RENTAL PROJECTS VINTON STUDY AREA August 2016																
Projects	In Unit/Common Area Amenities									Utilities and Parking						
	Air Conditioning	Dishwasher	Patio/Balcony	Walk-in Closet	Laundry	Elevator	Community Room	Playground	Extra Storage Space	Heat/Gas	Electricity	Water/Sewer	Trash	Cable	Parking	Parking Fee (per month)
<b>MARKET RATE RENTAL</b>																
Imperial Apartments	W	N	Y	N	OS	N	N	N	N	L	T	L	T	T	DG	Inc.
1009 8th Street Apartments	W	N	N	N	OS	N	N	N	N	T	T	T	T	T	DG	Inc.
Hamling Apartments	W	N	N	--	OS/HU	N	N	N	N	T	L	L	L	T	DG/AG	Inc.
Hummel Apartments	W	N	Y	N	N	N	N	N	N	T	T	T	T	T	O	Inc.
<b>Affordable/Subsidized</b>																
Vinton Park & West Vinton Park	W	N	N	N	OS	N	N	Y	N	L	L	L	L	L	O	Inc.
Note: Y=Available, N=Not Available; I=Included CA=Central Air; W=Wall unit air; S=Some units; DG=Detached Garage; UG=Underground; AG=Attached Garage; O=Offstreet; IU=In-unit; OS=On-Site; HU=Hook-ups; C=Common; N = None Source: Maxfield Research & Consulting, LLC																

### Market Rate Rental Buildings



Imperial Apartments





Hamling Apartments



*1009 8<sup>th</sup> Street Apartments*





Hummel Apartments

### ***Duplex, Tri-plex, Quad-plex+, and Single Family Rental Homes***

In addition to traditional rental buildings, Maxfield Research interviewed property owners and managers that to assess the market for rental properties with four units and under within the Study Area. The majority of rental units located in Vinton are contained in duplex, 4-plex, and single family homes. There are also some three-plexes, five-plexes, and six-plexes.

As with the rental building surveyed in Table R-2 and R-3, vacancy rates for single family and buildings with seven or less units very low. Rental property owners indicate only a few vacancies among their combined developments. The majority of bedroom types are two- and three-bedroom units followed by one-bedroom units and a few efficiency units. Many of the properties like the larger buildings are older buildings and thus rents remain somewhat affordable ranging from \$275 to \$575 with single-family homes renting from \$400 to \$600. Renovated or clean/well maintained properties can charge the higher end of the rent spectrum in the area.

### ***Subsidized Housing Assistance Program***

In addition to subsidized apartments in Vinton, Hardin County also has a “tenant-based” subsidy called *Housing Choice Vouchers* to help lower income households find affordable housing. The tenant-based subsidy is funded by the Department of Housing and Urban Development’s (HUD), and is managed by the City of Cedar Rapids Housing Services office which serves Lynn and Benton Counties. Under the Housing Choice Voucher program (formerly Section 8 Certificates and Vouchers), qualified households are issued a voucher that the household can take to an apartment that has rent levels allowable under HUD guidelines. The

## RENTAL MARKET ANALYSIS

household then pays 30% of their adjusted gross income for rent and utilities, and the Federal government pays the remainder of the rent to the landlord. Applicants in Vinton may be eligible for the program if their income is below the current limits for Benton County are shown in Table R-4, which are set by HUD on an annual basis (50% of the median family income for a geographical area – or “Very Low-Income”).

There will be a new waiting list opening for the Housing Choice Voucher program within the next month or two. The program currently has 1,200 families with a potential for another 65 households. However, the program is utilizing 104% of the budget authority and thus at full funding. Benton County accounts for only four of the 1,200 vouchers issued. Data was not available just for the City of Vinton. It is unclear as to why so few vouchers are utilized in Benton County. The housing services office is planning to do some outreach to Benton County during the next phase of the waiting list. They feel households in Benton County

<b>TABLE R-4</b> <b>HUD INCOME AND RENT LIMITS</b> <b>BENTON COUNTY - 2016</b>								
	Income Limits by Household Size							
	1 pph	2 phh	3 phh	4 phh	5 phh	6 phh	7 phh	8 phh
30% of median	\$15,030	\$17,160	\$19,320	\$21,450	\$23,190	\$24,900	\$26,610	\$28,320
40% of median	\$20,040	\$22,880	\$25,760	\$28,600	\$30,920	\$33,200	\$35,480	\$37,760
50% of median	\$25,050	\$28,600	\$32,200	\$35,750	\$38,650	\$41,500	\$44,350	\$47,200
60% of median	\$30,060	\$34,320	\$38,640	\$42,900	\$46,380	\$49,800	\$53,220	\$56,640
	Maximum Gross Rent							
	EFF	1BR	2BR	3BR	4BR			
30% of median	\$375	\$429	\$483	\$536	\$579			
40% of median	\$501	\$572	\$644	\$715	\$773			
50% of median	\$626	\$715	\$805	\$893	\$966			
60% of median	\$751	\$858	\$966	\$1,072	\$1,159			
	Fair Market Rent							
	EFF	1BR	2BR	3BR	4BR			
Fair Market Rent	\$478	\$481	\$619	\$847	\$993			
	Rent at 30% of Income (by Max. Occupancy)							
	0 BR	1BR	2BR	3BR	4BR			
30% of median	\$376	\$429	\$483	\$536	\$580			
40% of median	\$501	\$572	\$644	\$715	\$773			
50% of median	\$626	\$715	\$805	\$894	\$966			
60% of median	\$752	\$858	\$966	\$1,073	\$1,160			

Sources: HUD; Iowa Finance Authority; Maxfield Research & Consulting, LLC

### Subsidized Rental Buildings



Vinton Park

### Planned or Pending Developments

There are currently no new construction apartments units planned or pending in the City of Vinton.

### *Market Overview*

- The availability of market rate rental units is low. Units that become vacant fill very quickly.
- There have been no new larger general occupancy rental buildings built since 2001 and no new smaller buildings (duplex, four-plex, etc) built for over 20 years. There are no planned or pending general occupancy rental development planned in Vinton.
- With the exception of the units destroyed by the recent tornado in July, the surveyed rental housing (8 units or more) appear to be in satisfactory condition and interviews did not find any significant complaints about the quality. However, the quality of single family rental and duplex rental product types is in question. Interviews have concluded with mixed opinions about the quality of certain these properties. While there are some buyers fixing up the properties there is also a number of investors who buy with little or no improvement to the property along with existing landlords that either perform the minimum requirements or none at all.

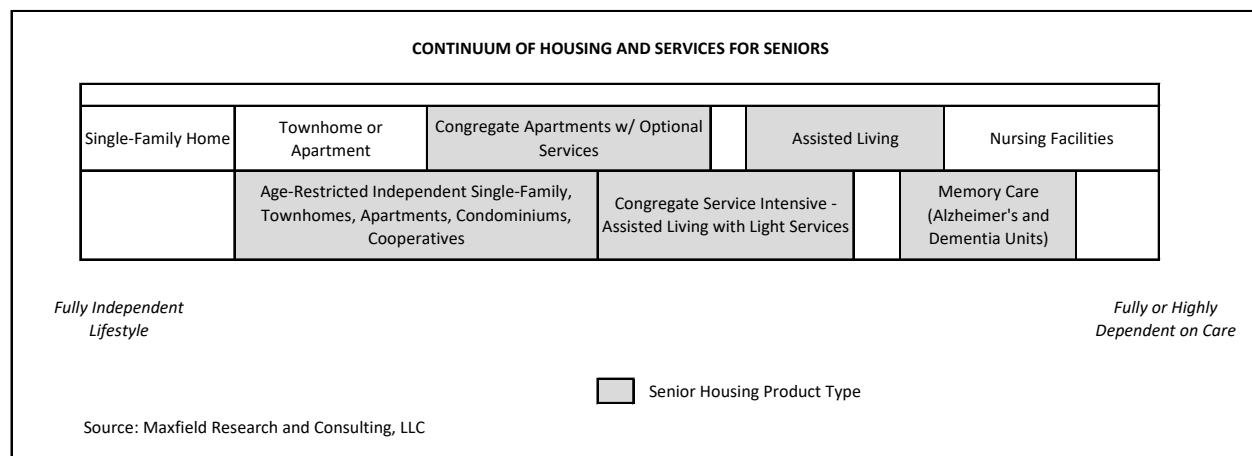
- Maxfield Research conducted a windshield survey of identified rental properties. We witnessed numerous properties in need of exterior improvements that diminish the quality of the property. The windshield survey only accounts for the exterior condition of the buildings as the interior is unavailable to us. Our interviews and the lack of rental property ordinance indicates their properties that need interior updates and improvements.
- The City of Vinton experienced a storm in July 2016 that destroyed four apartment properties along with damaging some single family homes. The properties affected were the Imperial Apartments, Hamling Apartments, a six-plex, and a four-plex. In total, 46 units were displaced. Those units have not currently place been replaced. Owners plan to rebuild at Hamling and Imperial Apartments if possible. The other six-plex and four-plex may not be replaced to date.

## Introduction

This section provides an assessment of the market support for senior housing (active adult, congregate, assisted living, memory care, and skilled nursing care) in Vinton. An overview of the demographic and economic characteristics of the senior population in the Vinton Study Area is presented along with an inventory of existing and pending senior housing developments in the Study Area. Demand for senior housing is calculated based on demographic, economic and competitive factors that would impact demand for additional senior housing units in the Study Area. Our assessment concludes with an estimation of the proportion of County demand that could be captured by senior housing communities located in the Vinton Study Area.

## Senior Housing Defined

Senior housing is a concept that generally refers to the integrated delivery of housing and services to seniors. However, as Figure 1 illustrates, senior housing embodies a wide variety of product types across the service-delivery spectrum. Products range from independent apartments and/or townhomes with virtually no services on one end, to highly specialized, service-intensive assisted living units or housing geared for people with dementia-related illnesses (termed "memory care") on the other end of the spectrum. In general, independent senior housing attracts people age 65 and over while assisted living typically attracts people age 80 and older who need assistance with activities of daily living (ADLs). For analytical purposes, Maxfield Research classifies market rate senior housing into five categories based on the level and type of services offered:



- Active Adult properties (or independent living without services available) are similar to a general-occupancy building, in that they offer virtually no services but have age-restrictions (typically 55 or 62 or older). Residents are generally age 70 or older if in an apartment-style building. Organized entertainment, activities and occasionally a transportation program represent the extent of services typically available at these properties. Because of the lack of services, active adult properties generally do not command the rent premiums of more

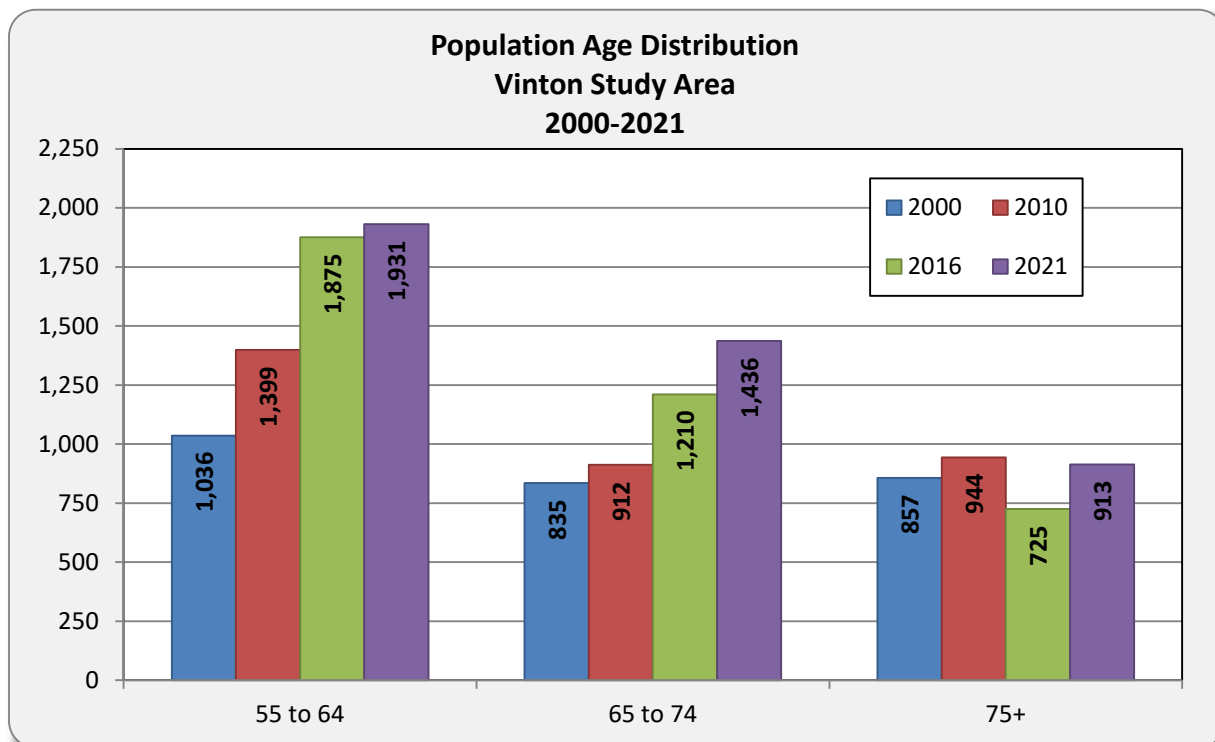
service-enriched senior housing. Active adult properties can have a rental or owner-occupied (condominium or cooperative) format.

- Congregate properties (or independent living with services available) offer support services such as meals and/or housekeeping, either on an optional basis or a limited amount included in the rents. These properties often dedicate a larger share of the overall building area to common areas, in part, because the units are smaller than in adult housing and in part to encourage socialization among residents. Congregate properties attract a slightly older target market than adult housing, typically seniors age 75 or older. Rents are also above those of the active adult buildings. Sponsorship by a nursing home, hospital or other health care organization is common.
- Assisted Living properties come in a variety of forms, but the target market for most is generally the same: very frail seniors, typically age 80 or older (but can be much younger, depending on their particular health situation), who are in need of extensive support services and personal care assistance. Absent an assisted living option, these seniors would otherwise need to move to a nursing facility. At a minimum, assisted living properties include two meals per day and weekly housekeeping in the monthly fee, with the availability of a third meal and personal care (either included in the monthly fee or for an additional cost). Assisted living properties also have either staff on duty 24 hours per day or at least 24-hour emergency response.
- Memory Care properties, designed specifically for persons suffering from Alzheimer's disease or other dementias, is one of the newest trends in senior housing. Properties consist mostly of suite-style or studio units or occasionally one-bedroom apartment-style units, and large amounts of communal areas for activities and programming. In addition, staff typically undergoes specialized training in the care of this population. Because of the greater amount of individualized personal care required by residents, staffing ratios are much higher than traditional assisted living and thus, the costs of care are also higher. Unlike conventional assisted living, however, which addresses housing needs almost exclusively for widows or widowers, a higher proportion of persons afflicted with Alzheimer's disease are in two-person households. That means the decision to move a spouse into a memory care facility involves the caregiver's concern of incurring the costs of health care at a special facility while continuing to maintain their home.
- Skilled Nursing Care, or long-term care facilities, provides a living arrangement that integrates shelter and food with medical, nursing, psychosocial and rehabilitation services for persons who require 24-hour nursing supervision. Residents in skilled nursing homes can be funded under Medicare, Medicaid, Veterans, HMOs and private insurance as well as use of private funds.

### ***Older Adult (Age 55+) Population and Household Trends***

The Senior Housing Analysis section of this study presented general demographic characteristics of Study Area's population. The following points summarize key findings from that section as they pertain to the older adult population in the Study Area.

- The greatest growth is predicted to occur among older adults in the Study Area. Aging of baby boomers led to an increase of 175 people (44%) in the 55 to 64 population between 2000 and 2010. As this group ages, the 55 to 64 and 65 to 74 cohorts are expected to continue increasing.



- The primary market for service-enhanced housing is senior households age 75 and older. While individuals in their 50s and 60s typically do not comprise the market base for service-enhanced senior housing, they often have elderly parents to whom they provide support when they decide to relocate to senior housing. Since elderly parents typically prefer to be near their adult caregivers, growth in the older adult age cohort (age 55 to 64) generally results in additional demand for senior housing products.
- Homeownership information lends insight into the number of households that may still have homes to sell and could potentially supplement their incomes from the sales of their homes to support monthly fees for alternative housing.



- The Study Area maintains relatively high rates of homeownership in the older adult age cohorts. The homeownership rate in 2010 was 77% for age 55 to 64 households. Seniors typically begin to consider moving into senior housing alternatives or more convenient housing such as apartment buildings or twin homes in their early to mid-70s. Because there is a higher amount of renters in Vinton compared to similar communities, this movement pattern is less pronounced with the drop in homeownership for the 75+ age cohort only declining by 1% to 76%.
- With a homeownership rate of 76% for all households over the age of 65, a large number of residents would be able to use proceeds from the sales of their homes toward senior housing alternatives. The resale of single-family homes would allow additional senior households to qualify for market rate housing products, since equity from the home sale could be used as supplemental income for alternative housing. These considerations are factored into our demand calculations.
- Based on the 2014 median sale price through September for single-family homes in Vinton (\$104,500), a senior household could generate approximately \$1,965 of additional income annually (about \$164 per month), if they invested in an income-producing account (2.0% interest rate) after accounting for marketing costs and/or real estate commissions (6.0% of home sale price).

### Supply of Senior Housing in Vinton

As of August 2016 Maxfield Research identified seven senior housing developments in the Vinton Study Area. Combined, these projects contain a total of 188 units. All of the projects are market rate. Table S-1 provides information on both the senior housing product type by service-level. Information in the table includes year built, number of units, unit mix, number of vacant units, rents, and general comments about each project.

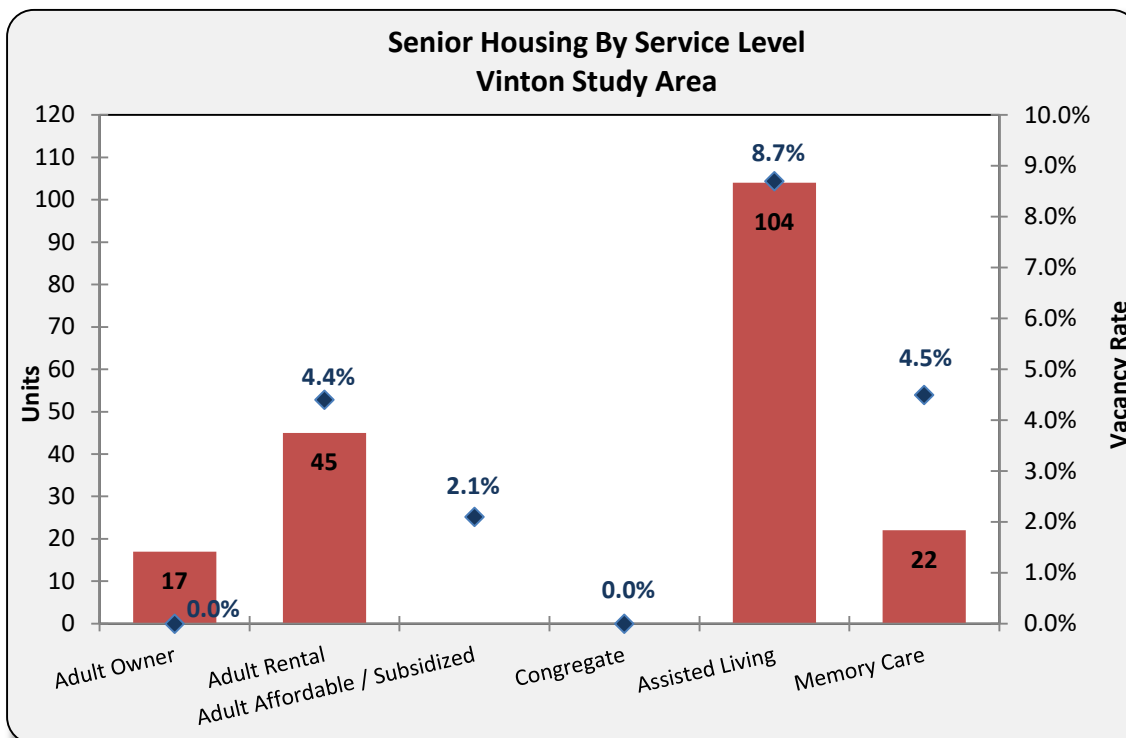
#### ***Active Adult Senior Projects***

- There are four active adult rental developments in the Vinton with a total of 62 units. As of the survey there was two vacant units for a vacancy rate of 4.4%. There is an additional development located in Shellsburg with four units.
- *Cedarview Townhomes and Lutheran Home Townhomes* were developed in 1996 and 1994 and have a combined 34 units. Both offer for-sale age-restricted two-bedroom townhomes. Recent sales of townhomes range from \$100,000 to \$172,500. Cedarview also leases townhomes for \$600 while the Lutheran Home rents townhomes for \$1,000. Lutheran Home townhome residents can also purchase assisted living services.



## SENIOR HOUSING ANALYSIS

- Cedarview is partially owned by the Virginia Gay Hospital and is in the process of divesting the units. Eventually, all units at Cedarview will be owned and the residents will create an association for the development.
- *Country Gardens* contains 24 apartment units built in 1977. Country Gardens was formerly a subsidized Rural Development project until the loan was bought out recently. The project is now officially no longer age-restricted however all current residents are over age 62. Thus we include this development in the senior housing section. The project offers one- and two-bedroom units with rents of \$395 and \$495.



### ***Assisted Living***

- The Study Area has five assisted living facilities with 104 total units. There were nine units vacant at the time of this survey for 8.7% vacancy rate. The Industry standard of 7% vacancy for a stabilized rental market, which promotes competitive rates, ensures adequate choice, and allows for unit turnover.
- *Windsor Manor* has a total of 28 units with a mix of 12 one-bedroom units, 10 one-bedroom deluxe, and four two-bedroom units. Monthly fees include three daily meals, weekly housekeeping, personal care, and medication management and range from \$3,800 per month for a one-bedroom to \$4,750 for a two-bedroom unit.

## SENIOR HOUSING ANALYSIS

TABLE S-1 SENIOR HOUSING PROJECTS VINTON STUDY AREA July/August 2016							
Project Name	Year Built	No. of Units	No. Vac.	Unit Mix	Unit Sizes (Sq. Ft.)	Entry Fee/Sales Price Monthly Rents/Fees	Comments
Active Adult - Ownership							
Lutheran Home TH 1301 2nd Avenue Vinton	1994	8	0	8 - 2BR	1,200	\$100,000 - Purchase Price \$475 - Monthly Fee	Twinhome style townhome with attached garage.
Cedarview Cedarview Drive/Golfview Drive Vinton	1996	9	0	18 - 2BR	1,336 - 1,456	\$130,000 - \$172,500 8 Resales Since 2006	Three 4-plex townhomes and three twinhomes. Half are owned and half are leased through Virginia Gay Hospital.
Total Active Adult Ownership		17	0	0.0%			
Active Adult - Market Rate Rental							
Cedarview Cedarview Drive/Golfview Drive Vinton	1996	9	0	18 - 2BR	1,336 - 1,456	\$600 Lifetime Lease Rate	Three 4-plex townhomes and three twinhomes. Half are owned and half are leased through Virginia Gay Hospital.
Lutheran Home TH 1301 2nd Avenue Vinton	1994	8	0	8 - 2BR	1,200	\$1,000 \$2,778 - \$3,324 If AL Service is included.	Twinhome style townhome with attached garage.
Rock Ridge Residential 401 Canton St NW Shellsburg	1997	4	1	4 - 1BR	n.a.	n.a.	
Country Gardens 1901 West 5th Street Vinton Formerly Subsidized	1977	24	1	n.a. - 1BR n.a. - 2BR	660 750	\$395 \$495	Formerly age-restricted 62+ USDA Rural Development. Now Market Rate general occupancy rental.
Total Active Adult Rental		45	2	4.4%			
Continued							

## SENIOR HOUSING ANALYSIS

TABLE S-1  
SENIOR HOUSING PROJECTS  
VINTON STUDY AREA  
July/August 2016  
(Continued)

Project Name	Built	Units	Vac.	Unit Mix	(Sq. Ft.)	Monthly Rents/Fees	Comments
Congregate (limited service)							
None							
Assisted Living							
Windsor Manor	2006	28	2	12 - 1BR	419 - 430	\$3,800	Typically near full occupancy with small waiting list.
1807 West 5th Street				10 - 1BR Deluxe	516 - 530	\$4,200	
Vinton				4 - 2BR	668	\$4,750	
Vinton Lutheran Home	1998/	18	0	8 - 1BR	480	\$2,392	Typically full with small waiting list and low turnover.
1301 2nd Avenue	2005			7 - Delux	672	\$2,558	
Vinton				3 - 2BR	912	\$2,974	
Cedar Valley Ranch	n.a.	23	0	21 - Shared	n.a.	Nearly all residents on County Subsidy	Community based residential assisted living. Shared rooms with shared bath. Some 4 person rooms.
2591 61st St Lane				2 - 4 person	n.a.		
Vinton							
Rock Ridge Residential	1997	8	4	8 - 1BR	n.a.	n.a.	
401 Canton St. NW							
Shellsburg							
Rock Ridge Residential	1997	27	3	27 - Private Rooms	n.a.	n.a.	
401 Canton St. NW							
Shellsburg							
(Residential Care Units)							
Total Assisted Living Units		104	9	8.7%			
Memory Care Projects							
Windsor Manor	2006	8	1	4 - 1BR Deluxe	516 - 530	\$5,280	Typically near full occupancy with small waiting list.
1807 West 5th Street				4 - 1BR	419 - 430	\$4,850	
Vinton							
Lutheran Home	1995/	14	0	9 - Private	100	\$213	Typically full with small waiting list and low turnover.
502 Butler Street	2012			5 Semi-Private	200	\$198	
Vinton						Daily Rate	
Total Memory Care Units		22	1	4.5%			
Source: Maxfield Research & Consulting, LLC							

Source: Maxfield Research & Consulting, LLC

# SENIOR HOUSING ANALYSIS

**TABLE S-2**  
**AMENITY COMPARISON**  
**COMPETITIVE SENIOR PROJECTS**  
**VINTON STUDY AREA**  
**August 2016**

Amenities/Features:																		
Emer. Call	A/C	Dishwasher	Disposals	Balc./Patio	Walk-in Closet	In Unit Laundry	Storage	Comm. Rm.	Exercise Rm.	Activity Rm.	Salon	Library	Game Rm.	Terrace/porch	Guest Suites	Parking	Other	
Active Adult-Few Services																		
Lutheran Home TH	N	C	Y	Y	Y	Y	Y	Y	Y	N	Y	Y	N	N	Y	N	Attached	Townhomes have 1-car garages included. Sunroom & Den
Cedarview	N	C	Y	Y	Y	Y	Y	Y	N	N	N	N	N	N	N	N	Attached	
Rock Ridge Residential	Not Available																	
Country Gardens	N	W	N	N	N	N	OS	N	N	N	N	N	N	N	N	N	Off-street	
Assisted Living Services																		
Windsor Manor	Y	C	N	N	N	N	N	N	Y	N	Y	Y	N	N	Y	N	Off-Street	
Vinton Lutheran Home	Y	W	N	N	N	N	N	N	Y	Y	Y	Y	N	N	Y	N	Off-Street	Chapel
Cedar Valley Ranch	Y	W	N	N	N	N	N	N	Y	N	N	Y	N	N	Y	N	Off-Street	
Rock Ridge Residential Apartments	Not Available																	
Rock Ridge Residential Care Units	Not Available																	
Memory Care Services																		
Windsor Manor	Y	C	N	N	N	N	N	N	Y	N	Y	Y	N	N	Y	N	Off-Street	
Lutheran Home	Y	W	N	N	N	N	N	N	Y	N	Y	Y	N	N	Y	N	Off-Street	Chapel
Source: Maxfield Research & Consulting, LLC																		

## SENIOR HOUSING ANALYSIS

**TABLE S-3  
SERVICES COMPARISON  
COMPETITIVE SENIOR PROJECTS  
VINTON STUDY AREA  
July/August 2016**

	Utilities	Transportation	Activities	Meal Program	Hskpg. & Linens	Health/Misc.
Active Adult/Few Services						
Lutheran Home TH	Tenant pays all utilities except cable.	Schedlued	Coordinator	Optional.	Optional	Optional
Cedarview	Pay all utilities.	None	None	None	None	None
Rock Ridge Residential						
Not Available						
Country Gardens	Tenants pay electricty, cable and phone.	None	None	None	None	None
Assisted Living						
Windsor Manor	All utilities included except phone.	Scheduled	Coordinator	3 meals daily	Weekly	24 hour on-site staff
Vinton Lutheran Home	All utilities included except phone.	Scheduled	Coordinator	3 meals daily	Bi-Weekly	24 hour on-site staff Optional
Cedar Valley Ranch	All utilities included except cable and phone.	Scheduled	Coordinator	3 meals daily	Weekly	24 hour on-site staff
Rock Ridge Residential						
Not Available						
Memory Care						
Windsor Manor	All utilities included except cable and phone.	Scheduled	Coordinator	3 meals daily	Weekly	24 hour on-site staff
Lutheran Home	All utilities included except cable and phone.	Scheduled	Coordinator	3 meals daily	Weekly	24 hour on-site staff
Source: Maxfield Research & Consulting, LLC						

- *Vinton Lutheran Home* was opened in 1998 with an addition in 2005 and offers 18 assisted living units. Monthly fees include three daily meals, bi-weekly housekeeping, personal care, and medication management and ranging from \$2,392 to \$2,974. Some personal care services are an additional cost.
- *Cedar Valley Ranch* has 23 units of which 21 are shared occupancy units and two units a four-person shared rooms. Nearly all of the residents are on Elderly Waiver subsidy. Shared rooms also share a bathroom. Because this development has shared rooms and is also mostly occupied by those on public assistance we would not consider this development competitive in our demand calculations if a new development were constructed.
- *Rock Ridge Residential* is a nursing home and residential care facility was built in 1997. The facility has eight apartment style units and 27 private rooms. Because the residential care units are more like a nursing home style unit we would not consider these competitive with any proposed development in the Study Area.

### **Memory Care**

- There are two secured memory care developments in the Study Area. *Windsor Manor* and *Lutheran Home* offer 22 dementia specific units. There is currently one vacant unit for a rate of 4.5%. Market equilibrium is considered 7% for memory care facilities.
- *Windsor Manor* in Vinton opened in 2006 and has eight units with one-bedroom deluxe and one-bedroom units and had one vacant unit. Monthly fees include three daily meals, weekly housekeeping, personal care, and medication management at an all-inclusive rate ranging from \$4,850 to \$5,280.
- *Lutheran Home* opened the memory care unit in 2012 with a total of 14 units consisting of nine private rooms and five semi-private units. The daily rate ranges from \$198 to \$213 and includes three daily meals, weekly housekeeping, personal care, and medication management.

### **Planned and/or Pending Senior Housing Developments**

There are currently no planned or pending senior housing facilities located in the Study Area.

## Senior Housing



Lutheran Home Townhomes



Cedarview Townhomes





Rock Ridge Residential



Country Gardens





Windsor Manor



Lutheran Home



Cedar Valley Ranch

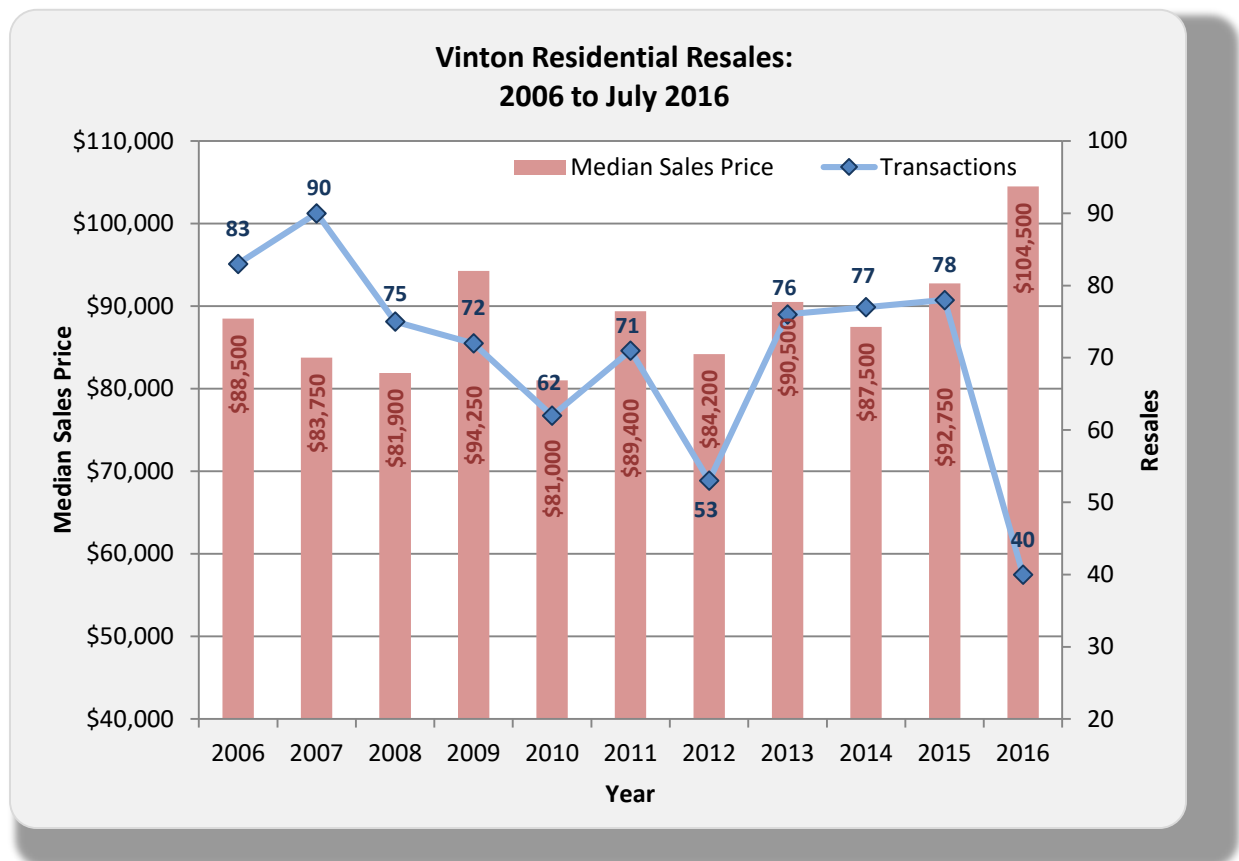
## Introduction

Maxfield Research analyzed the for-sale housing market in Vinton by analyzing data on single-family and multifamily home sales and active listings, inventorying active subdivisions, and conducting interviews with local real estate professionals, developers, builders, and planning officials.

## Home Resales in Vinton

Table FS-1 presents summary data for residential resale activity throughout Vinton between 2006 and 2016. The data was obtained from the Benton County Assessor. The table displays information on the number of resales, average sales price, and median sales price for the City of Vinton. The following are key points from Table FS-1.

- Over the past nine years, Vinton has averaged about 71 resales annually. Transaction activity peaked in 2007 with 90 resales. The lowest resale activity occurred in 2012 when 53 transactions occurred.



- Vinton's median sale price peaked in 2009 with a price of \$94,250. However, the current 2016 median sales figure as of July was \$104,500. Over the past nine years, the median sales price has averaged about \$86,778.

TABLE FS-1 RESIDENTIAL REALES VINTON STUDY AREA 2006 to July 2016					
2006	Number	83	2012	Number	53
	Average	\$91,896		Average	\$90,144
	Median	\$88,000		Median	\$84,200
2007	Number	90	2013	Number	76
	Average	\$89,435		Average	\$94,491
	Median	\$83,750		Median	\$90,500
2008	Number	75	2014	Number	77
	Average	\$91,682		Average	\$91,316
	Median	\$81,900		Median	\$87,500
2009	Number	72	2015	Number	78
	Average	\$98,979		Average	\$104,584
	Median	\$94,250		Median	\$92,750
2010	Number	62	2016*	Number	40
	Average	\$86,489		Average	\$101,043
	Median	\$81,000		Median	\$104,500
2011	Number	71			
	Average	\$99,501			
	Median	\$89,400			
Sources: Benton County Assesor, Maxfield Research & Consulting, LLC					

- Vinton did not experience the rapid home appreciation like many submarkets across the country. At the same time, the Vinton did not experience declines and was insulated from the housing market bust that occurred in many communities. Resale activity and home values have remained relatively consistent between 2006 and September 2016.
- An average of 71 homes was sold annually in Vinton since 2006. Considering that Vinton has a supply of 1,521 owned homes in 2010, this represents turnover of 5% of the owned homes annually. A turnover of 5% is lower compared to a nationwide average of 6% to 8%.

## Current Supply of Homes on the Market

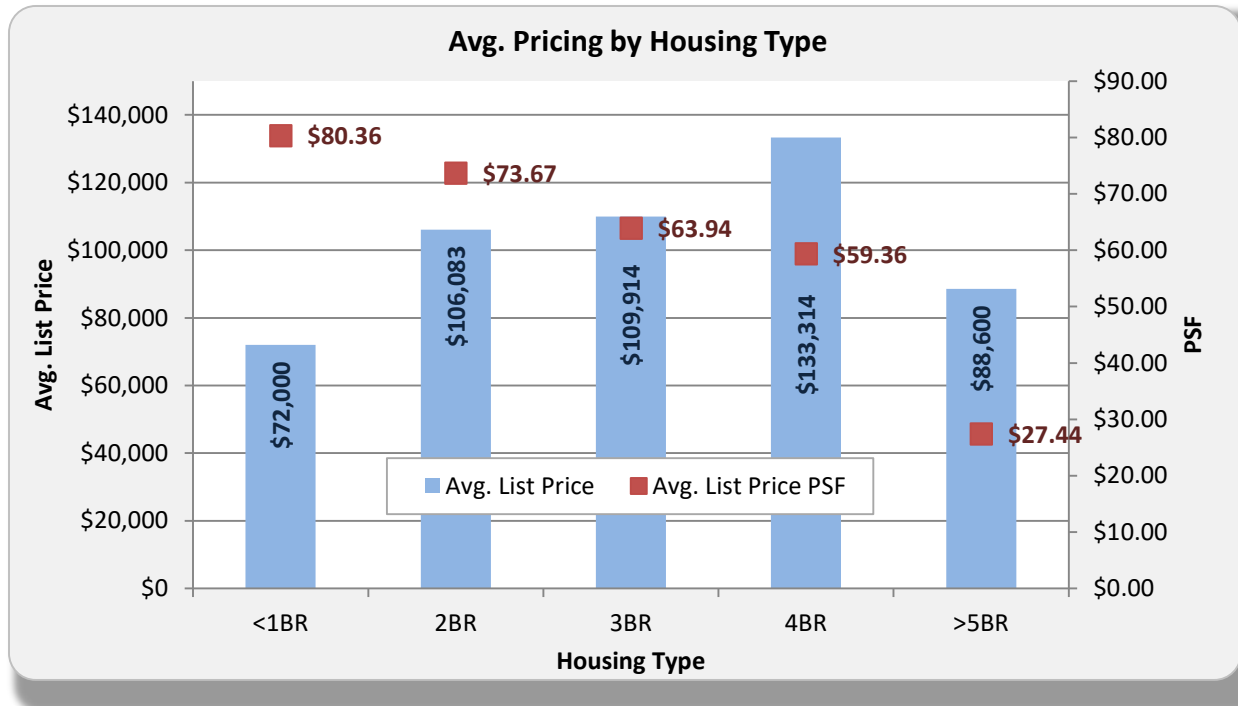
To more closely examine the current market for available owner-occupied housing in Vinton, we reviewed the current supply of homes on the market (listed for sale). Table FS-2 shows homes currently listed for sale in the Vinton Study Area distributed into seven price ranges. The data was provided by Realtor.com. MLS listings generally account for the vast majority of all residential sale listings in a given area. Table FS-3 shows listings by number of bedrooms.

- As of August 2016, there were 37 homes listed for sale in Vinton. The average and median list price for Vinton homes was \$108,653 and \$115,000, respectively. The median sale price is generally a more accurate indicator of housing values in a community than the average sale price. Average sale prices can be easily skewed by a few very high-priced or low-priced home sales in any given year, whereas the median sale price better represents the pricing of a majority of homes in a given market.

TABLE FS-2 HOMES CURRENTLY LISTED FOR-SALE VINTON STUDY AREA August 2016						
Price Range	Vinton		SA Cities		Townships	
	No.	Pct.	No.	Pct.	No.	Pct.
Under \$50,000	3	8.1%	1	33.3%	1	50.0%
\$50,000 to \$99,999	13	35.1%	0	0.0%	0	0.0%
\$100,000 to \$149,999	18	48.6%	1	33.3%	1	50.0%
\$150,000 to \$199,999	2	5.4%	0	0.0%	0	0.0%
\$200,000 to \$249,999	0	0.0%	1	33.3%	0	0.0%
\$250,000 to \$299,999	1	2.7%	0	0.0%	0	0.0%
\$250,000 and Over	0	0.0%	0	0.0%	0	0.0%
	37	100%	3	100%	2	100%
Minimum	\$32,670		\$20,000		\$49,000	
Maximum	\$250,000		\$274,900		\$145,000	
Median	\$115,000		\$131,000		\$97,000	
Average	\$108,653		\$141,997		\$97,000	
Sources: Realtor.com; Maxfield Research & Consulting, LLC						

- Based on a median list price of \$115,000, the income required to afford a home at this price would be about \$32,857 to \$38,333 based on the standard of 3.0 to 3.5 times the median income (and assuming these households do not have a high level of debt). A household with significantly more equity (in an existing home and/or savings) could afford a higher priced home. About 72% of the Study Area's households in 2016 have annual incomes at or above \$32,857.





- Roughly 49% of all the listings in Vinton are priced between \$100,000 and \$149,999. Listings that fall between \$50,000 and \$99,999 consist of 35% of the homes currently listed for sale in Vinton. Overall, 84% of listing fall between \$50,000 to \$149,999.
- About 3% of active listings are priced under \$50,000 and another 2% are priced from \$150,000 to \$199,999. There was only one home listed above \$250,000.
- The majority of listings are three-bedroom homes, which account for about 57% of the listings. Two-bedroom and four-bedroom homes account for 16% to 13.5%, respectively.

TABLE FS-3 ACTIVE LISTINGS BY HOUSING TYPE VINTON August 2016						
Property Type	Listings	Pct.	Avg. List Price	Median Price	Avg. Home Size Sq. Ft.	Avg. List Price Per Sq. Ft.
<b>Single-Family</b>						
<1BR	2	5.4%	\$72,000	\$72,000	896	\$80.36
2BR	6	16.2%	\$106,083	\$117,250	1,440	\$73.67
3BR	21	56.8%	\$109,914	\$115,000	1,719	\$63.94
4BR	5	13.5%	\$133,314	\$130,000	2,246	\$59.36
>5BR	3	8.1%	\$88,600	\$107,900	3,229	\$27.44
<b>Total</b>	<b>37</b>	<b>100.0%</b>	<b>\$111,356</b>	<b>\$111,356</b>	<b>\$1,635</b>	<b>\$68.11</b>

Source: Realtor.com; Maxfield Research & Consulting, LLC

### Actively Marketing and Pending Subdivisions

Table FS-5 identifies all of the subdivisions with available lots in the Vinton Study Area that are actively marketing. The table identifies year platted, number of lots, available lots, and estimated values for land and homes values per the assessor. In addition, the comments column highlights the price of lots that are currently marketing. Key points from the table follow.

- As of August 2016, there are three subdivisions and two scattered plats/lots actively marketing in Vinton with a total of 13 available lots. *Northfield Ranch* (Taylor Twp.), *Terrace Green* (Benton Twp.), *Hidden Meadows* (Benton Twp.), and *Robertson's* (Garrison) subdivisions are located in the Study Area and have 14 available lots.
- Lot sizes at the two subdivisions range from 0.21 to 1.32 acres in the City of Vinton and from .19 and 8.35 acres at subdivision outside of the City limits. The City of Vinton offers smaller lot sizes than in the surrounding townships. Lots in Garrison are also smaller lots.
- The average assessed home price in Vinton ranged from \$135,538 to \$152,400 and lot values range from \$2,820 to \$17,708. Estimated construction cost for new homes at these subdivisions were \$135,000 and \$200,000. Home values in the townships range from \$138,850 to \$235,138 with construction costs mostly higher from \$200,000 to \$250,000.
- The industry standard for a balanced lot supply for a community is a three- to five-years. This supply of lots is appropriate as it provides adequate consumer choice but minimize developers' carrying costs. Based on the annual absorption of single-family lots in Vinton and in the communities in the remainder of the Study Area there is a shortage of lots for buyers in the short-term. In addition, the limited choice of lots and difference in home prices at these subdivisions has limited the development of new construction in the city. Thus, the city is in need of more developable lots to balance the supply for different price points.

## FOR-SALE MARKET ANALYSIS

**TABLE FS-4**  
**ACTIVE SINGLE-FAMILY SUBDIVISIONS**  
**VINTON STUY AREA**  
**August 2016**

Subdivision/Location	City/Twp.	Year Platted	No. of Lots	Vacant/ Avail. Lots	Lot Size (acres)	Average Lot Size (acres)	Average Lot/Land Value <sup>1</sup>	Average Home Value <sup>1</sup>	Comments
Eastview Estates 3rd Addition	Vinton	2010	10	4	0.27 - 0.43	0.35	\$2,820	n.a.	Lots marketing \$22,500
Bascom's 2nd Addition	Vinton	1999	26	6	0.21 - 1.32	0.43	\$17,708	\$135,538	Lots marketing from \$25,000 to \$55,000.
Bascom's 3rd Addition	Vinton	2008	4	1	0.55 - 1.04	0.68	\$9,600	\$152,400	Lots marketing \$20,000
Northfield Ranch	Taylor Twp.	2002	14	4	1.04 - 1.53	1.18	\$16,693	\$235,138	Lots marketing \$24,000
Terrace Green	Benton Twp.	1996	30	3	0.75 - 8.35	1.65	\$16,660	\$201,123	Lots marketing from \$25,000 to \$45,000
Hidden Meadows	Benton Twp.	2012	8	3	1.30 - 3.38	2.26	\$15,900	\$138,850	Lots marketing from \$45,000 to \$60,000
Robertson's 2nd Additon	Garrison	n.a.	4	4	0.19 - 0.23	0.20	\$4,025	n.a.	Lots marketing \$5,000
Scattered Lots	Various	n.a.	3	3	0.24 - 1.68	0.72	\$10,833	n.a.	Lots marketing from \$15,000 to \$39,900
<b>Total</b>			<b>99</b>	<b>28</b>					

<sup>1</sup> Lot value and home value based on Hardin County Assessor data.

Source: Maxfield Research Inc.



### Planned or Pending For-Sale Housing Developments

*Ahmann Companies* has proposed to develop a large lot development south of the Vinton-Shellsburg High School. The development would require the annexation of the land south of the High School along State Highway 218. The proposed development would include 100 to 128 total lots with a mix of single-family, twinhomes (duplexes), and townhomes (four-plexes) that would all be owner occupied. The homes offered would bridge multiple price points ranging from \$150,000 to around \$300,000. The developer anticipates a 10-year absorption period and would heavily market the development throughout the area including the Cedar Rapids to the Waterloo area. The development would require a private and public partnership that would likely include TIF and infrastructure costs for the City and all other development and market costs by the developer. The development could begin as soon as fall 2016 however the developer has halted plans and may scratch the project altogether due to issues with land owner and other outside factors.

### Realtor/Builder Interviews

Maxfield Research interviewed real estate agents, home builders, and other professionals familiar with Vinton's owner-occupied market to solicit their impressions of the for-sale housing market in Vinton. Key points are summarized by topic as follows.

#### ***Market Overview***

- Real estate activity has been stable in Vinton. Early in the decade the market was slower but has been slowly recovering. Realtors find the market strong for homes \$150,000 and under. Except for 2012, resales have remained relatively steady each year.
- According to Realtors, there is a lack of quality existing homes for move-up buyers priced above \$150,000. Realtors commented on the number of clients they have seeking updated housing that is well maintained priced over \$150,000 but they have few options. There is also a lack of lots available for development of homes of this type.
- The vast majority of homes listed for-sale is older, entry-level homes priced under \$150,000. The average home resale value is from \$100,000 to \$120,000. These homes often require improvements and or maintenance.
- The real estate market is bifurcated in Vinton. Entry-level homes are readily available, but new construction is not affordable to many householders and targets a move-up to executive buyer who can afford construction costs. There are prospective buyers who do not want to wait to build a new home as there are no spec homes being built. As such, the move-up market among the existing housing stock is limited in Vinton.

- According to Realtors, older two-story homes are less desirable than one-story ranch style homes and typically take longer to sell. Upper-end homes (above \$250,000) also take longer to sell.
- Inventory (i.e. home supply) has generally been low regardless unless in the lower price point (\$50,000 to \$150,000). As a result, some buyers are unable to find housing based on their preferences and price point. Activity could potentially be higher if the supply were balanced.
- Investors continue to seek out entry-level priced homes for rental properties. Low-priced home and some foreclosures are a main source of these investors.
- The overall housing stock continues to age and there are mixed opinions about quality. Some believe the condition is fine while others find that more and more homes each year are deteriorating which could become a major factor in the future.
- Overall, there is a consensus that Vinton growth has been stagnant due to a lack of available for-sale housing options across the board. This has caused buyers to look to other communities to find the type of home that they are looking for.
- Young professionals and executives are the groups affected the most by the lack of housing options available. While Realtors believe there is a need for all housing types, they do not find any one area with overwhelming need and the City should expect rapid growth.
- Age-restricted housing is also an area of need. The Cedarview and Lutheran Home Townhome have been very successful. As the community ages there will be more demand for quality age-restricted housing.
- There has been limited demand from individuals looking to move from the Waterloo or Cedar Rapids area to Vinton. This could be due to a lack of options available. There are communities within a closer commute to those areas before Vinton is considered. Some of those communities cannot offer the amenities that Vinton has but are within a short drive to amenities in Waterloo or Cedar Rapids.
- Realtors also state that there has been a lack of job growth within the community. Other than the Hospital, job growth is limited and no new companies have not been drawn to the area.

### ***Land/Lots***

- Interviewees indicated that the current supply of lots is insufficient to meet buyer demand today. There is a very limited supply of lots that offer a variety of housing options. The Bascom's and Eastview Estates Additions are not necessarily located in an optimal location

as the area is subject to occasional flooding. Most home built in this area cost around \$130,000 to \$150,000.

- Although smaller lot sizes could bring down lot costs, most interviewees mentioned that buyers desire larger acre lots. This is supported by adjacent lots being purchased by homeowners to expand property sizes. Infill development can be difficult due to the smaller lot sizes.
- The Vinton lots available average a price from \$20,000 to \$25,000. Township lots are slightly higher and can be much higher for large acreage and also have additional fees for the septic system and other infrastructure costs.

### ***New Construction***

- There are limited local builders in the Vinton area. Because of construction costs, infrastructure costs, and the length of time it takes to sell a spec home, builders are only developing a few homes per year to be able to carry the cost. Some builders have more of a focus on remodel projects or deal with an individual buyer who has purchased land for a home.
- Most if not all of the homes under construction target a move-up buyer as builders cannot economically bring an entry-level home to the market given today's construction and land costs.
- Single-family new construction is dominated by ranch homes (i.e. rambler) with large, open floor plans on the main-level. Buyers prefer this floor plan as it allows them to age in place more easily than a two-story home design. In addition, most of the homes have a finished/unfinished basement that can add 1,000 square feet or more to the total finished square footage.
- New single-family construction is mostly "build-to-suit," meaning the consumer chooses the floor plan, finishes, etc. Few builders are willing to take on spec construction due to the risk.
- All of the builders constructing homes in Vinton are local area builders/contractors from Waterloo to Cedar Rapids. There are no larger, production builders constructing homes in Vinton. However, one developer has expressed serious interest in a large scale development.
- There are areas in Vinton or just outside Vinton (with annexation) with land available to open up for development. However local developers are reluctant to due pursue the venture because of infrastructure costs. It can be more financially feasible to either continue to farm the land or for it to remain undeveloped. Assistance from the city could

help the development process. There are those that believe the uncooperative nature between the public and private groups are hindering the growth of the community. Infrastructure was almost unanimously stated as the biggest barrier to development.

### Introduction

Previous sections of this study analyzed the existing housing supply and the growth and demographic characteristics of the population and household base in Vinton. This section of the report presents our estimates of housing demand in the Study Area from 2016 through 2025.

### Demographic Profile and Housing Demand

The demographic profile of a community affects housing demand and the types of housing that are needed. The housing life-cycle stages are:

1. *Entry-level householders*
  - Often prefer to rent basic, inexpensive apartments
  - Usually singles or couples in their early 20's without children
  - Will often "double-up" with roommates in apartment setting
2. *First-time homebuyers and move-up renters*
  - Often prefer to purchase modestly-priced single-family homes or rent more upscale apartments
  - Usually married or cohabiting couples, in their mid-20's or 30's, some with children, but most are without children
3. *Move-up homebuyers*
  - Typically prefer to purchase newer, larger, and therefore more expensive single-family homes
  - Typically families with children where householders are in their late 30's to 40's
4. *Empty-nesters (persons whose children have grown and left home) and never-nesters (persons who never have children)*
  - Prefer owning but will consider renting their housing
  - Some will move to alternative lower-maintenance housing products
  - Generally couples in their 50's or 60's
5. *Younger independent seniors*
  - Prefer owning but will consider renting their housing
  - Will often move (at least part of the year) to retirement havens in the Sunbelt and desire to reduce their responsibilities for upkeep and maintenance
  - Generally in their late 60's or 70's

### 6. *Older seniors*

- May need to move out of their single-family home due to physical and/or health constraints or a desire to reduce their responsibilities for upkeep and maintenance
- Generally single females (widows) in their mid-70's or older

Demand for housing can come from several sources including: household growth, changes in housing preferences, and replacement need. Household growth necessitates building new housing unless there is enough desirable vacant housing available to absorb the increase in households. Demand is also affected by shifting demographic factors such as the aging of the population, which dictates the type of housing preferred. New housing to meet replacement need is required, even in the absence of household growth, when existing units no longer meet the needs of the population and when renovation is not feasible because the structure is physically or functionally obsolete.

Because of the relatively older age of the City's housing stock and the fact that population growth was minimal over the past decade, demand for Vinton will be driven by replacement need more so than household growth. Between 2016 and 2025, the City of Vinton and the Study Area are projected to see an increase in households (See Table D-1).

The graphic on the following page provides greater detail of various housing types supported within each housing life cycle. Information on square footage, average bedrooms/bathrooms, and lot size is provided on the subsequent graphic.

## Housing Demand Overview

The previous sections of this assessment focused on demographic and economic factors driving demand for housing in the Vinton Study Area. In this section, we utilize findings from the economic and demographic analysis to calculate demand for new general occupancy housing units in the County.

Housing markets are driven by a range of supply and demand factors that vary by location and submarket. The following paragraphs outline some key variables driving housing demand.

### Demographics

Demographics are major influences that drive housing demand. Household growth and formations are critical (natural growth, immigration, etc.), as well as household types, size, age of householders, incomes, etc.

## HOUSING DEMAND ANALYSIS

DEMOGRAPHICS & HOUSING DEMAND							
Age Cohort	Student Housing	Rental Housing	1st-time Home Buyer	Move-up Home Buyer	2nd Home Buyer	Empty Nester/ Downsize	Senior Housing
18-24	18 - 24						
25-29		18-34					
30-34			25-39				
35-39				30-49			
40-44							
45-49							
50-54					40-64		
55-59							
60-64						55-74	
65-69		65-79					
70-74							
75-79							
80-84							
85+							55+ & 65+

Source: Maxfield Research & Consulting, LLC

## HOUSING DEMAND ANALYSIS

TYPICAL HOUSING TYPE CHARACTERISTICS				
	Housing Types	Target Market/ Demographic	Unit/Home Characteristics	Lot Sizes/ Units Per Acre <sup>1</sup>
For-Sale Housing	Entry-level single-family	First-time buyers: Families, couples w/no children, some singles	1,200 to 2,200 sq. ft. 2-4 BR   2 BA	80'+ wide lot 2.5-3.0 DU/Acre
	Move-up single-family	Step-up buyers: Families, couples w/no children	2,000 sq. ft.+ 3-4 BR   2-3 BA	80'+ wide lot 2.5-3.0 DU/Acre
	Executive single-family	Step-up buyers: Families, couples w/no children	2,500 sq. ft.+ 3-4 BR   2-3 BA	100'+ wide lot 1.5-2.0 DU/Acre
	Small-lot single-family	First-time & move-down buyers: Families, couples w/no children, empty nesters, retirees	1,700 to 2,500 sq. ft. 3-4 BR   2-3 BA	40' to 60' wide lot 5.0-8.0 DU/Acre
	Entry-level townhomes	First-time buyers: Singles, couples w/no children	1,200 to 1,600 sq. ft. 2-3 BR   1.5BA+	6.0-12.0 DU/Acre
	Move-up townhomes	First-time & step-up buyers: Singles, couples, some families, empty-nesters	1,400 to 2,000 sq. ft. 2-3 BR   2BA+	6.0-8.0 DU/Acre
	Executive townhomes/twinhomes	Step-up buyers: Empty-nesters, retirees	2,000+ sq. ft. 3 BR+   2BA+	4.0-6.0 DU/Acre
	Detached Townhome	Step-up buyers: Empty-nesters, retirees, some families	2,000+ sq. ft. 3 BR+   2BA+	4.0-6.0 DU/Acre
	Condominiums	First-time & step-up buyers: Singles, couples, empty-nesters, retirees	800 to 1,700 sq. ft. 1-2 BR   1-2 BA	Low-rise: 18.0-24.0 DU/Acre Mid-rise: 25.0+ DU/Acre Hi-rise: 75.0+ DU/Acre
Rental Housing	Apartment-style rental housing	Singles, couples, single-parents, some families, seniors	675 to 1,250 sq. ft. 1-3 BR   1-2 BA	Low-rise: 18.0-24.0 DU/Acre Mid-rise: 25.0+ DU/Acre Hi-rise: 75.0+ DU/Acre
	Townhome-style rental housing	Single-parents, families w/children, empty nesters	900 to 1,700 sq. ft. 2-4 BR   2BA	8.0-12.0 DU/Acre
	Student rental housing	College students, mostly undergraduates	550 to 1,400 sq. ft. 1-4BR   1-2 BA	Low-rise: 18.0-24.0 DU/Acre Mid-rise: 25.0+ DU/Acre Hi-rise: 50.0+ DU/Acre
Both	Senior housing	Retirees, Seniors	550 to 1,500 sq. ft. Suites - 2BR   1-2 BA	Varies considerably based on senior product type

<sup>1</sup> Dwelling units(DU) per acre expressed in net acreage (minus right-of-way)

Source: Maxfield Research & Consulting, LLC

### Economy & Job Growth

The economy and housing market are intertwined; the health of the housing market affects the broader economy and vice versa. Housing market growth depends on job growth (or the prospect of); jobs generate income growth which results in the formation of more households. Historically low unemployment rates have driven both existing home purchases and new-home purchases. Lack of job growth leads to slow or diminishing household growth, which in-turn relates to reduced housing demand. Additionally, low income growth results in fewer move-up buyers which results in diminished housing turnover across all income brackets.



### Consumer Choice/Preferences

A variety of factors contribute to consumer choice and preferences. Many times a change in family status is the primary factor for a change in housing type (i.e. growing families, empty-nest families, etc.). However, housing demand is also generated from the turnover of existing households who decide to move for a range of reasons. Some households may want to move-up, downsize, change their tenure status (i.e. owner to renter or vice versa), or simply move to a new location.

### Supply (Existing Housing Stock)

The stock of existing housing plays a crucial component in the demand for new housing. There are a variety of unique household types and styles, not all of which are desirable to today's consumers. The age of the housing stock is an important component for housing demand, as communities with aging housing stocks have higher demand for remodeling services, replacement new construction, or new home construction as the current inventory does not provide the supply that consumers seek.

Pent-up demand may also exist if supply is unavailable as householders postpone a move until new housing product becomes available.

### Housing Finance

Household income is the fundamental measure that dictates what a householder can afford to pay for housing costs. According to the U.S. Department of Housing and Urban Development (HUD), the definition of affordability is for a household to pay no more than 30% of its annual income on housing (including utilities). Families who pay more than 30% of their income for housing (either rent or mortgage) are considered cost burdened and may have difficulty affording necessities such as food, clothing, transportation and medical care.

The ability of buyers to obtain mortgage financing has been increasingly challenging over the past few years as lenders have overcorrected from the subprime mortgage crisis. As a result, many borrowers have remained on the sidelines as lenders have enforced tight lending requirements, thereby increasing the demand for rental housing.

## **For-Sale Housing Market Demand Analysis**

Tables DMD-1 presents our demand calculations for general occupancy for-sale housing in Vinton between 2016 and 2025. This analysis identifies potential demand for general occupancy for-sale housing that is generated from both new households and turnover households. The following points summarize our findings.

## HOUSING DEMAND ANALYSIS

- According to our projections, the Study Area is expected to exhibit no growth of households between 2014 and 2025 for those ages 65 and under. Thus, there will be zero demand for owner households from new household growth.
- As of 2016, there are approximately 2,393 owner households under the age of 65 in the Study Area. Based on household turnover data from the 2014 American Community Survey, we estimate that 35% of these under-65 owner households will experience turnover between 2016 and 2025. This estimate results in anticipated turnover of 838 existing households by 2025.

TABLE DMD-1 GENERAL OCCUPANCY FOR-SALE HOUSING DEMAND CITY OF VINTON 2016 to 2025			
DEMAND FROM PROJECTED HOUSEHOLD GROWTH IN STUDY AREA			
Projected household (age 64 and younger) growth in the Study Area 2016 to 2025 <sup>1</sup>		131	
(times) Pct. of HH growth for general occupancy housing <sup>2</sup>	x	0%	
(equals) Projected demand for general occupancy units	=	0	
(times) Propensity to Own <sup>3</sup>	x	76%	
(equals) Number of potential owner households from HH growth	=	0	
DEMAND FROM EXISTING OWNER HOUSEHOLDS IN STUDY AREA			
Number of owner households (age 64 and younger) in the Study Area, 2016	=	2,393	
(times) Estimated % of owner turnover (age 64 and younger, 2016 to 2025) <sup>4</sup>	x	35%	
(equals) Total existing households projected to turnover between 2016 and 2025	=	838	
(times) Estimated % desiring new owner housing	x	15%	
(equals) Demand from existing households	=	126	
<b>Total Demand From Household Growth and Existing Households, 2016 to 2025</b>	=	<b>126</b>	
(times) Ownership demand generated from outside PMA	+	20%	
<b>(equals) Total demand potential for ownership housing in the PMA</b>	=	<b>157</b>	
% of PMA Demand Capturable in the City of Vinton	x	65%	
<b>Demand from Household Growth and Existing Households in Vinton</b>	=	<b>102</b>	
		<b>Single Family</b>	<b>Multi-family</b>
(times) Percent desiring for-sale single family (SF) vs. multifamily (MF) <sup>5</sup>	x	75%	25%
<b>(equals) Total demand potential for new for-sale housing in Vinton</b>	=	<b>77</b>	<b>26</b>
<sup>1</sup> Estimated household growth based per ESRI and Maxfield Research & Consulting, LLC			
<sup>2</sup> Pct. of household growth under age 65			
<sup>3</sup> Pct. Owner households under age 65 in 2010			
<sup>4</sup> Based on household turnover and mobility data (2014 American Community Survey, Five Year Estimates).			
<sup>5</sup> Based on new construction sales data and building permit data from 2005 to present			
* Multifamily demand includes demand for townhomes, twinhomes, and condominium units.			
Source: Maxfield Research & Consulting, LLC			

- We then estimate the percent of existing owner households turning over that would prefer to purchase new housing. We estimate that 15% of the households turning over in the City

of Vinton will desire new housing. This estimate results in demand from existing households for 126 new residential units in the Study Area between 2016 and 2025.

- Total demand from household growth and existing household turnover between 2016 and 2025 remains at 126 new for-sale housing units in the Study Area due to the projected decline in households 64 and under over the period. An additional proportion is added for households that would move into ownership housing in the PMA who currently reside outside the area.
- Due, in large part, to the, quality of the school district along with other community amenities, and location between two larger metro areas (waterloo & Cedar Rapids) Vinton can draw a portion of potential home buyers from the surrounding area. We estimate that 15% of the demand potential for general occupancy ownership housing in Vinton would be derived from outside the area, increasing total demand to 126 units.
- Based on our population and household growth projections, we estimate that the City of Vinton will capture 65% of the PMA's demand for new for-sale housing between 2016 and 2021, equating to demand for 102 units.
- Based on building permit trends and new construction sales data from 2005 to present, we estimate that 75% of the householders seeking new housing will desire single-family housing, while the remaining 25% will be seeking multifamily units.
- We anticipate that there will be demand for approximately 77 general occupancy single-family homes and 26 multifamily units in Vinton between 2016 and 2025.

### Rental Housing Demand Analysis

Tables D-2 presents our calculation of market rate general-occupancy rental housing demand for Vinton. This analysis identifies potential demand for rental housing that is generated from both new households and turnover households. Typically, 65 and older cohort is not a target market for new general-occupancy market rate rental housing and thus we will focus on renter households 65 and under. Our survey uncovered a portion of senior households living in the local rental housing product most likely due to the lack of age-restricted product. The majority of those older adults and seniors were located in properties with somewhat lower rents.

- According to our projections, Vinton is not expected to increase in households for ages 65 and under between 2016 and 2025. However, households over age 65 are projected to grow by nearly 40. Thus, demand potential for renter households from new household growth will only come from those 65 and over.

## HOUSING DEMAND ANALYSIS

**TABLE DMD-2**  
**DEMAND FOR GENERAL OCCUPANCY RENTAL HOUSING**  
**CITY OF VINTON**  
**2016 to 2025**

		Number of Households				
		Under 25	Age 25 to 34	Age 35 to 44	Age 45 to 64	Age 65 & Over
Demand From Household Growth						
Projected Growth in Study Area Household Base by 2025		0	17	11	0	174
(times) Proportion Estimated to Be Renting Their Housing <sup>1</sup>	x	65%	35%	29%	17%	17.0%
(equals) Projected Demand for Rental Housing Units	=	0	6	3	0	30
Demand From Existing Households						
Number of renter households in 2016		94	199	202	176	360
(times) Estimated % of renter turnover between 2016 & 2025 <sup>2</sup>	x	90%	79%	75%	65%	64%
(equals) Total Existing Renter Households Projected to Turnover	=	85	157	152	114	229
(times) Estimated % Desiring New Rental Housing <sup>3</sup>	x	16%	16%	16%	16%	16%
(equals) Demand From Existing Households	=	14	25	24	18	37
Total Demand From Household Growth and Existing Households		14	31	27	18	66
Total Demand from Household Growth and Existing Households	=	90				
(plus) Demand from outside Market Area (25%)	+	30				
(equals) Total Demand for Rental Housing in the PMA	=	120				
(times) percent of PMA Demand Capturable in the City of Vinton	x	75%				
(equals) Total Demand for Rental Housing the City of Vinton	=	90				
		Deep-Subsidy	Shallow-Subsidy	Market Rate		
(times) Percent of rental demand by product type <sup>4</sup>	x	10%	30%	60%		
(equals) Total demand for new general occupancy rental housing units	=	9	27	54		
(minus) Units under construction or approved*	-	0	0	0		
(equals) Excess demand for new general occupancy rental housing in Vinton	=	9	27	54		
<sup>1</sup> Based on 2010 Census data.						
<sup>2</sup> Based on household turnover and mobility data (2014 American Community Survey, Five Year Estimates).						
<sup>3</sup> Source - The Upscale Apartment Market: Trends and Prospects. Prepared by Jack Goodman of Hartrey Advisors for the National Multi Housing Council						
<sup>4</sup> Based on the combination of current rental product, income limits, and household incomes of area renters (non-senior households)						
*Pending competitive units at 95% occupancy.						
Source: Maxfield Research & Consulting, LLC						

- Secondly, we calculate demand from existing renter households in the Study Area that could be expected to turnover between 2016 and 2025. As of 2016, there are 1,031 renter households in the Study Area. Based on household turnover data from the 2014 American Community Survey, we estimate that between 64% and 90% of these households will experience turnover between 2016 and 2025. This estimate results in anticipated turnover of approximately 508 existing households (65 and under) by 2025.
- We then estimate the percent of existing renter households turning over that would prefer to rent in a new rental development. Considering the age of the Study Area's housing stock, we estimate that 16% of the households turning over in the Study Area will desire new rental housing. This estimate results in demand from existing households for 81 new residential rental units (65 and under) between 2016 and 2025.
- Combined with the projected household growth for those under 65 and demand from existing household turnover, demand equates to 90 new for-sale housing units.
- We estimate that up to 25% of the total demand for new rental housing units in Vinton will come from people currently living outside of the Study Area. As a result, we find demand for 120 renter households between 2016 and 2025.
- We then estimate that the City of Vinton can capture 75% of the calculated demand for general occupancy rental housing in the Study Area. Thus, demand in Vinton equals a total of 90 units by 2025.
- Based on a review of renter household incomes and sizes and monthly rents at existing properties, we estimate that 60% of the total demand will be for market rate housing. Through 2020, demand exists for 55 market rate rental units in Vinton.
- We estimate that 30% of the total demand in Vinton will be for affordable housing (27 units) and 10% will be for subsidized housing (9 units).

### Senior Housing Demand Analysis

Tables DMD-3 and DMD-7 shows demand calculations for senior housing in the Vinton Study Area from 2016 to 2021. Demand methodology employed by Maxfield Research utilizes capture and penetration rates that blend national senior housing trends with local market characteristics, preferences and patterns. Our demand calculations consider the following target market segments for each product types:

***Market Rate Active Adult Rental and Ownership Housing:*** Target market based includes age 55+ older adult and senior households with incomes of \$30,000 or more and senior homeowners with incomes between \$20,000 and \$29,999.

**Affordable/Subsidized Independent Housing:** Target market based includes age 55+ older adult and senior households with incomes of \$30,000 or less.

**Congregate Housing:** Target market base includes age 65+ seniors who would be financially able to pay for housing and service costs associated with congregate housing. Income-ranges considered capable of paying for congregate housing are the same as for active adult housing.

**Assisted Living Housing:** Target market base includes older seniors (age 75+) who would be financially able to pay for private pay assisted living housing (incomes of \$40,000 or more and some homeowners with incomes below \$40,000). Additional demand for subsidized assisted living is not included in this demand but would result in greater demand for assisted living housing if considered.

**Memory Care Housing:** Target market base includes age 65+ seniors who would be financially able to pay for housing and service costs associated with memory care housing. Income ranges considered capable of paying for memory care housing (\$60,000 or more) are higher than other service levels due to the increased cost of care.

The demand captureable from outside of the Study Area is lower for senior housing compared with general occupancy due to seniors typically have less mobility and prefer to remain within or near the community they current live in.

Existing senior housing units are subtracted from overall demand for each product type.

### Market Rate Adult/Few Services Senior Housing Demand

Table DMD-3 presents our demand calculations for market rate active adult/few services housing in the PMA in 2016 and 2021. The market for active adult/few services housing is comprised of older adult (age 55 to 64), younger senior (age 65 to 74) and older senior (age 75+) households, with market demand weighted most heavily toward older seniors. In order to arrive at the potential age-, income- and asset-qualified base for active adult housing, we include all age-qualified households with incomes of \$30,000 or more plus homeowner households with incomes between \$20,000 and \$29,999 who would qualify with the proceeds from a home sale. The number of qualifying homeowner households is estimated by applying the appropriate homeownership rate to each age cohort. We estimate there are 2,326 age-, income- and asset-qualified Study Area households that comprise the market for active adult housing in 2016, increasing to 2,131 qualified households in 2021.

Adjusting to include appropriate capture rates for each age cohort (0.5% of households age 55 to 64, 5.5% of households age 65 to 74, and 12.0% of households age 75 and older) results in a demand potential for 113 active adult housing units in 2016 and 97 units in 2021. These capture rates reduce the total number of age/income/asset-qualified households to consider

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only the portion of older adult and senior households who would be able, willing, and inclined to move to senior housing alternatives, including both owner- and renter-occupied housing.

We estimate that seniors currently residing outside the Study Area will generate 15% of the demand for active adult housing – increasing demand to 133 active adult units in 2016. Demand from outside the Study Area includes parents of adult children living in the area, individuals who live outside the Study Area but have an orientation to the area and former residents who desire to return upon retirement.

<b>TABLE DMD-3</b> <b>MARKET RATE ADULT/FEW SERVICES HOUSING DEMAND</b> <b>VINTON STUDY AREA</b> <b>2016 &amp; 2021</b>						
	2016			2021		
	Age of Householder			Age of Householder		
	55-64	65-74	75+	55-64	65-74	75+
# of Households w/ Incomes of >\$30,000 <sup>1</sup>	932	649	412	885	636	295
# of Households w/ Incomes of \$20,000 to \$29,999 <sup>1</sup>	+ 108	112	188	+ 103	108	186
(times ) Homeownership Rate	x 85%	86%	77%	x 77%	86%	77%
(equals) Total Potential Market Base	= 1,024	745	557	= 964	729	438
(times) Potential Capture Rate	x 0.5%	5.5%	12.0%	x 0.5%	5.5%	12.0%
(equals) Demand Potential	= 5	41	67	= 5	40	53
<b>Potential Demand from Study Area Residents</b>	= 113			= 97		
(plus) Demand from Outside SA (15%) <sup>2</sup>	+ 20			+ 17		
<b>(equals) Total Demand Potential</b>	= 133			= 115		
	<b>Owner-Occupied</b>	<b>Renter-Occupied</b>		<b>Owner-Occupied</b>	<b>Renter-Occupied</b>	
(times) % by Product Type	x 50%	x 50%		x 50%	x 50%	
(equals) Demand Potential by Product Type	= 66	= 66		= 57	= 57	
(minus) Existing and Pending MR Active Adult Units <sup>3</sup>	- 17	- 45		- 26	- 36	
<b>(equals) Excess Demand for MR Active Adult Units</b>	<b>= 49</b>	<b>= 21</b>		<b>= 31</b>	<b>= 21</b>	
(times) Percent capturable in Vinton	x 75%			x 75%		
<b>(equals) # of units supportable in Vinton</b>	<b>= 37</b>	<b>16</b>		<b>24</b>	<b>16</b>	
<sup>1</sup> 2020 calculations define income-qualified households as all households with incomes greater than \$40,000 and homeowner households with incomes between \$30,000 and \$39,999. <sup>2</sup> Based on interviews and historical trends. We estimate that roughly 25% of demand will come from outside the Study Area. <sup>3</sup> Existing and pending are deducted at market equilibrium (95% occupancy).						
Source: Maxfield Research & Consulting, LLC						

Demand for active adult/few services housing in the Study Area is apportioned between ownership and rental product types. Based on the age distribution of the population, homeownership rates and trends for senior ownership product, we project that 50% of the demand will be for owner-occupied active adult housing (66 units in 2016), and the remaining 50% of demand will be for rental active adult housing units (66 units in 2016).

From the demand potential, we subtract existing and pending active adult units in the Study Area at 95% occupancy. In total, there are 17 existing and 9 pending (Cedarview townhomes could become ownership during the period) owner-occupied units in Vinton located. Market rate active adult rental in the PMA total of 49 units in 2016 decreasing to potentially 31 by 2021.

After accounting for the existing active adult product in the Study Area, we calculate pent-up demand for 57 owner-occupied units and 57 renter-occupied units in 2016. Adjusting for inflation following the same methodology and adjusting for the potential for the remaining Cedarview units to become ownership, we project that the owner-occupied demand will decrease to 31 units and demand for renter-occupied units will remain at 21 units by 2021.

Due to factors such as the geographic distribution of the senior population in the Study Area along with the location of services (medical, religious, retail, etc.) in the Study Area, we anticipate that the City of Vinton can capture 75% of the excess demand potential in the Study Area. Based on this capture rate, we find demand for 37 market rate ownership active adult units and 16 market rate rental units in Vinton in 2016, declining to 24 ownership units and stable for market rate rental at 16 units in 2021.

### **Estimated Demand for Shallow-Subsidy/Deep-Subsidy Independent Senior Housing**

Table DMD-4 and -5 presents our demand calculations for shallow-subsidy and deep-subsidy independent senior housing in Vinton in 2016 and 2021. While the methodology used to calculate demand for affordable housing closely mirrors the methodology used to calculate demand for market rate housing, we make adjustments to more precisely quantify demand among this market segment. The following points summarize these adjustments:



- **Income-Qualifications:** In order to arrive at the potential age and income-qualified base for low-income and affordable housing, we include all senior households age 55+ that qualify for the income guidelines for one- and two-person households in 2016. Households earning between 30% and 60% of AMI are generally candidates for affordable housing, while households earning less than 30% AMI are typically a market for subsidized housing. The income-restriction for a one-person household at 30% AMI is \$15,030 and the income-restriction for a two-person household at 60% AMI is \$34,320.
- **Capture Rates:** Households in a need-based situation (either requiring services or financial assistance) more readily move to housing alternatives than those in non-need based situations. Based on our experience in market feasibility for affordable and subsidized senior housing, along with our analysis of demographic and competitive market factors in the Study Area, we apply a conservative capture rates of 1.5%, 8.0%, and 18.0% to the



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age/income-qualified market for shallow-subsidy rental and 25% for deep-subsidy units to arrive at a total potential demand from the Study Area.

Using the methodology described above results in a demand potential for nine shallow-subsidy and 38 deep-subsidy active adult housing units in 2016. We estimate that seniors currently residing outside the PMA will generate 20% of the demand for shallow/deep-subsidy active adult housing – increasing demand to 11 shallow-subsidy units and 47 deep-subsidy units.

<b>TABLE DMD-4</b> <b>SHALLOW-SUBSIDY INDEPENDENT SENIOR HOUSING DEMAND</b> <b>CITY OF VINTON</b> <b>2016 &amp; 2021</b>						
	2016			2021		
	Age of Householder			Age of Householder		
	55-64	65-74	75+	55-64	65-74	75+
# of Households w/ Incomes of \$23,000 to \$34,320	102	111	174	133	163	242
(times ) Percent Renter Households	x 15%	14%	23%	x 15%	14%	23%
(equals) Total Potential Market Base	= 15	16	40	= 20	23	56
(times) Potential Capture Rate	x 1.5%	8.0%	18.0%	x 1.5%	8.0%	18.0%
<b>(equals) Demand Potential</b>	<b>= 0</b>	<b>1</b>	<b>7</b>	<b>= 0</b>	<b>2</b>	<b>10</b>
<b>Total Market Rate Demand Potential</b>	= 9 			= 12 		
(plus) Demand from Outside Market Area (20%)	+ 2			+ 3		
<b>(equals) Total Demand Potential</b>	<b>= 11</b>			<b>= 15</b>		
(minus) Existing and Pending Aff. Independent Units <sup>1</sup>	- 0			- 0		
<b>(equals) Total Demand Potential in Market Area</b>	<b>= 11</b>			<b>= 15</b>		
(times) Estimated Percent Capturable by a Site in Vinton	x 80%			x 80%		
<b>(equals) Excess Demand Capturable by a Site in Vinton</b>	<b>= 9</b>			<b>= 12</b>		
<sup>1</sup> Includes existing and pending units at 95% occupancy, or market equilibrium. No additional units are planned through 2020.						
Source: Maxfield Research & Consulting, LLC						

There are no age-restricted deep-subsidy or shallow-subsidy units in the Study Area (Country Gardens was deep-subsidy but is now market rate). The result is excess demand from the Study Area seniors for 47 deep-subsidy units and 11 shallow-subsidy units in 2016. Demand is projected to increase to 52 deep-subsidy units and 15 shallow-subsidy units in 2021.

We anticipate that the City of Vinton can capture 80% of the excess demand potential in the Study Area. Based on this capture rate, we find demand for 23 deep-subsidy units and nine shallow-subsidy units in Vinton in 2015. Demand is expected to increase to 25 deep-subsidy and 25 shallow-subsidy units in 2021.

<b>TABLE DMD-5 DEEP-SUBSIDY INDEPENDENT SENIOR HOUSING DEMAND CITY OF VINTON 2016 &amp; 2021</b>		
	<b>2016</b>	<b>2021</b>
Age 65+ Households w/Incomes < \$15,000	150	167
(times) Percent of Income Qualified Seniors Needing/Desiring Deep-Subsidy Senior Housing	x 15%	15%
(equals) Demand Potential from Market Area residents	= 23	25
(plus) Demand From Outside the Market Area (20%)	+ 6	6
(equals) Total Demand Potential for Deep-Subsidy Senior Housing in Market Area	28	31
(minus) Existing & Pending Deep-Subsidy Senior Units in Market Area*	- 0	0
(equals) Total Market Area Deep-Subsidy Senior Housing Demand Potential	= 28	31
Percent Capturable on a Site in Vinton	x 80%	80%
<b>Total number of units supportable on a Site in Vinton</b>	<b>= 23</b>	<b>25</b>
* Competitive deep-subsidy units, minus a 7% vacancy rate.		
Source: Maxfield Research & Consulting, LLC		

## Demand for Congregate Senior Housing

Table DMD-6 presents our demand calculations for congregate living senior housing in Vinton in 2016 and 2021. This analysis focuses on the potential private pay/market rate demand for congregate living units in the City.

In order to arrive at the potential age-income qualified base for congregate senior housing, we include all senior households with incomes of \$35,000 or more and homeowners with incomes between \$25,000 and \$35,000 who would qualify with the proceeds from a home sale (this proportion was estimated based on the homeownership rates for each age cohort). Senior householders with incomes of \$35,000 allocating 65% of their income toward base housing cost could afford beginning rents of \$1,900. We estimate the number of age/income/asset-qualified households in the Market Area to be 194 householders in 2016, decreasing to 187 in 2021.

Demand for congregate housing is need-driven, which reduces the qualified market to only the portion of seniors who need some assistance. Thus, the age/income-qualified base is multiplied by the percentage of seniors who need some assistance with IADLs (at least three), but not six or more ADLs/IADLs, as these frailer seniors would need the level of care found in service-intensive assisted living.

According to the Summary Health Statistics of the U.S. Population: National Health Interview Survey, 2007 (conducted by the U.S. Department of Health and Human Services), the percentage of seniors having limitation in activities of daily living (bathing, dressing, toileting, transferring, eating) and instrumental activities of daily living (using the telephone, shopping, food preparation, housekeeping, laundry, transportation, taking medication, handling finances) are as follows:

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### Limitation in ADLs & IADLs

Age	ADLs	IADLs
65-74 years	3.3%	6.3%
75+ years	11.0%	20.0%

It is most likely that seniors who need assistance with ADLs also need assistance with multiple IADLs, and are more likely to be candidates for service-intensive assisted living. The prime candidates for congregate living are seniors needing assistance with IADLs, but not ADLs. We derive the capture rate for congregate housing by subtracting the percentage of seniors needing assistance with ADLs from those needing assistance with IADLs, which equates to 3.0% of seniors age 65 to 74 and 9.0% of seniors 75+. For the purposes of this report and understanding current market conditions, we have reduced the potential capture rates for the 65 to 74 age group to 1.0% while maintaining the capture rate of the 75+ age group at 9.0%. Multiplying the senior household base by these capture rates results in Market Area demand potential for 38 congregate housing units in 2016 and 34 units in 2021.

<b>TABLE DMD-6</b> <b>CONGREGATE LIVING DEMAND</b> <b>VINTON STUDY AREA</b> <b>2016 &amp; 2021</b>				
	2016		2021	
	Age of Householder		Age of Householder	
	65-74	75+	65-74	75+
# of Householders w/ Incomes of \$35,000+ in 2016 / \$40K in 2021 (plus)	461	251	549	213
+ # of Hhldrs w/ Incomes of \$25K - \$35K in 2016 / \$30K - \$40K in 2021	95	145	103	127
(times) Homeownership Rate	x 86%	x 77%	x 86%	x 77%
(equals) Potential Market	= 82	= 112	= 89	= 98
(equals) Total Potential Market Base	= 543	= 363	= 638	= 311
(times) Potential Capture Rate of Congregate Living Demand <sup>1</sup>	x 1.0%	x 9.0%	x 1.0%	x 9.0%
(equals) Potential Demand	= 5	= 33	= 6	= 28
Total Local Demand Potential	= 38		= 34	
(plus) Demand from Outside the Study Area (15%)	+ 7		+ 6	
(equals) Total Demand Potential	= 45		= 40	
(minus) Existing Competitive Units <sup>2</sup>	- 0		- 0	
<b>(equals) Excess Limited-Care Demand Potential</b>	<b>= 45</b>		<b>= 40</b>	
(times) Proportion Capturable in Vinton	x 75%		x 75%	
<b>(equals) Excess Limited-Care Demand Potential in Vinton</b>	<b>= 34</b>		<b>= 30</b>	
<sup>1</sup> The potential capture rate is derived from data from the Summary Health Statistics for the U.S. Population: National Health Interview Survey, 2007 by the U.S. Department of Health and Human Services. The capture rate used is the percentage of seniors needing assistance with IADLs, but not ADLs (seniors needing assistance with ADLs typically need assistance with multiple IADLs and are primary candidates for service-intensive assisted living.).				
<sup>2</sup> Competitive existing and pending units at 95% occupancy (market equilibrium).				
Source: Maxfield Research & Consulting, LLC				

We estimate that seniors currently residing outside the PMA will generate 15% of the demand for congregate senior housing – increasing total demand by seven congregate units. This demand consists primarily of parents of adult children living in the Study Area, individuals who live just outside the Study Area and have an orientation to the area, retirees who wish to relocate to the area and former residents who desire to return upon retirement. Together, the demand from Study Area seniors and demand from seniors who would relocate to the area totals about 45 congregate units.

Next, existing congregate units are subtracted from overall demand. There are no congregate properties in the Study Area, resulting in excess demand potential for 45 congregate units in 2016 and decreasing to 40 units in 2021.

Due to factors such as the geographic distribution of the senior population in the PMA along with the location of services (medical, religious, retail, etc.) in the PMA, we anticipate that the City of Vinton can capture 75% of the excess demand potential in the Study Area. Based on this capture rate, we find demand for 34 congregate units in Vinton in 2016, declining to 30 congregate units in 2021.

### Assisted Living Demand Estimate

Table DMD-7 presents our demand calculations for assisted living housing in Vinton in 2016 and 2021. This analysis focuses on the potential *private pay/market rate* demand for assisted living units in the City.

The availability of more intensive support services such as meals, housekeeping and personal care at assisted living facilities usually attracts older, frailer seniors. According to the 2009 Overview of Assisted Living (which is a collaborative research project by the American Association of Homes and Services for the Aging, the American Seniors Housing Association, National Center for Assisted Living, and National Investment Center for the Seniors Housing and Care Industry), the average age of residents in freestanding assisted living facilities was 87 years in 2008. Hence, the age-qualified market for assisted living is defined as seniors ages 75 and over, as we estimate that of the half of demand from seniors under age 87, almost all would be over age 75. In 2016, there are an estimated 957 seniors ages 75 and over in the Study Area. We project that this number will increase to 1,043 in 2021.

Demand for assisted living housing is need-driven, which reduces the qualified market to only the portion of seniors who need assistance. According to a study completed by the CDC and National Center for Health Statistics (Health, United States, 2005 Health and Aging Chartbook), 25.5% of 75-to-79-year-olds, 33.6% of 80-to-84-year-olds and 51.6% of 85+ year olds are unable to perform or need help with ADLs. Applying these percentages to the senior population yields a potential assisted living market of an estimated 351 seniors in the Market Area in 2016 and 373 seniors in 2021.

Due to the supportive nature of assisted living housing, most daily essentials are included in monthly rental fees which allow seniors to spend a higher proportion of their incomes on housing with basic services. Therefore, the second step in determining the potential demand for assisted living housing in the Study Area is to identify the income-qualified market based on a senior's ability to pay the monthly rent. We consider seniors in households with incomes of \$40,000 or greater to be income-qualified for assisted living senior housing in the Study Area. Households with incomes of \$40,000 could afford monthly assisted living fees of \$3,500 by allocating a high proportion of their income toward the fees.

According to the 2009 Overview of Assisted Living, the average arrival income of assisted living residents in 2008 was \$27,260, while the average annual assisted living fee was \$37,281 (\$3,107/month). This data highlights that seniors are spending down assets to live in assisted living and avoid institutional care. Thus, in addition to households with incomes of \$40,000 or greater, there is a substantial base of senior households with lower incomes who income-qualify based on assets – their homes, in particular.

Seventy seven percent of age 75+ households in the Study Area are homeowners and the median sale price of older homes in Vinton as of August 2016 was \$104,500. Seniors selling their homes for the median price would generate about \$98,230 in proceeds after selling costs. Using an average monthly fee of \$3,500, these proceeds would last approximately just over 2 years (28 months) in assisted living housing, which is slightly longer than the average length of stay in assisted living (20 months according to the 2009 Overview of Assisted Living).

We estimate the income-qualified percentage to be all seniors in households with incomes at or above \$40,000 (who could afford monthly rents of \$3,500+ per month) plus 40% of the estimated seniors in owner households with incomes below \$40,000 (who will spend down assets, including home-equity, in order to live in assisted living housing). This results in a total potential market for about 179 units from the Study Area in 2016.

Because the vast majority of assisted living residents are single (88% according to the 2009 Overview of Assisted Living), our demand methodology multiplies the total potential market by the percentage of seniors age 75+ in the PMA living alone, or 54% based on Census data. This results in a total base of about 97 age/income-qualified singles.

The 2009 Overview of Assisted Living found that 12% of residents in assisted living were couples. Including couples results in a total of 110 age/income-qualified seniors needing assistance in the Study Area in 2016.

We estimate that 60% of the qualified market needing significant assistance with ADLs could either remain in their homes or less service-intensive senior housing with the assistance of a family member or home health care, or would need greater care provided in a skilled care facility. The remaining 40% could be served by assisted living housing. Applying this market penetration rate of 40% results in demand for 44 assisted living units in 2016.

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<b>TABLE DMD-7</b> <b>MARKET RATE ASSISTED LIVING DEMAND</b> <b>VINTON STUDY AREA</b> <b>2016 &amp; 2021</b>						
Age group	2016			2021		
	People	Percent Needing Assistance <sup>1</sup>	Number Needing Assistance <sup>1</sup>	People	Percent Needing Assistance <sup>1</sup>	Number Needing Assistance <sup>1</sup>
75 - 79	357	25.5%	<b>91</b>	438	25.5%	<b>112</b>
80 - 84	273	33.6%	<b>92</b>	285	33.6%	<b>96</b>
85+	327	51.6%	<b>169</b>	320	51.6%	<b>165</b>
Total	957		<b>351</b>	1,043		<b>373</b>
Percent Income-Qualified <sup>2</sup>			51%			48%
Total potential market			179			179
(times) Percent living alone		x	54%			54%
(equals) Age/income-qualified singles needing assistance		=	97			96
(plus) Proportion of demand from couples (12%) <sup>3</sup>		+	13			13
(equals) Total age/income-qualified market needing assistance		=	110			109
(times) Potential penetration rate <sup>4</sup>		x	40%			40%
(equals) Potential demand from PMA residents		=	44			44
(plus) Proportion from outside the PMA (15%)		+	8			8
(equals) Total potential assisted living demand		=	52			51
(minus) Existing market rate assisted living units <sup>5</sup>		-	43			43
<b>(equals) Total excess market rate assisted living demand</b>		=	<b>9</b>			<b>8</b>
(times) Percent that could be captured in Vinton		x	75%			75%
<b>(equals) Excess market rate assisted living demand in Vinton</b>		=	<b>6</b>			<b>6</b>
<sup>1</sup> The percentage of seniors unable to perform or having difficulty with ADLs, based on the publication Health, United States, 1999 Health and Aging Chartbook, conducted by the Centers for Disease Control and Prevention and the National Center for Health Statistics.						
<sup>2</sup> Includes households with incomes of \$40,000 or more (who could afford monthly rents of \$3,000+ per month) plus 40% of the estimated owner households with incomes below \$40,000 (who will spend down assets, including home-equity, in order to live in assisted living housing).						
<sup>3</sup> The 2009 Overview of Assisted Living (a collaborative project of AAHSA, ASHA, ALFA, NCAL & NIC) found that 12% of assisted living residents are couples.						
<sup>4</sup> We estimate that 60% of the qualified market needing assistance with ADLs could either remain in their homes or reside at less advanced senior housing with the assistance of a family member or home health care, or would need greater care provided in a skilled care facility.						
<sup>5</sup> Existing and pending units at 93% occupancy, minus units estimated to be occupied by Elderly Waiver residents.						
Source: Maxfield Research & Consulting, LLC						

We estimate that a portion of demand for assisted living units in the Study Area (15%) will come from outside the area. This secondary demand will include seniors currently living just outside the area, former residents, and parents of adult children who desire supportive housing near their adult children. Applying this figure results in total potential demand for 8 assisted living units in 2016.

Next, existing and pending assisted living units are subtracted from overall demand. There are five assisted living properties in the Study Area with a total of 104 units. However, we exclude the units Cedar Valley Ranch because nearly all residents are on public subsidy and the units residential care units at Rock Ridge Residential smaller nursing home style rooms than apartment style units. Subtracting these existing units (minus a 7% vacancy factor and accounting for a portion of Elderly Waiver – 15%) from the total demand equates to excess demand potential for 43 market rate assisted living units in the Study Area in 2016. We anticipate that the City of Vinton can capture 75% of the excess assisted living demand potential in the Study Area. Based on this capture rate, we find demand for six assisted living units in Vinton in 2016 and remaining at six units in 2021.

### **Demand for Memory Care Senior Housing**

Table DMD-8 presents our demand calculations for memory care housing in Vinton in 2016 and 2021. Demand is calculated by starting with the estimated Study Area senior (ages 65+) population in 2016 and multiplying by the incidence rate of Alzheimer's/dementia among this population's age cohorts. This yields a potential market of about 280 seniors in the Study Area. We project that this number will climb to 298 in 2021.

According to data from the National Institute of Aging, about 25% of all individuals with memory care impairments are a market for memory care housing units. This figure considers that seniors in the early stages of dementia will be able to live independently with the care of a spouse or other family member, while those in the latter stages of dementia will require intensive medical care that would only be available in skilled care facilities. Applying this figure to the estimated population with memory impairments yields a potential market of 70 seniors in 2016 and 74 in 2021 in the Study Area.

Because of the staff-intensive nature of dementia care, typical monthly fees for this type of housing start at about \$5,000. Although some of the seniors will have high monthly incomes, most will be willing to spend down assets and/or receive financial assistance from family members to afford memory care housing. Based on our review of senior household incomes in the Study Area, homeownership rates, and home sale data, we estimate that 42% of all seniors in the Study Area have incomes and/or assets to sufficiently cover the costs for memory care housing. This figure takes into account married couple households where one spouse may have memory care needs and allows for a sufficient income for the other spouse to live independently. Multiplying the potential market (70 seniors) by 42% results in a total of about 29 income-qualified seniors in the Study Area in 2016.

We estimate that 15% of the overall demand for memory care housing would come from outside the Study Area, for a total demand for 35 units in 2016. Currently, there two facilities with 22 memory care units in the Study Area. We subtract these units and allocate a 7% vacancy factor for a total of 21 existing units. This reduces excess demand potential in the Study Area to 14 units in 2016. Excess demand is expected to increase to 16 units in 2021. We

## HOUSING DEMAND ANALYSIS

anticipate that the City of Vinton can capture 75% of the excess memory care demand potential in the Study Area. Based on this capture rate, we find demand for 10 memory care units in Vinton in 2016, declining to 12 units in 2021.

TABLE DMD-8 MEMORY CARE DEMAND VINTON STUDY AREA 2016 & 2021		
	2014	2020
65 to 74 Population	1,133	1,318
(times) Dementia Incidence Rate <sup>1</sup>	x 2%	x 2%
(equals) Estimated Senior Pop. with Dementia	= 23	= 26
75 to 84 Population	630	722
(times) Dementia Incidence Rate <sup>1</sup>	x 19%	x 19%
(equals) Estimated Senior Pop. with Dementia	= 120	= 137
85+ Population	327	320
(times) Dementia Incidence Rate <sup>1</sup>	x 42%	x 42%
(equals) Estimated Senior Pop. with Dementia	= 137	= 134
<b>(equals) Total Population with Dementia</b>	<b>280</b>	<b>298</b>
(times) Percent Needing Specialized Memory Care Assistance	x 25%	x 25%
(equals) Total Need for Dementia Care	= 70	= 74
(times) Percent Income/Asset-Qualified <sup>2</sup>	x 42%	x 42%
(equals) Total Income-Qualified Market Base	= 29	= 31
(plus) Demand from Outside the Market Area (15%)	+ 5	+ 6
Total Demand for Memory Care Units	35	37
(minus) Existing and Pending Memory Care Units <sup>3</sup>	- 21	- 21
<b>(equals) Excess Primary Market Area Demand Potential</b>	<b>= 14</b>	<b>= 16</b>
(times) Estimated Percent Capturable in Iowa Falls	x 75%	x 75%
<b>(equals) Memory Care Demand Capturable in Iowa Falls</b>	<b>= 10</b>	<b>= 12</b>
<sup>1</sup> Alzheimer's Association: Alzheimer's Disease Facts & Figures (2007)		
<sup>2</sup> Income greater than \$60,000 in 2014 and greater than \$65,000 in 2020, plus some lower-income homeowners.		
<sup>3</sup> Existing and pending units at 93% occupancy, minus units estimated to be occupied by Elderly Waiver residents.		
Source: Maxfield Research Inc.		



### Vinton Demand Summary

The housing demand calculations in Tables DMD-1 through DMD-8 indicate that between 2016 and 2025, 102 for-sale housing units, 90 rental units, and 125 senior units (through 2021) will be needed in Vinton to satisfy the housing demand for current and future residents.

We recommend maintaining a single-family lot supply of at least three years to provide adequate consumer choice but not prolonged developer carrying costs. With an average of about 6 new housing units built annually between 2000 and 2015 (see *Table HC-1*), this equates to a lot supply of 18 lots needed over the next three years. Currently, Vinton has 11 vacant developed lots in subdivisions, excluding infill lots (two currently marketing) and agricultural properties that could be subdivided.

Thus, Vinton does not meet our recommended minimum three year lot supply in the short term. The City of Vinton is underdeveloped in terms of subdivided lots based on Realtor and employer interviews. Of the two subdivisions available, variety is limited as both target lower-to mid-priced product. In addition, spec homes are non-existent and thus buyers are forced to choose the available lots for new construction.

Table R-2 showed that the rental market was at below equilibrium with no vacancies among the market rate properties surveyed. In addition owners, Realtors, and others professionals with knowledge of the rental housing market indicates that single-family, duplex, tri-plex, and quad-plex buildings with 2 to 4 units also typically have very high occupancy rates.

Vinton has a strong rental market and with the units damaged in the tornado we find that new rental units should be added in the short-term to satisfy displaced households and potential household growth. We found demand for nearly 90 general-occupancy rental units in Vinton through 2025, 60% of which are market rate units.

Finally, senior housing demand is significant across the Study Area due to the aging of the population and growing baby boom generation. Study Area-wide, demand exists for 98 active adult units and 64 service-intensive units through 2021.

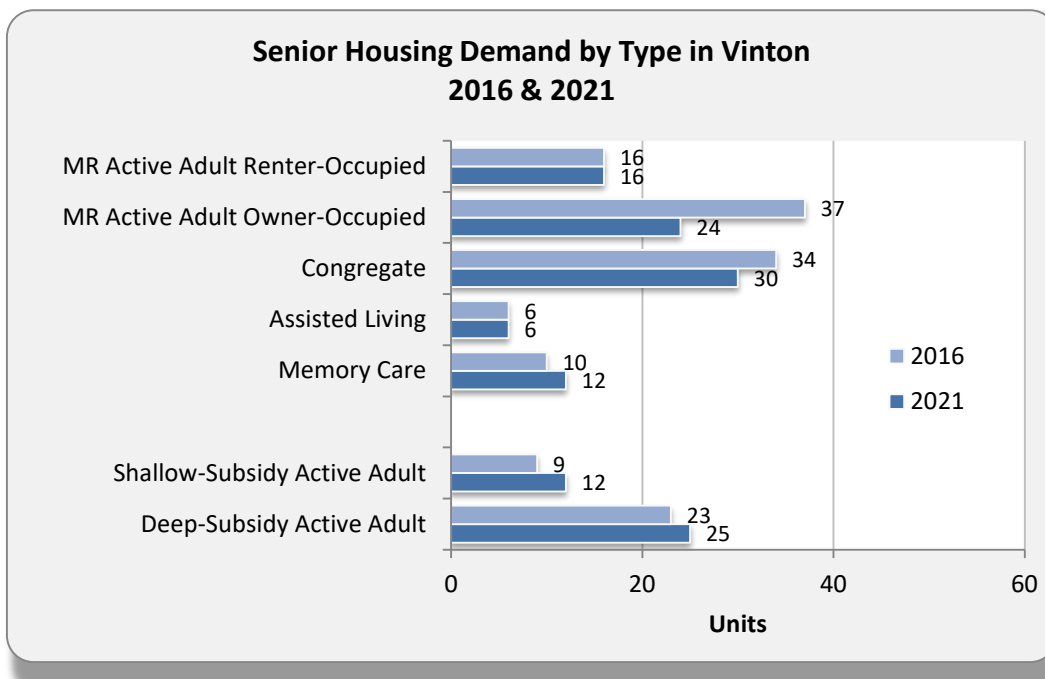
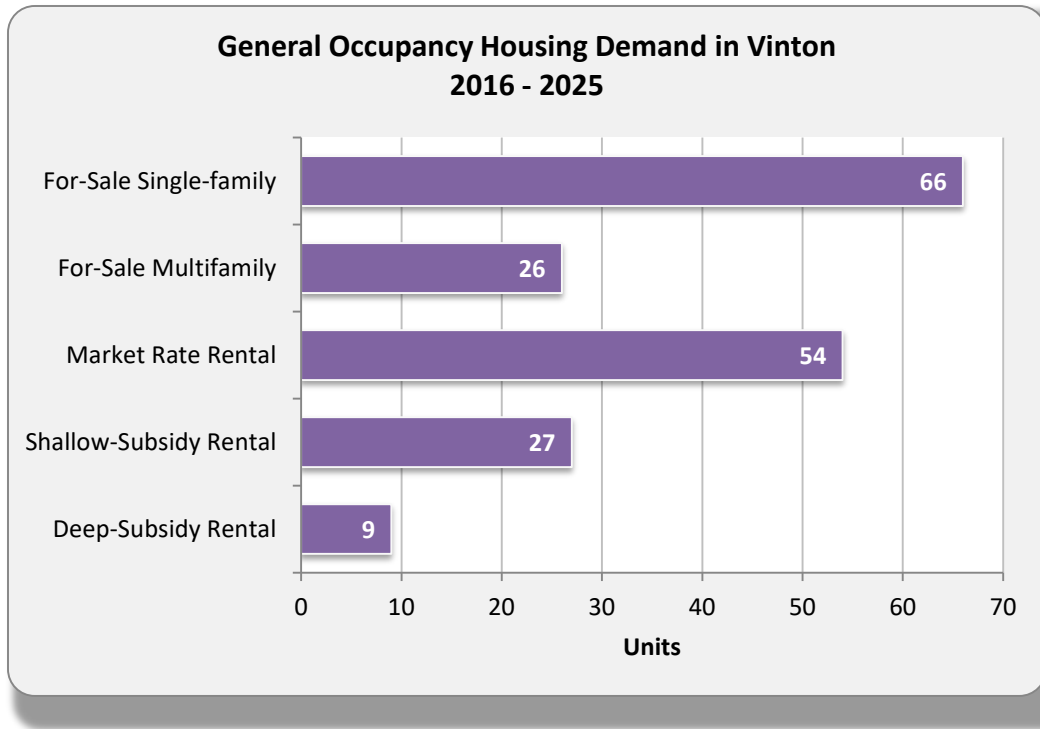


TABLE DMD-9 SUMMARY OF HOUSING DEMAND CITY OF VINTON August 2016				
General-Occupancy Housing				
	Demand in Study Area		Demand in Vinton	
	2016-2025		2016-2025	
For-Sale Units	157		92	
Single-Family	118		66	
Multifamily	39		26	
Rental Units	120		90	
Market Rate	72		54	
Shallow-Subsidy	36		27	
Deep-Subsidy	12		9	
Total General Occupancy Housing Units	277		182	
Age-Restricted Housing (Senior)				
	Demand in Study Area		Demand in Vinton	
	2016	2021	2016	2021
Market Rate Senior Housing				
Market Rate Active Adult	70	52	53	40
Renter-Occupied	21	21	16	16
Owner-Occupied	49	31	37	24
Congregate	45	40	34	30
Assisted Living	9	8	6	6
Memory Care	14	16	10	12
Total Market Rate Senior Housing Units	138	116	103	88
Subsidized Senior Housing				
Shallow-Subsidy Active Adult	11	15	9	12
Deep-Subsidy Active Adult	28	31	23	25
Total Subsidized Senior Housing Units	39	46	32	37
Note: Demand subtracts projects under construction or planned projects. In addition, all vacant single family lots in newer subdivisions are subtracted.				
Source: Maxfield Research & Consulting, LLC				

### Introduction

Based on the finding of our analysis and demand calculations, Table DMD-9 provided a summary of housing demand for Vinton through 2025. Demand exists in Vinton for a variety of product types. The following section summarizes housing concepts and housing types that will be demanded from various target markets. It is important to note that not all housing types may be supportable and that the demand illustrated in Table DMD-9 may not directly coincide with housing development due to a variety of factors (i.e. economies of scale, infrastructure capacity, land availability, etc.).

Because of the strong growth in the population over age 55, there will be strong demand in low-maintenance and association-maintained housing products; both for-sale and rental. Although all other age cohorts are projected to decline in Vinton, our interviews have indicated a need for new entry-level and mid-level for-sale homes along with affordable and market rate rental housing.

### Recommended Housing Product Types

#### *Single-Family Housing*

According to Table FS-4 and our research, there are few vacant developed lots based on current lot absorption in Vinton. In addition, the vacant lots do not provide a proper array of housing choices within the community. The lot supply benchmark for growing communities is a three-to five-year lot supply, which ensures adequate consumer choice without excessively prolonging developer-carrying costs. Given the number of existing platted lots in Vinton and the number of homes constructed annually, the current lot supply does not meet historical demand.

In addition, we find that lot absorption in Vinton is falling short of potential due the lack of lot variety (i.e. price points, walk-outs, etc.). With only one truly marketable subdivision offering homes priced around \$150,000, Vinton is in need of additionally subdivided lots offering a variety of price points.

As illustrated in Table DMD-1, there is demand for 77 single-family homes through 2025 in Vinton. This would equate to eight homes absorbed per year by 2025.

Most of the recent new single-family construction in Vinton, which has been build-to-suit, targeted move-up buyers (Bascom's Addition and Eastview Estates) and executive buyers (Westridge Estates); in part because of the high infrastructure and building costs in developing new subdivisions. Because of the price of new construction housing, most entry level buyers have to look at the existing housing resale market.

## RECOMMENDATIONS

<b>TABLE CR-1</b> <b>RECOMMENDED HOUSING DEVELOPMENT</b> <b>CITY OF VINTON</b> <b>2016 to 2025</b>					
	<b>Purchase Price/ Monthly Rent Range<sup>1</sup></b>	<b>No. of Units</b>	<b>Pct. of Total</b>	<b>Development Timing</b>	
<b>Owner-Occupied Homes</b>					
<b>Single Family<sup>2</sup></b>					
Entry-level	>\$150,000	14 - 16	21%	2016+	
Move-up	\$150,00 - \$250,000	40 - 45	59%	2016+	
Executive	\$250,000+	14 - 16	21%	2016+	
<b>Total</b>		<b>68 - 77</b>	<b>100%</b>		
<b>Townhomes/Detached Townhomes/Twinhomes<sup>2</sup></b>					
Entry-level	>\$150,000	10 - 12	46%	2016+	
Move-up	\$150,000+	12 - 14	54%	2016+	
<b>Total</b>		<b>22 - 26</b>	<b>100%</b>		
<b>Total Owner-Occupied</b>		<b>90 - 103</b>			
<b>General Occupancy Rental Housing</b>					
<b>Market Rate Rental Housing</b>					
Apartment-style	\$700/1BR - \$1,000/3BR	20 - 24	50%	2017+	
Townhomes	\$900/2BR - \$1,100/3BR	20 - 24	50%	2017+	
<b>Total</b>		<b>40 - 48</b>	<b>100%</b>		
<b>Affordable Rental Housing</b>					
Townhomes	Moderate Income <sup>3</sup>	16 - 24	100%	2017+	
<b>Total</b>		<b>16 - 24</b>	<b>100%</b>		
<b>Total Renter-Occupied</b>		<b>56 - 72</b>			
<b>Senior Housing (i.e. Age Restricted)</b>					
Active Adult Senior Coop/Townhome	\$50,000+/\$150,000+	20 - 24	27%	2017+	
Active Adult Affordable Rental	Moderate Income <sup>3</sup>	8 - 12	12%	2017+	
Active Adult Market Rate Rental	\$750/1BR - \$900/2BR+	12 - 16	17%	2017+	
Independent Living (Congregate)	\$1,500/1BR - \$2000/2BR	24 - 28	31%	2017+	
Memory Care	\$3,000/EFF - \$5,000/2BR	10 - 12	13%	2017+	
<b>Total</b>		<b>74 - 92</b>	<b>100%</b>		
<b>Total - All Units</b>		<b>220 - 267</b>			
<sup>1</sup> Pricing in 2016 dollars. Pricing can be adjusted to account for inflation. <sup>2</sup> Recommendations include the absorption of some existing previously platted lots. <sup>3</sup> Affordability subject to income guidelines per Iowa Financing Agency. See Table R-5 for Benton County Income limits. <b>Note - Recommended development does not coincide with total demand. Vinton may not be able to accommodate all recommended housing types based on a variety of factors (i.e. development constraints, land availability, etc.)</b>					
Source: Maxfield Research & Consulting, LLC					

Entry-level homes, which we generally classify as homes priced around and under \$100,000 will be mainly satisfied by existing single-family homes as residents of existing homes move into newer housing products built in Vinton, such as move-up single-family homes, townhomes, and senior housing. Although there is potential demand for a new single-family housing product under \$100,000, financially it will be very difficult to develop even with public assistance. Based on land and building costs, it is very difficult to build new single-family homes for less than \$150,000.

The majority of new construction single-family demand will be from move-up buyers and people relocating to the area for employment, or those seeking homes generally priced from \$150,000 to \$200,000. Bascom's and Eastview Estates have fallen into the lower end of this classification and the supply is very limited in the existing for-sale market. A move-up buyer is typically one who is selling one house and purchasing another one, usually a larger and more expensive home. Usually the move is desired because of a lifestyle change, such as a new job or a growing family. According to our interviews with Realtors, housing professionals, and employers, this demographic is underserved throughout Vinton.

Executive-level homes are loosely defined as those homes priced above \$250,000. Similar to move-up buyers, executive buyers may have outgrown their current home and are moving for a lifestyle reason. Many of these buyers have significant equity in their current home and seek a new home they can customize. Our interviews there is immediate need for executive homes for buyers within Vinton. While not necessary a large demand for this product, our interviews indicate that this market is underserved within Vinton.

### *For-Sale Multifamily Housing*

A growing number of households desire alternative housing types such as townhouses and twinhomes. In Vinton, the target market is empty-nesters and retirees seeking to downsize from their single-family homes. Some professionals moving to Vinton, particularly singles and couples without children, also may also seek townhomes if they prefer not to have the maintenance responsibilities of a single-family home. In some housing markets, younger households also find purchasing multifamily units to be generally more affordable than purchasing new single-family homes. However, as with other for-sale product, there has been a lack of development of this product type. When townhomes have been built they were either restricted to older adults and seniors or ended up being purchased by the same group. The townhomes are very popular with the 55 and older age group.

Based on the demographics of the resident base and forecast trends, we find demand for about 20 new multifamily for-sale housing units in Vinton. These units could be developed as townhomes, twin homes, detached villas, or any combination. Given the aging of the population and the high growth rate in the 55+ population (especially 65-74 age cohorts), Vinton would benefit from a more diversified housing stock. Further, Realtors reported strong interest in the twinhome and duplex market.

For future development, these attached units could be developed as twin homes, detached townhomes or villas, townhomes/row homes, or any combination. Because the main target market is empty-nesters and young seniors, the majority of townhomes should be one-level, or at least have a master suite on the main level if a unit is two-stories.

The following provides greater detail into townhome and twinhome style housing.

- *Twinhomes*– By definition, a twinhome is two units with a shared wall with each owner owning half of the lot the home is on. Some one-level living units are designed in three-, four-, or even six-unit buildings in a variety of configurations. The swell of support for twinhome and one-level living units is generated by the aging baby boomer generation, which is increasing the numbers of older adults and seniors who desire low-maintenance housing alternatives to their single-family homes but are not ready to move to service-enhanced rental housing (i.e. downsizing or right sizing).

Traditionally most twin home developments have been designed with the garage being the prominent feature of the home; however, today's newer twin homes have much more architectural detail. Many higher-end twin home developments feature designs where one garage faces the street and the other to the side yard. This design helps reduce the prominence of the garage domination with two separate entrances. Housing products designed to meet the needs of aging Vinton residents, many of whom desire to stay in their current community if housing is available to meet their needs, will be needed into the foreseeable future.

Twinhomes are also a preferred for-sale product by builders in today's market as units can be developed as demand warrants. Because twinhomes bring higher density and economies of scale to the construction process, the price point can be lower than stand-alone single-family housing. As previously mentioned, there are two new twinhome developments under construction in Vinton; however twin homes will continue to be in demand as many older adults and seniors will move to this housing product with substantial equity in their existing single-family home and will be willing to purchase a maintenance-free home that is priced similar to their existing single-family home.

- *Side-by-Side and Back-to-Back Townhomes* – This housing product is designed with three or four or more separate living units in one building and can be built in a variety of configurations. With the relative affordability of these units and multi-level living, side-by-side and back-to-back townhomes have the greatest appeal among entry-level households without children, young families and singles and/or roommates across the age span. However, two-story townhomes would also be attractive to middle-market, move-up, and empty-nester buyers. Many of these buyers want to downsize from a single-family home into maintenance-free housing, many of which will have equity from the sale of their single-family home.

Triplex or Quadplex developments offer single level and maintenance free living with the affordability associated with a higher density of development. This type of development is recommended in Luverne to

- *Detached Townhomes/Villas* – An alternative to the twinhome is the one-level villa product and/or rambler. This product also appeals mainly to baby boomers and empty nesters seeking a product similar to a single-family living on a smaller scale while receiving the

benefits of maintenance-free living. Many of these units are designed with a walk-out or lookout lower level if the topography warrants.

- The proposed development by the Ahmann companies would fulfill a significant proportion of the recommended future development through 2025. Maxfield Research has performed numerous comprehensive for communities similar in size to Vinton along with some slightly larger communities. Most have a recurring theme, limited, stagnant, or declining growth with limited development over decades. Maxfield Research cannot recall an opportunity such as this development being presented to competitively size communities over Maxfield's professional career. Larger developers with the ability to absorb risk along with fully marketing the development often bypass smaller rural communities and focus on more metropolitan areas. It is Maxfield's opinion that the City of Vinton pursue this proposed development.

### *General Occupancy Rental Housing*

Our competitive inventory identified three larger apartment developments (Vinton Park, West Vinton Park, and Imperial Apartments) and a number of smaller traditional-style multifamily rental developments in Vinton; and among the identified buildings the rental housing stock is older. Due to the age and positioning of the existing rental supply, a significant portion of units are priced at or below guidelines for affordable housing, which indirectly satisfies demand from households that income-qualify for financially assisted housing. Because there has been minimal development of apartments and the number of existing traditional multifamily housing buildings are few, the single family rental market has become the largest proportion of rental units.

Maxfield Research calculated demand for nearly 85 rental housing units (54 market rate, 27 shallow-subsidy/or affordable, and nine deep-subsidy units) in Vinton through 2025. This does not include the immediate need for replacement units destroyed by the tornado.

Because of the economies of scale when constructing multifamily rental housing, new construction requires density that will be difficult to achieve in the more rural Vinton communities. New rental housing can be developed immediately and will continue to be in demand through this decade especially if new job growth is attracted to Vinton. The following rental product types are recommended over this decade:

- *Market Rate Rental* – We recommend 20 to 24 new market rate units, which could be developed in one new residential development. We recommend new middle-market market rental project(s) with that attract a diverse resident profile; including young to mid-age professionals as well as singles and couples across all ages. To appeal to wide target market, we suggest a market rate apartment project with a unit mix consisting of one-bedroom units, one-bedroom plus den units, two-bedroom units, and a few two-bedroom plus den or three-bedroom units.



New market rate rental units if possible should be designed with contemporary amenities that include open floor plans, higher ceilings, in-unit washer and dryer, full appliance package, central air-conditioning, and garage parking.

- *Market Rate General Occupancy Rental Townhomes*– In addition to the recommended traditional multi-story apartment projects, we find demand exists for townhome rental units. These units maybe a popular alternative to apartments for those unable to afford owner-occupied housing and those families and young professionals relocating to Vinton who need to rent until they find a home for purchase. Up to an additional 24 rental townhome units could be supported in Vinton over this decade. Economies of scale and current low rental rates in existing project could limit the potential for new market rate housing.
- *Affordable General Occupancy Rental Townhomes*– Rental townhomes affordable to moderate-income households would be in demand in Vinton. There is currently no income based townhome development in the City. Affordable rental townhomes have been found to very popular throughout many rural Iowa communities. These projects would have income-restrictions established by HUD and would likely target households with incomes between 50% to 80% of area median income; however, some could be workforce units with affordability up to 120% AMI. We recommend a project with two- and three-bedroom units and a project of 20 to 24 units. Units should feature central air conditioning, full appliance package, in-unit washer/dryer, an attached one/two car garage. Such developments are popular with families that cannot afford housing options in the for-sale market or market rate rentals. Economies of scale and a lack of funding limit the ability to build new affordable housing.
- *Subsidized Rental Housing*– Subsidized housing receives financial assistance (i.e. operating subsidies, tax credits, rent payments, etc.) from governmental agencies in order to make the rent affordable to low-to-moderate income households. Although we find demand for about 27 subsidized rental housing units through 2025, this housing is very difficult to develop financially as federal funding has shifted to tax credit rentals.

### *Senior Housing*

As illustrated in Table DMD-9, demand exists for most senior housing product types in Vinton. Due to the aging of the population, senior housing product types show strong demand among all product types in the short-term. In fact, senior housing accounts for about 130 units and makes up just over 40% of the total demand for housing in Vinton.

Development of additional senior housing is recommended in order to provide housing opportunity to these aging residents in their stages of later life. The development of additional senior housing serves a two-fold purpose in meeting the housing needs in Vinton: older adult and senior residents are able to relocate to new age-restricted housing in Vinton, and existing homes and rental units that were occupied by seniors become available to other new

households. Hence, development of additional senior housing does not mean the housing needs of younger households are neglected; it simply means that a greater percentage of housing need is satisfied by housing unit turnover. The types of housing products needed to accommodate the aging population base are discussed individually in the following section.

- Active Adult Townhomes/Senior Cooperative –Maxfield Research projected demand for 24 active adult ownership units through 2025. Construction of a new 20 to 2-unit stand-alone cooperative facility would satisfy adult ownership demand through 2025. The cooperative model, in particular, appeals to a larger base of potential residents in that it has characteristics of both rental and ownership housing. Cooperative developments allow prospective residents an ownership option and homestead tax benefits without a substantial upfront investment as would be true in a condominium development or life care option. Maxfield Research has found the cooperative model to be very well-accepted in rural communities across the Midwest.

Townhomes and twinhomes have been fairly popular with older adult and senior residents in the Vinton area. Age-restricted developments such as Cedarview and Lutheran Home, have been well received. As well as Bascom's Addition townhomes which are not age restricted but have drawn older adults. Additional construction of this type of age-restricted housing could also satisfy the adult ownership demand through 2025. We would recommend either a cooperative or townhome development, not both.

- Active Adult Rental – We have projected demand for 16 market rate active adult rental units in Vinton by 2021. Many of the seniors who would consider an active adult product are presently residing in their existing single-family home or general-occupancy rental housing.

We recommend that a mixed income active adult housing project be pursued with 20 to 28 units. In order to achieve the economies of scale, the number of active adult units would need to exceed the projected demand of 16 market rate units. Pursuing a development with 20 to 28 market rate active adult units and including subsidized and/or affordable units would make the project more financially feasible.

Because active adult senior housing is not need-driven, the demand for this product type may experience delays in realizing absorption if seniors decide to remain in their homes or find they are unable to sell their homes. However, since the Vinton housing market has been relatively stable, most seniors should have less trouble selling their homes and should have significant equity into the home. Therefore, an active adult rental project could be developed anytime in the short-term. Should other general-occupancy rental housing develop simultaneously, the demand for an age-restricted building could decrease if a number of seniors opted to reside in alternative rental housing products as they currently occupy a significant number of general occupancy units.

- Affordable and Subsidized Rental – Vinton demand for affordable/subsidized senior housing is 37 units in 2021. The majority of the demand is for deep-subsidy rental. Financing

subsidized senior housing is difficult as federal funds have been shrinking and limited Section 8 buildings have been constructed in decades. Therefore, a new subsidized development would unlikely.

Projected demand for shallow-subsidy/affordable demand is low and does not support a new facility. Affordable senior housing products can also be incorporated into a mixed-income building which may increase the projects financial feasibility. Affordable senior housing will likely be a low-income tax credit project through the Iowa Finance Authority.

- Independent Living/Congregate – Demand was calculated at 30 congregate units through 2021. There are currently no congregate projects in Vinton. Based on this demand, we recommend approximately 30 congregate units with a mix of one-bedroom, one-bedroom plus den, and two-bedroom units.

In addition, meals and other support and personal care services will be available to congregate residents on a fee-for-service basis, such as laundry, housekeeping, etc. When their care needs increase, residents also have the option of receiving assisted living packages in their existing units.

New independent housing could be developed adjacent to an existing senior campus or in a stand-alone development.

- Assisted Living and Memory Care Senior Housing – Based on our analysis, we project demand to support an additional six assisted living units and 12 memory care units in Vinton through 2021. Due to the amount of assisted living units currently in the Study Area, we do not recommend an additional development. The projected demand for memory care housing also does not support a new stand-alone facility. We recommend that existing facilities pursue adding to their development to absorb future assisted living and memory care demand.

## Challenges and Opportunities

The following were identified as the greatest challenges and opportunities for developing the recommended housing types.

- Affordable Housing.** Affordable housing is defined as housing that is income-restricted to households earning at or below 80% Area Median Income (“AMI”), though individual properties can have income-restrictions set at 40%, 50%, 60% or 80% AMI. Rent is not based on income but instead is a contract amount that is affordable to households within the specific income restriction segment. It is also referred to as very low-income (under 50% AMI) and low-income (50% to 80% AMI) housing. Workforce housing (also referred to as moderate-income housing) is affordable towards households earning between 80% and 120% of AMI. Tables C-2 summarizes Vinton 2016 income limits, income guidelines, and fair market rents.

TABLE C-2 HUD INCOME AND RENT LIMITS BENTON COUNTY - 2016									
	Income Limits by Household Size								
	1 pph	2 pph	3 pph	4 pph	5 pph	6 pph	7 pph	8 pph	
	30% of median	\$15,030	\$17,160	\$19,320	\$21,450	\$23,190	\$24,900	\$26,610	\$28,320
	40% of median	\$20,040	\$22,880	\$25,760	\$28,600	\$30,920	\$33,200	\$35,480	\$37,760
	50% of median	\$25,050	\$28,600	\$32,200	\$35,750	\$38,650	\$41,500	\$44,350	\$47,200
	60% of median	\$30,060	\$34,320	\$38,640	\$42,900	\$46,380	\$49,800	\$53,220	\$56,640
	Maximum Gross Rent								
	EFF	1BR	2BR	3BR	4BR				
	30% of median	\$375	\$429	\$483	\$536	\$579			
	40% of median	\$501	\$572	\$644	\$715	\$773			
50% of median	\$626	\$715	\$805	\$893	\$966				
60% of median	\$751	\$858	\$966	\$1,072	\$1,159				
Fair Market Rent	Fair Market Rent								
	EFF	1BR	2BR	3BR	4BR				
	\$478	\$481	\$619	\$847	\$993				
	Rent at 30% of Income (by Max. Occupancy)								
	0 BR	1BR	2BR	3BR	4BR				
	30% of median	\$376	\$429	\$483	\$536	\$580			
	40% of median	\$501	\$572	\$644	\$715	\$773			
	50% of median	\$626	\$715	\$805	\$894	\$966			
	60% of median	\$752	\$858	\$966	\$1,073	\$1,160			
	Sources: HUD; Iowa Finance Authority; Maxfield Research & Consulting, LLC								

As illustrated in the chart, fair market rents for affordable housing are about even with most market rate rents throughout Vinton. Because of this, the majority of rental housing units

in the Vinton can be considered affordable and are mostly fulfilled by the existing older product in the marketplace. First-time home buyers are able to purchase entry-level homes, and many market rate rental developments (both multifamily and single-family) have rents that are considered affordable. Housing developers looking to capitalize on affordable housing programs would likely have rents above those found in market rate rental properties in Vinton. As a result, it would be difficult to develop affordable housing that would be financially viable.

- **Aging Population.** As illustrated in Table D-4, there is projected to be growth in the Study Area in the older adult and senior population, specifically among seniors ages 65 to 74. In addition, Table D-9 shows homeownership rates among seniors 65+ is approximately 76%. High homeownership rates among seniors indicate there could be lack of senior housing options, or simply that many seniors prefer to live in their home and age in place. Aging in place tends to be higher in rural vs. urban settings as many rural seniors do not view senior housing as an alternative retirement destination but a supportive living option only when they can no longer live independently. Rural areas also tend to have healthier seniors and are also more resistant to change. Because of these demographic and social dimensions, new senior housing development in Vinton could experience a longer lease-up period as seniors in Vinton are more reluctant to move from their home to senior housing living. Although, rising home values generated by increasing demand for single-family homes could entice some seniors into selling their homes and relocating into alternative housing types. In addition, historical trends and interviews conducted by Maxfield Research indicate Vinton area seniors are in need of senior housing options and have responded well to develop of such kind.
- **Building Codes/Code Enforcement.** Code enforcement is important as it protects the safety and welfare of residents, maintains/increases property values, reduces vandalism, and increases the overall attractiveness of the community, which should result in continued reinvestment and development in the community. Most residents support code compliance as a means to protect their home investment and their property value.

Examples of exterior deferred maintenance may include peeling paint, broken windows, damaged siding or chimneys, poor foundation, or other signs of negligence. Interior conditions may include plumbing and heating problems, electrical issues, damaged walls or flooring, unsanitary conditions, among others. In addition to deferred maintenance issues, nuisance concerns include tall grass and weeds, rubbish and garbage, junk cars, or other items not suitable for outdoor use.

We recommend Vinton maintain an active role in code enforcement activity. Communities should proactively review neighborhoods annually to ensure all homes are being properly maintained. Action should be taken on those properties where there are clear violations. If a particular community does not have a property maintenance component in the zoning ordinance, we recommend implementing a new section addressing code compliance.

- **Developers Land Carrying Costs.** Due to historic lot absorption trends in Vinton, it is difficult to develop new single-family lots where the developer can make a profit on the land. Developing land has historically been a profitable side of the housing business, yet is also risky if the lot inventory goes unsold and there are carrying costs. Due to raw land costs, entitlements, and the cost to develop infrastructure, developers will be cautious given the lot price they could achieve. Many can continue to farm the land or keep the land undeveloped. Prolonged carrying costs due to slow lot absorption are deterrents for builders and developers who must absorb project development costs until the lots are sold.
- **Housing Costs as Percentage of Household Income.** Housing costs are generally considered affordable at 30% of a households' adjusted gross income. Table C-2 on page 126 illustrates key housing metrics based on housing costs and household incomes in Vinton. The table estimates the percentage of Vinton householders that can afford rental and for-sale housing based on a 30% allocation of income to housing. As illustrated in the table, the majority of householders can afford for-sale and rental housing products based on their incomes. It is highly likely the majority of householders are paying less than 30% of their AGI towards housing expenses.

The housing affordability calculations assume the following:

### For-Sale Housing

- 10% down payment with good credit score
- Closing costs rolled into mortgage
- 30-year mortgage at 3.625% interest rate
- Private mortgage insurance (equity of less than 20%)
- Homeowners insurance for single-family homes and association dues for townhomes

### Rental Housing

- Background check on tenant to ensure credit history
  - 30% allocation of income
- **Job Growth.** Historically, low unemployment rates have driven both existing home purchases and new-home purchases. Lack of job growth leads to slow or diminishing household growth, which in-turn relates to reduced housing demand.

Vinton has maintained a slightly higher unemployment rate than the State of Iowa and lower than the U.S. since 2005. The labor force has fluctuated annually since with an overall 3.9% decline. Employers interviewed stated that they will remain relatively stable. The hospital is expected to increase the labor force while the school district is dependent on enrollment. Growth in these employers may result in household growth that could exceed projections as outlined in Table D-1 thereby increasing housing demand.

**TABLE C-3**  
**VINTON HOUSING AFFORDABILITY - BASED ON HOUSEHOLD INCOME**

<b>For-Sale (Assumes 10% down payment and good credit)</b>						
	<b>Single-Family</b>			<b>Townhome/Condo</b>		
	<b>Entry-Level</b>	<b>Move-Up</b>	<b>Executive</b>	<b>Entry-Level</b>	<b>Move-Up</b>	<b>Executive</b>
Price of House	\$75,000	\$150,000	\$200,000	\$75,000	\$150,000	\$200,000
Pct. Down Payment	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Total Down Payment Amt.	\$7,500	\$15,000	\$20,000	\$7,500	\$15,000	\$20,000
Estimated Closing Costs (rolled into mortgage)	\$2,250	\$4,500	\$6,000	\$2,250	\$4,500	\$6,000
Cost of Loan	\$69,750	\$139,500	\$186,000	\$69,750	\$139,500	\$186,000
Interest Rate	3.625%	3.625%	3.625%	3.625%	3.625%	3.625%
Number of Pmts.	360	360	360	360	360	360
Monthly Payment (P & I)	-\$318	-\$636	-\$848	-\$318	-\$636	-\$848
(plus) Prop. Tax	-\$88	-\$175	-\$233	-\$88	-\$175	-\$233
(plus) HO Insurance/Assoc. Fee for TH	-\$25	-\$50	-\$67	-\$150	-\$150	-\$150
(plus) PMI/MIP (less than 20%)	-\$30	-\$60	-\$81	-\$30	-\$60	-\$81
Subtotal monthly costs	-\$461	-\$922	-\$1,229	-\$586	-\$1,022	-\$1,312
Housing Costs as % of Income	30%	30%	30%	30%	30%	30%
Minimum Income Required	\$18,433	\$36,866	\$49,154	\$23,433	\$40,866	\$52,488
<b>Pct. of all Vinton Housholds</b>	<b>88.0%</b>	<b>67.3%</b>	<b>55.4%</b>	<b>82.6%</b>	<b>63.4%</b>	<b>52.4%</b>
<b>Rental (Market Rate)</b>						
	<b>Existing Rental</b>			<b>New Rental</b>		
	<b>1BR</b>	<b>2BR</b>	<b>3BR</b>	<b>1BR</b>	<b>2BR</b>	<b>3BR</b>
Monthly Rent	\$400	\$475	\$600	\$550	\$750	\$900
Annual Rent	\$4,800	\$5,700	\$7,200	\$6,600	\$9,000	\$10,800
Housing Costs as % of Income	30%	30%	30%	30%	30%	30%
Minimum Income Required	\$16,000	\$19,000	\$24,000	\$22,000	\$30,000	\$36,000
<b>Pct. of all Vinton Housholds</b>	<b>90.6%</b>	<b>86.3%</b>	<b>82.0%</b>	<b>84.2%</b>	<b>75.0%</b>	<b>68.1%</b>

Source: Maxfield Research & Consulting, LLC

- **Multifamily Development Costs.** Similar to single-family development, it will be very difficult to construct new multifamily product given achievable rents and development costs. According to the 2016 National Building Cost Manual, construction costs in Vinton is estimated to average about \$120 per square foot (gross), or upwards to \$122,300 per unit to develop based on a 24-unit multi-story concept. Development costs of this scale will likely require rents per square foot of a range of \$1.00 to \$1.05 in order to cash flow. Based on the average rents in Vinton, these rents would at least be 30% higher than existing product.

Based on these costs, it will be extremely difficult to develop stand-alone multifamily housing structures by the private sector based on achievable rents. As a result, a private-public partnership or other financing programs will likely be required to spur development.

- **Renovation of Existing Housing Stock (both owner and rental).** As illustrated in the *Housing Characteristics* section of this report, about 34% of the housing stock in Vinton was built pre-1940, with the next boom in the 1970s (20%). Only about 8% of Vinton housing stock was built since 2000. Because of the older housing stock, many housing units in communities become affordable through a combination of factors such as age of structure, condition, square footage, functionally obsolete, etc. Housing units that are older with low rents or low market values are considered “naturally occurring affordable housing” as the property values on these units are low.

Since the housing stock is older, housing consumers will demand increased remodeling or replacement needs over the long-term. Many consumers seeking today’s amenities are opting for new construction rather than remodel in Vinton due to similar costs. Therefore, we encourage housing programs or education on those programs (if they already exist) that will enhance the existing housing stock.

- **Shadow Rental Market.** Shadow rentals are generally considered non-traditional rentals that were previously owner-occupied single-family homes, townhomes, or condominiums. Although the shadow market rentals tend to be more affordable, renters run the risk of evictions if the owner does not pay the mortgage.

A large percentage of renters have sought out single-family homes versus traditional multifamily rental developments. Many of these renters sought single-family rentals for the space, while others because there was no other rental housing available that met their needs. Based on housing unit data outlined in Table HC-5, 38% of the total rental units in Study Area are located in single-family properties. An additional 8% of rental units are located in duplex/townhomes. With the lack of traditional rental development, the recession, and the aging housing stock, these units have increased the overall rental housing supply as investors have purchased homes specifically to rent. At the same time however, the rental market in Vinton is unregulated and deferred maintenance has been reported as an issue in some properties in the community.



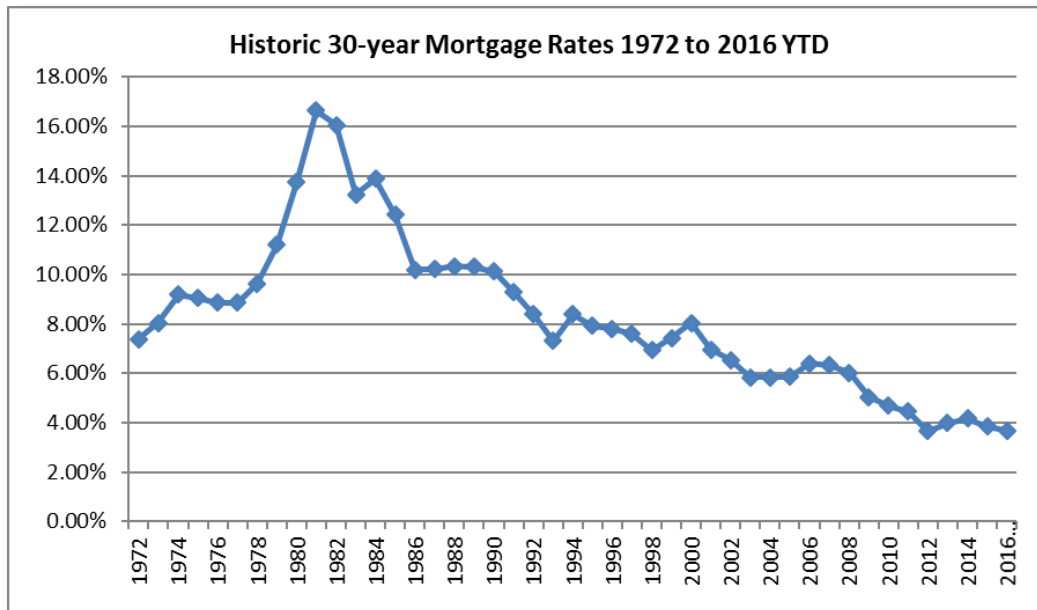
Although there may be some push back from the rental community, we recommend a policy to license rental units (i.e. single-family, townhomes, duplexes, etc.) to keep track of rental properties and help maintain and preserve the market value of the properties and neighborhood. We recommend requiring an application and nominal fee in return for educating property owners in regards to their role as a landlord and having a tenant in their property. Owners should be presented with materials on nuisance and code ordinances that could potentially occur on a property. Finally, jurisdictions should more actively follow-up with those single-family rental properties with nuisance and code compliance issues.

- **Lot Supply.** Table FS-4 inventoried active subdivisions with available lots. Based on our research there are 11 vacant single-family lots, not included scattered lots throughout the city. Based on this lot supply and the recent construction activity over the past few years, the current lot inventory is insufficient to meet projected demand.
- **Expansion.** Vinton has limited land available for new subdivision development. Other than the land available to the southeast at 61<sup>st</sup> Street Lane and 25<sup>th</sup> Avenue Trail and the active subdivisions, available land within city limits is restricted. We recommend pursuing annexation of surrounding land to make available for future development.
- **Mortgage Rates.** Mortgage rates play a crucial part in housing affordability. Lower mortgage rates result in a lower monthly mortgage payment and buyers receiving more home for their dollar. Rising interest rates often require homebuyers to raise their down payment in order to maintain the same housing costs. Mortgage rates have remained at historic lows over the past several years coming out of the Great Recession. The Federal Reserve recently raised the Federal Funds Rate in December 2015 by a quarter of a point. Although interest rates were anticipated to see another increase in the summer of 2016, some are now predicting another increase will not occur until the end of 2016 due to slower than predicted economic growth. The anticipated increases are projected to be small; although affordability will be affected, most economists do not anticipate a major change in the short-term. Low mortgage rates have been critical for the housing recovery. A significant increase in rates (+1% or more; over 5% in the short term) would greatly affect the housing market and would slow projected housing demand.

The following chart illustrates historical mortgage rate averages as compiled by Freddie Mac. The Freddie Mac Market Survey (PMMS) has been tracking mortgage rates since 1971 and is the most relied upon benchmark for evaluating mortgage interest market conditions. The Freddie Mac survey is based on 30-year mortgages with a loan-to-value of 80%.

- **Proximity to Cedar Rapids.** Vinton is located approximately 30 miles from Cedar Rapids, which had a population of 126,326 in 2010. The Cedar Rapids Metro Area (defined as Benton, Jones, and Linn Counties) had a population of 257,940 in 2010. Vinton is accessible to Cedar Rapids via Interstate 380 or via Highway 218 to Highway 30. With a growing population, Cedar Rapids can have an impact on the growth of Vinton. Families seeking

small town life, good schools or less expensive real estate may elect to relocate Vinton and continue commuting to Cedar Rapids.



- **Rental Housing.** The Vinton rental housing stock has a mix of well-maintained and those in need of improvements. The City provides a rental contact sheet with the owner contact number. A more detailed list of properties with address, contact name, features and amenities This would enable new residents to easily contact and find apartment vacancies. However, the rental housing in Vinton is lacking in amenities common in newer rental housing development in larger communities, such as in unit washers and dryers, community rooms, fitness centers and pools.

During conversations with property managers and employers, many noted that rental housing is typically full. Low vacancy rates limit renter choice and could make relocation difficult for new residents and employees. In addition, people relocating to the City often seek out single-family rental homes during their transition. However, single family rentals are harder to find and/or do not meet standards of some households.

**APPENDIX**

### Definitions

**Absorption Period** – The period of time necessary for newly constructed or renovated properties to achieve the stabilized level of occupancy. The absorption period begins when the first certificate of occupancy is issued and ends when the last unit to reach the stabilized level of occupancy has signed a lease.

**Absorption Rate** – The average number of units rented each month during the absorption period.

**Active adult (or independent living without services available)** – Active Adult properties are similar to a general-occupancy apartment building, in that they offer virtually no services but have age-restrictions (typically 55 or 62 or older). Organized activities and occasionally a transportation program are usually all that are available at these properties. Because of the lack of services, active adult properties typically do not command the rent premiums of more service-enriched senior housing.

**Adjusted Gross Income “AGI”** – Income from taxable sources (including wages, interest, capital gains, income from retirement accounts, etc.) adjusted to account for specific deductions (i.e. contributions to retirement accounts, unreimbursed business and medical expenses, alimony, etc.).

**Affordable housing** – The general definition of affordability is for a household to pay no more than 30% of their income for housing. For purposes of this study we define affordable housing that is income-restricted to households earning at or below 80% AMI, though individual properties can have income-restrictions set at 40%, 50%, 60% or 80% AMI. Rent is not based on income but instead is a contract amount that is affordable to households within the specific income restriction segment. It is essentially housing affordable to low or very low-income tenants.

The term affordable housing is not a general term or reference used to describe the price of housing in Vinton, or any respective City/County.

**Amenity** – Tangible or intangible benefits offered to a tenant in the form of common area amenities or in-unit amenities. Typical in-unit amenities include dishwashers, washer/dryers, walk-in showers and closets and upgraded kitchen finishes. Typical common area amenities include detached or attached garage parking, community room, fitness center and an outdoor patio or grill/picnic area.

**Area Median Income “AMI”** – AMI is the midpoint in the income distribution within a specific geographic area. By definition, 50% of households earn less than the median income and 50% earn more. The U.S. Department of Housing and Urban Development (HUD) calculates AMI annually and adjustments are made for family size.

**Assisted Living** – Assisted Living properties come in a variety of forms, but the target market for most is generally the same: very frail seniors, typically age 80 or older (but can be much younger, depending on their particular health situation), who are in need of extensive support services and personal care assistance. Absent an assisted living option, these seniors would otherwise need to move to a nursing facility. At a minimum, assisted living properties include two meals per day and weekly housekeeping in the monthly fee, with the availability of a third meal and personal care (either included in the monthly fee or for an additional cost). Assisted living properties also have either staff on duty 24 hours per day or at least 24-hour emergency response.

**Building Permit** – Building permits track housing starts and the number of housing units authorized to be built by the local governing authority. Most jurisdictions require building permits for new construction, major renovations, as well as other building improvements. Building permits ensure that all the work meets applicable building and safety rules and is typically required to be completed by a licensed professional. Once the building is complete and meets the inspector's satisfaction, the jurisdiction will issue a "CO" or "Certificate of Occupancy." Building permits are a key barometer for the health of the housing market and are often a leading indicator in the rest of the economy as it has a major impact on consumer spending.

**Capture Rate** – The percentage of age, size, and income-qualified renter households in a given area or "Market Area" that the property must capture to fill the units. The capture rate is calculated by dividing the total number of units at the property by the total number of age, size and income-qualified renter households in the designated area.

**Comparable Property** – A property that is representative of the rental housing choices of the designated area or "Market Area" that is similar in construction, size, amenities, location and/or age.

**Concession** – Discount or incentives given to a prospective tenant to induce signature of a lease. Concessions typically are in the form of reduced rent or free rent for a specific lease term, or free amenities, which are normally charged separately, such as parking.

**Congregate (or independent living with services available)** – Congregate properties offer support services such as meals and/or housekeeping, either on an optional basis or a limited amount included in the rents. These properties typically dedicate a larger share of the overall building area to common areas, in part, because the units are smaller than in adult housing and in part to encourage socialization among residents. Congregate properties attract a slightly older target market than adult housing, typically seniors age 75 or older. Rents are also above those of the active adult buildings, even excluding the services.

**Contract Rent** – The actual monthly rent payable by the tenant, including any rent subsidy paid on behalf of the tenant, to the owner, inclusive of all terms of the lease.

**Demand** – The total number of households that would potentially move into a proposed new or renovated housing project. These households must be of appropriate age, income, tenure and size for a specific proposed development. Components vary and can include, but are not limited to: turnover, people living in substandard conditions, rent over-burdened households, income-qualified households and age of householder. Demand is project specific.

**Detached housing** – a freestanding dwelling unit, most often single-family homes, situated on its own lot.

**Effective Rents** – Contract rent less applicable concessions.

**Elderly or Senior Housing** – Housing where all the units in the property are restricted for occupancy by persons age 62 years or better, or at least 80% of the units in each building are restricted for occupancy by households where at least one household member is 55 years of age or better and the housing is designed with amenities, facilities and services to meet the needs of senior citizens.

**Extremely low-income** – person or household with incomes below 30% of Area Median Income, adjusted for respective household size.

**Fair Market Rent** – Estimates established by HUD of the Gross Rents needed to obtain modest rental units in acceptable conditions in a specific geographic area. The amount of rental income a given property would command if it were open for leasing at any given moment and/or the amount derived based on market conditions that is needed to pay gross monthly rent at modest rental housing in a given area. This figure is used as a basis for determining the payment standard amount used to calculate the maximum monthly subsidy for families on at financially assisted housing.

Fair Market Rent					
	EFF	1BR	2BR	3BR	4BR
Fair Market Rent	\$478	\$481	\$619	\$847	\$993

**Foreclosure** – A legal process in which a lender or financial institute attempts to recover the balance of a loan from a borrower who has stopped making payments to the lender by using the sale of the house as collateral for the loan.

**Great Recession** – Global economic decline beginning in December 2007 and ended in June 2009 with the official recovery beginning shortly thereafter. The Great Recession was initially sparked by the collapse of the United States housing bubble, which caused the values of securities tied to United States real estate pricing to plummet, damaging financial institutions globally. The Great Recession lead to worldwide austerity, high levels of household debt, trade imbalances, high unemployment and limited prospects for global growth.

**Gross Rent** – The monthly housing cost to a tenant which equals the Contract Rent provided for in the lease, plus the estimated cost of all utilities paid by tenants.

**Household** – All persons who occupy a housing unit, including occupants of a single-family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

**Household Trends** – Changes in the number of households for any particular areas over a measurable period of time, which is a function of new households formations, changes in average household size, and net migration.

**Housing Choice Voucher Program** – The federal government's major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. A family that is issued a housing voucher is responsible for finding a suitable housing unit of the family's choice where the owner agrees to rent under the program. Housing choice vouchers are administered locally by public housing agencies. They receive federal funds from the U.S. Department of Housing and Urban Development (HUD) to administer the voucher program. A housing subsidy is paid to the landlord directly by the public housing agency on behalf of the participating family. The family then pays the difference between the actual rent charged by the landlord and the amount subsidized by the program.

**Housing unit** – House, apartment, mobile home, or group of rooms used as a separate living quarters by a single household.

**HUD Project-Based Section 8** – A federal government program that provides rental housing for very low-income families, the elderly, and the disabled in privately owned and managed rental units. The owner reserves some or all of the units in a building in return for a Federal government guarantee to make up the difference between the tenant's contribution and the rent. A tenant who leaves a subsidized project will lose access to the project-based subsidy.

**HUD Section 202 Program** – Federal program that provides direct capital assistance and operating or rental assistance to finance housing designed for occupancy by elder household who have incomes not exceeding 50% of Area Median Income.

**HUD Section 811 Program** – Federal program that provides direct capital assistance and operating or rental assistance to finance housing designed for occupancy of persons with disabilities who have incomes not exceeding 50% Area Median Income.

**HUD Section 236 Program** – Federal program that provides interest reduction payments for loans which finance housing targeted to households with income not exceeding 80% Area Median Income who pay rent equal to the greater of market rate or 30% of their adjusted income.

**Income limits** – Maximum households income by a designed geographic area, adjusted for household size and expressed as a percentage of the Area Median Income, for the purpose of establishing an upper limit for eligibility for a specific housing program. See Income-qualifications.

**Inflow/Outflow** – The Inflow/Outflow Analysis generates results showing the count and characteristics of worker flows in to, out of, and within the defined geographic area.

**Low-Income** – Person or household with gross household incomes below 80% of Area Median Income, adjusted for household size.

**Low-Income Housing Tax Credit** – A program aimed to generate equity for investment in affordable rental housing authorized pursuant to Section 42 of the Internal Revenue Code. The program requires that a certain percentage of units built be restricted for occupancy to households earning 60% or less of Area Median Income, and rents on these units be restricted accordingly.

**Market analysis** – The study of real estate market conditions for a specific type of property, geographic area or proposed (re)development.

**Market rent** – The rent that an apartment, without rent or income restrictions or rent subsidies, would command in a given area or “Market Area” considering its location, features and amenities.

**Market study** – A comprehensive study of a specific proposal including a review of the housing market in a defined market or geography. Project specific market studies are often used by developers, property managers or government entities to determine the appropriateness of a proposed development, whereas market specific market studies are used to determine what house needs, if any, existing within a specific geography.

**Market rate rental housing** – Housing that does not have any income-restrictions. Some properties will have income guidelines, which are minimum annual incomes required in order to reside at the property.

**Median Rent/Home Price** – The median refers to the price point where half of the rents/homes are priced above the point, and half are priced below it. The median is a more accurate gauge of housing costs as averages tend to skew prices at the high and low end of the market.

**Memory Care** – Memory Care properties, designed specifically for persons suffering from Alzheimer’s disease or other dementias, is one of the newest trends in senior housing. Properties consist mostly of suite-style or studio units or occasionally one-bedroom apartment-style units, and large amounts of communal areas for activities and programming. In addition, staff typically undergoes specialized training in the care of this population. Because of the greater amount of individualized personal care required by residents, staffing ratios are much



higher than traditional assisted living and thus, the costs of care are also higher. Unlike conventional assisted living, however, which deals almost exclusively with widows or widowers, a higher proportion of persons afflicted with Alzheimer's disease are in two-person households. That means the decision to move a spouse into a memory care facility involves the caregiver's concern of incurring the costs of health care at a special facility while continuing to maintain their home.

**Migration** – The movement of households and/or people into or out of an area.

**Mixed-income property** – An apartment property contained either both income-restricted and unrestricted units or units restricted at two or more income limits.

**Mobility** – The ease at which people move from one location to another.

**Moderate Income** – Person or household with gross household income between 80% and 120% of the Area Median Income, adjusted for household size.

**Multifamily** – Properties and structures that contain more than two housing units.

**Naturally Occurring Affordable Housing** – Although affordable housing is typically associated with an income-restricted property, there are other housing units in communities that indirectly provide affordable housing. Housing units that were not developed or designated with income guidelines (i.e. assisted) yet are more affordable than other units in a community are considered “naturally-occurring” or “unsubsidized affordable” units. This rental supply is available through the private market, versus assisted housing programs through various governmental agencies. Property values on these units are lower based on a combination of factors, such as: age of structure/housing stock, location, condition, size, functionally obsolete, school district, etc.

**Net Income** – Income earned after payroll withholdings such as state and federal income taxes, social security, as well as retirement savings and health insurance.

**Net Worth** – The difference between assets and liabilities, or the total value of assets after the debt is subtracted.

**Pent-up demand** – A market in which there is a scarcity of supply and as such, vacancy rates are very low or non-existent.

**Population** – All people living in a geographic area.

**Population Density** – The population of an area divided by the number of square miles of land area.

**Population Trends** – Changes in population levels for a particular geographic area over a specific period of time – a function of the level of births, deaths, and in/out migration.

**Project-Based rent assistance** – Rental assistance from any source that is allocated to the property or a specific number of units in the property and is available to each income eligible tenant of the property or an assisted unit.

**Redevelopment** – The redesign, rehabilitation or expansion of existing properties.

**Rent burden** – gross rent divided by adjusted monthly household income.

**Restricted rent** – The rent charged under the restriction of a specific housing program or subsidy.

**Saturation** – The point at which there is no longer demand to support additional market rate, affordable/subsidized, rental, for-sale, or senior housing units. Saturation usually refers to a particular segment of a specific market.

**Senior Housing** – The term “senior housing” refers to any housing development that is restricted to people age 55 or older. Today, senior housing includes an entire spectrum of housing alternatives. Maxfield Research Inc. classifies senior housing into four categories based on the level of support services. The four categories are: Active Adult, Congregate, Assisted Living and Memory Care.

**Short Sale** – A sale of real estate in which the net proceeds from selling the property do not cover the sellers’ mortgage obligations. The difference is forgiven by the lender, or other arrangements are made with the lender to settle the remainder of the debt.

**Single-family home** – A dwelling unit, either attached or detached, designed for use by one household and with direct street access. It does not share heating facilities or other essential electrical, mechanical or building facilities with another dwelling.

**Stabilized level of occupancy** – The underwritten or actual number of occupied units that a property is expected to maintain after the initial lease-up period.

**Subsidized housing** – Housing that is income-restricted to households earning at or below 30% AMI. Rent is generally based on income, with the household contributing 30% of their adjusted gross income toward rent. Also referred to as extremely low income housing.

**Subsidy** – Monthly income received by a tenant or by an owner on behalf of a tenant to pay the difference between the apartment’s contract/market rate rent and the amount paid by the tenant toward rent.

**Substandard conditions** – Housing conditions that are conventionally considered unacceptable and can be defined in terms of lacking plumbing facilities, one or more major mechanical or electrical system malfunctions, or overcrowded conditions.

**Target population** – The market segment or segments of the given population a development would appeal or cater to.

**Tenant** – One who rents real property from another individual or rental company.

**Tenant-paid utilities** – The cost of utilities, excluding cable, telephone, or internet necessary for the habitation of a dwelling unit, which are paid by said tenant.

**Tenure** – The distinction between owner-occupied and renter-occupied housing units.

**Turnover** – A measure of movement of residents into and out of a geographic location.

**Turnover period** – An estimate of the number of housing units in a geographic location as a percentage of the total house units that will likely change occupants in any one year.

**Unrestricted units** – Units that are not subject to any income or rent restrictions.

**Vacancy period** – The amount of time an apartment remains vacant and is available on the market for rent.

**Workforce housing** – Housing that is income-restricted to households earning between 80% and 120% AMI. Also referred to as moderate-income housing.

**Zoning** – Classification and regulation of land use by local governments according to use categories (zones); often also includes density designations and limitations.