

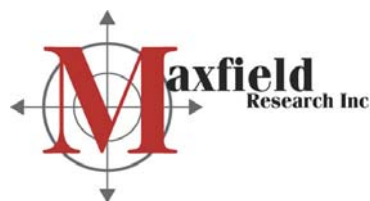
Comprehensive Housing Needs Analysis for Wright County, Iowa

Prepared for:

Wright County Economic Development
Clarion, Iowa

October 2014





October 3, 2014

Mr. Brad Hicks
Director
Wright County Economic Development
115 N. Main/Box 214
Clarion, Iowa 50525

Dear Mr. Hicks:

Attached is the *Comprehensive Housing Needs Analysis for Wright County, Iowa* conducted by Maxfield Research Inc. The study projects housing demand from 2014 through 2025, and gives recommendations on the amount and type of housing that could be built in Wright County to satisfy demand from current and future residents over the next decade.

The study identifies a potential demand for about 904 new housing units through 2025. Demand was divided between general-occupancy housing (39%) and age-restricted senior housing (61%). Our inventory of general-occupancy rental housing found no vacancies among the inventoried rental housing stock. The low vacancy rate indicates pent-up demand for additional rental units in Wright County. Although new residential lots will be needed over the next ten years, the current lot supply in most Wright County communities is sufficient to meet demand in the short-term. Detailed information regarding recommended housing concepts 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 INC.

Matt Mullins
Vice President

David Sajevic
Analyst

Attachment

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Purpose and Scope of Study

Maxfield Research Inc. was engaged by Wright County Economic Development to conduct a *Comprehensive Housing Needs Analysis* for Wright County, Iowa. 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 who choose to reside in the County.

The scope of this study includes: an analysis of the demographic and economic characteristics of the County; a review of the characteristics of the existing housing stock and building permit trends; an analysis of the market condition for a variety of rental and for-sale housing products; and an assessment of the need for housing by product type in the County. Recommendations on the number and types of housing products that should be considered in the County are also supplied.

Demographic Analysis

- As of the 2010 Census, Wright County had 13,229 people and 5,625 households. Wright County is forecast to decrease by 589 people and 190 households between 2010 and 2020.
- The population in Wright County is aging and older age cohorts are accounting for a significant percentage of the total population. Baby boomers (comprising the age groups 45 to 54 and 55 to 64 in 2010), accounted for an estimated 28.4% of the County's population. Over the next five years, the age 65 to 74 cohort will have the highest growth by percentage and numerically (234 people, or 17.8%). The growth in this age cohort can be primarily attributed to the baby boom generation aging into their young senior years.
- Wright County had an estimated median household income of \$50,248 in 2014. Overall, non-senior households had a higher median household income (\$58,283) compared to senior households (\$40,435).
- Approximately 31% of all households in Wright County lived alone in 2010. Married without children households accounted for the highest percentage at 34%.
- Wright County's unemployment rate has been much lower than the U.S. unemployment rate between 2002 and 2013. Average unemployment rate in Wright County over this time period is 5.1%, which is slightly higher than the average in Iowa (4.7%) and much lower than the average in the U.S. (6.8%).
- About 47% of Wright County's residents travel less than ten miles to their place of employment, while 19% have a commute distance greater than 50 miles. Over 23% commute between 10 to 24 miles and 11% travel 25 to 50 miles.

Housing Characteristics

- Between 2000 and 2013, Wright County has averaged nineteen building permits a year. The building permit trends have fluctuated over the last 13 years, which peaked in 2001 (44 new construction units) and bottomed out in 2010 (12 new construction units).
- The majority of the homes in Wright County are older. The greatest percentage of homes in Wright County was built before the 1940s, which comprised 35.3% of the entire housing stock in the County.
- Approximately 50.5% of Wright County homeowners have a mortgage. About 7% of homeowners with mortgages in Wright County also have a second mortgage and/or home equity loan.
- The median owner-occupied home in Wright County was \$74,200 in 2012. The majority of the owner-occupied housing stock in the Wright County was estimated to be valued less than \$100,000 (70.0%).
- The median contract rent in Wright County was \$348 in 2012. Approximately 60% of Wright County's renters paying cash have monthly rents ranging from \$250 to \$499.

Rental Housing Market Analysis

- In total, Maxfield Research surveyed 39 general occupancy market rate rental units in Wright County spread across four multifamily developments (8 units and larger). Maxfield Research inventoried 76 units in Wright County spread across 17 multifamily developments (less than 8 units). At the time of the survey, there were zero vacant units. Typically, a healthy rental market maintains a vacancy rate of roughly 5%, which promotes competitive rates, ensures adequate consumer choice, and allows for unit turnover.
- Affordable/subsidized projects make-up 52 units and have no vacancies at this time. Combined with the market rate projects. *Latarn Park Apartments*, *Eaglewood Park Apartments*, and *Wright County Housing* participate in the USDA Rural Development Program.

Senior Housing Market Analysis

- There are seven senior housing facilities located in Wright County with a total of 300 units. Combined, the overall vacancy for market rate senior projects is 2.4%. Generally, healthy senior housing vacancy rates range from 5% to 7% depending on service level.
- There are two active-adult few services projects in Wright County. Combined, *Belmond Community Apartments* and *Southtown Apartments* total 170 units.

EXECUTIVE SUMMARY

- There is one congregate senior project in Wright County. *The Meadows Independent Living*, in Clarion, has a total of 45 units.
- There are three assisted living projects located in Wright County for a total of 69 units. *Rotary Senior Living*, in Eagle Grove, is the largest assisted living facility in Wright County. Combined, the three projects total 69 units.
- There is one senior subsidized housing development in Wright County. *Goldfield Community Apartments* has a total of 16 units.

Housing Affordability

- About 14% of owner households and 37% of renter householders are estimated to be paying more than 30% of their income for housing costs in Wright County. Compared to the Iowa average, the percentage of cost burdened owner and renter households is lower than the state average.
- The number of cost burdened households in Wright County increases proportionally based on lower incomes. About 61% of renters with incomes below \$35,000 are cost burdened and 26% of owners with incomes below \$50,000 are cost burdened.

For-Sale Housing Market Analysis

- The median sales prices bottomed-out in 2010 at \$40,000 in Wright County. However, over the past two years the median sales price has increased by 53%.
- As of September 2014, there were 86 homes listed for sale in Wright County. Only two of the listings were for multifamily properties; both of which are located in the Belmond Market Area.
- The median list price in Wright County for a single-family home is \$74,900. Based on a median list price of \$74,900, the income required to afford a home at this price would be about \$21,400 to \$25,000, based on the standard of 3.0 to 3.5 times the median income. About 75% of Wright County households have annual incomes at or above \$25,000.
- There are four active subdivisions in Wright County with available lots. Combined, there are 55 vacant lots. The entire actively marketing product targets move-up or executive-level home buyers.
- Although there were some foreclosures that resulted during the Great Recession, the local market did not feel the downturn like many real estate markets. This sentiment was expressed across all Wright County communities.

Development Pipeline

- Besides the recently platted White Fox Drive subdivision in Clarion (23 housing units in Phase I), there are no new planned housing projects either under constructing or in the planning process.

Housing Needs Analysis

- Based on our calculations, demand exists in Wright County for the following general occupancy product types between 2014 and 2025:
 - Market rate rental 122 units
 - Affordable rental 40 units
 - Subsidized rental 63 units
 - For-sale single-family 90 units
 - For-sale multifamily 34 units
- In addition, we find demand for multiple senior housing product types. By 2025, demand in Wright County for senior housing is forecast for the following:
 - Active adult ownership 51 units
 - Active adult market rate rental 38 units
 - Active adult affordable 120 units
 - Active adult subsidized 55 units
 - Congregate 52 units
 - Assisted Living 193 units
 - Memory Care 46 units

Introduction

This section of the report examines factors related to the current and future demand for both owner and renter-occupied housing in Wright County, 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 Wright County. A review of these characteristics will provide insight into the demand for various types of housing in the County.

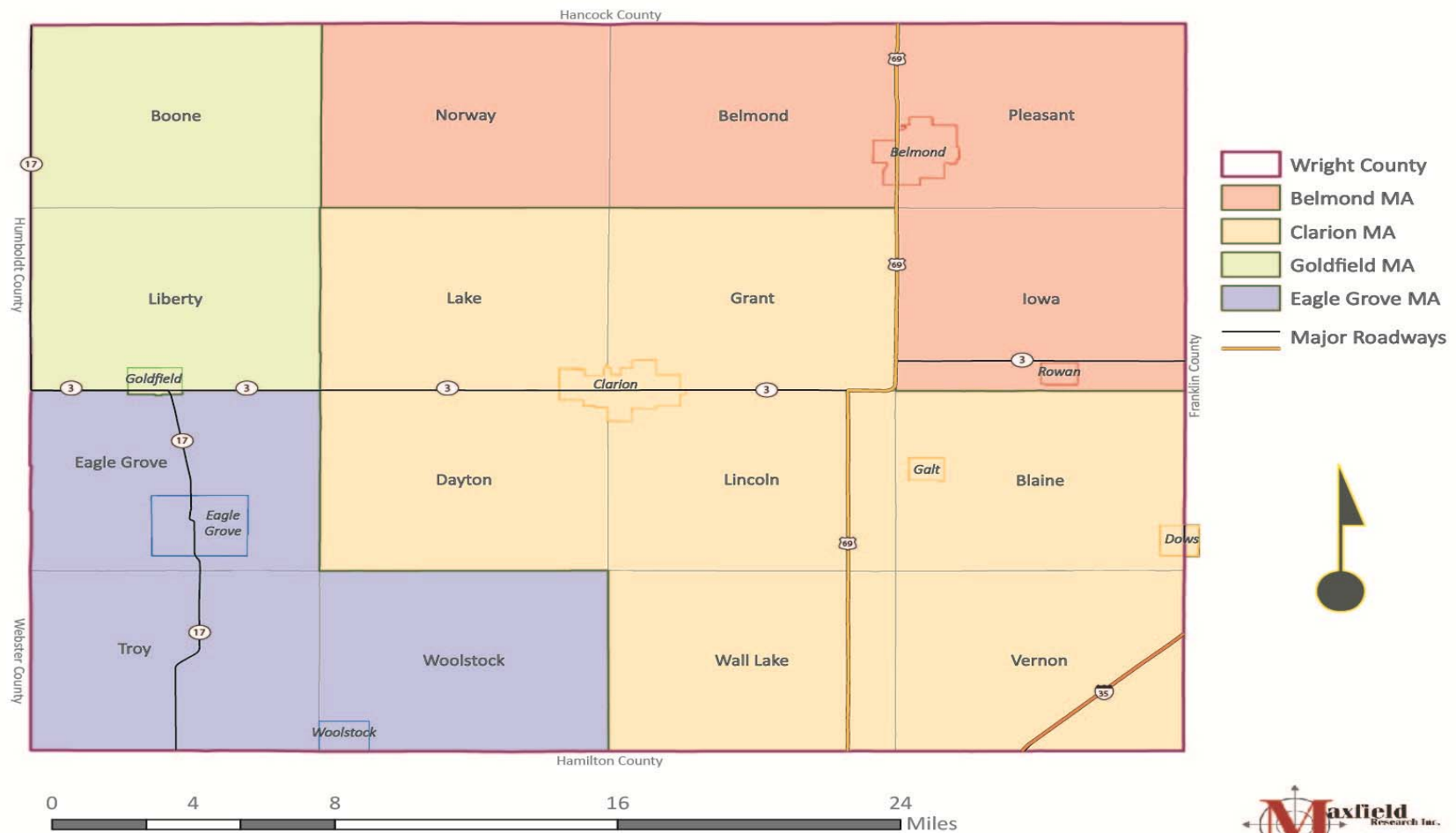
Wright County Submarket Definitions

For purposes of the housing analysis, Wright County was divided into four submarkets; Belmond, Clarion, Eagle Grove, and Goldfield. Subsequent data in the housing analysis is illustrated by submarket and county-wide.

WRIGHT COUNTY SUBMARKET DEFINITIONS			
Belmond Submarket	Clarion Submarket	Eagle Grove Submarket	Goldfield Submarket
CITIES			
Belmond	Clarion	Eagle Grove	Goldfield
Rowan	Dows (part)	Woolstock	
	Galt		
TOWNSHIPS			
Belmond Twp.	Blaine Twp.	Eagle Grove Twp.	Boone Twp.
Iowa Twp.	Dayton Twp.	Troy Twp.	Liberty Twp.
Norway Twp.	Grant Twp.	Woolstock Twp.	
Pleasant Twp.	Lake Twp.		
	Lincoln Twp.		
	Vernon Twp.		
	Wall Lake Twp.		
Source: Maxfield Research Inc.			

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

Wright County Iowa Market Areas



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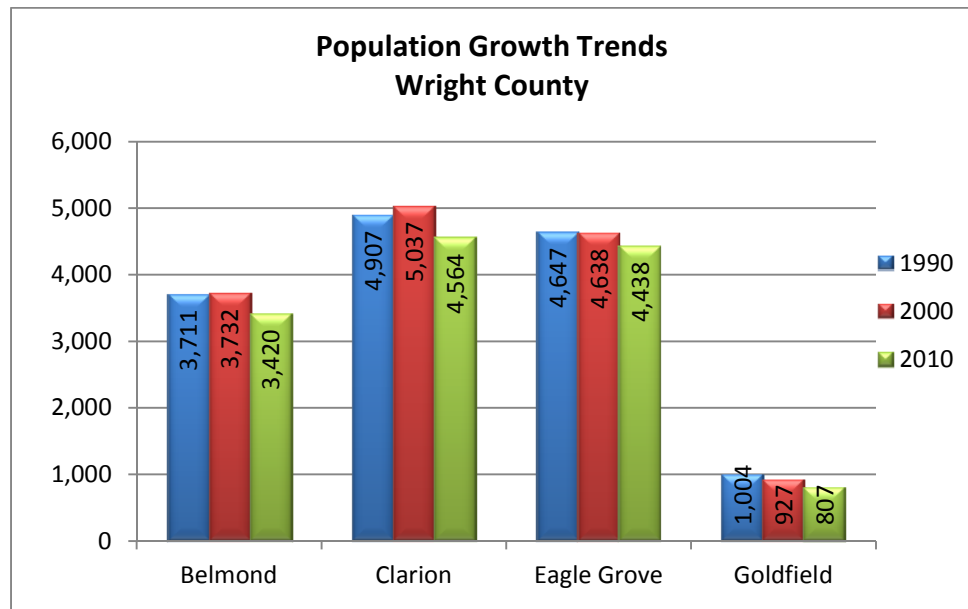


Population and Household Growth from 1990 to 2010

Tables D-1 and D-2 present the population and household growth of each submarket in Wright County in 1990, 2000, and 2010. The data is from the U.S. Census. A breakdown of historic population and household growth trends for all cities and townships in each submarket in Wright County is provided.

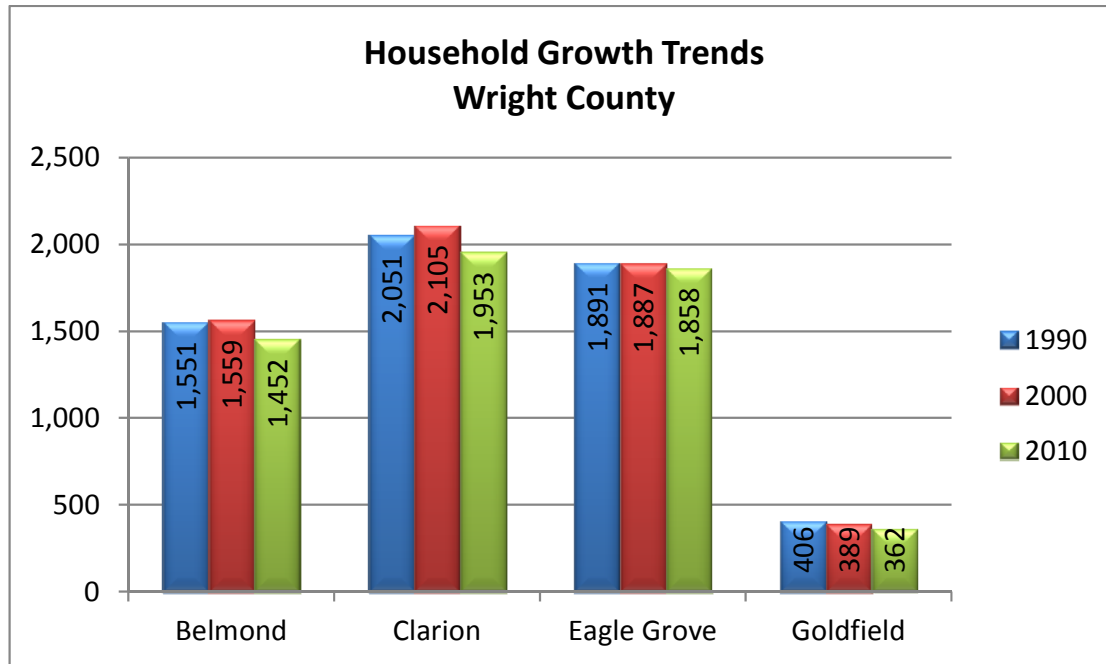
Population

- The strongest growth occurred between 1990 and 2000. Wright County's population grew by 65 people (+0.5%).
- The majority of the growth in Wright County can be attributed to the growth in the Clarion submarket. The Clarion submarket increased by 130 people (+2.6%), which is due largely to the growth of Lincoln Township (+137 people) and Lake Township (+65 people).
- Belmond submarket experienced a slight increase in their population base by growing 21 people (+0.6%), which can be attributed to the growth in Belmond Township and Pleasant Township.
- Wright County's population base decreased from 14,334 people to 13,229 people between the years of 2000 and 2010 (-1,105 people, -7.7%). The majority of the decline occurred in the Clarion and Belmond submarkets, which decreased by -473 people (-9.4%) and -312 people (-8.4%).
- Population declines between 2000 and 2010 were associated with all submarkets within Wright County. Goldfield and Eagle Grove submarkets decreased by -120 people (-12.9%) and -9 people (-0.2%), respectively.
- The graph on the following page shows population growth in each submarket within Wright County between 1990 and 2010.



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.
- Wright County added 41 households during the 1990s (+0.7%), increasing its household base to 5,940 households as of 2000.
- Nearly all the household growth in the 1990s occurred in the Clarion submarket, which increased by 54 households (+2.6%). Belmond submarket increased their household base by 8 households, which is an increase of +0.5%. Goldfield and Eagle Grove submarkets decreased -17 households (-4.2%) and -4 households (-0.2%).
- Wright County decreased by -315 households during the 2000s (-5.3%), decreasing its household base to 5,625 households as of 2010.
- Most of the household declines occurred in the Clarion and Belmond submarkets, which decreased by -152 households (-7.2%) and -107 households (-6.9%). Every submarket in Wright County experienced a household decline between 2000 and 2010.
- The graph on the following page shows household growth in each submarket within Wright County between 1990 and 2010.

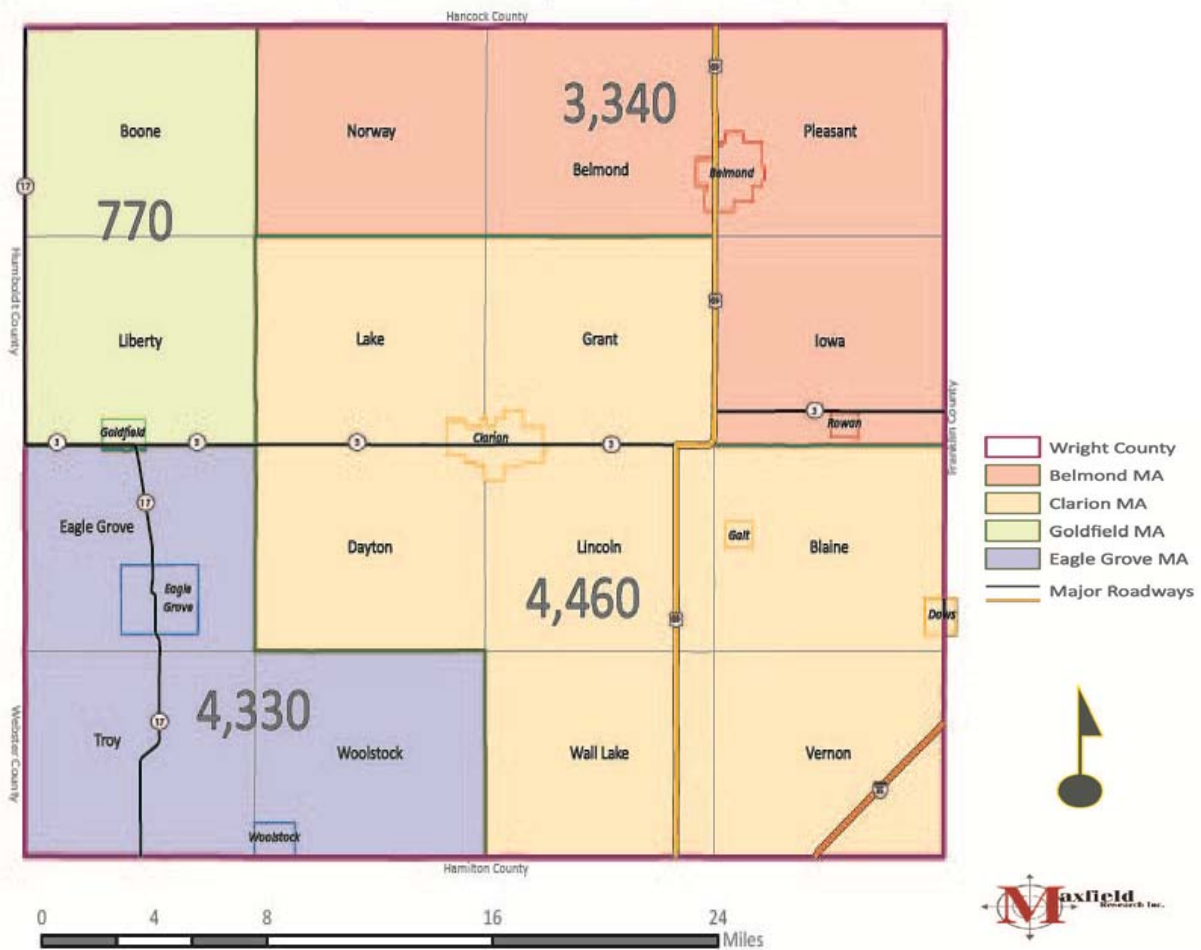


Population and Household Estimates and Projections

Table D-3 presents population and household growth trends and projections for Wright County through 2025. Estimates for 2014 and projections through 2025 are based on information from ESRI (a national demographics service provider), the State Data Center of Iowa, and adjusted by Maxfield Research Inc. based on local trends.

- Wright County will continue to experience slight decline during the next decade, but at a slower rate than during the past decade. We project that Wright County will decrease by 589 persons (-4.5%) and by about 190 households (-3.4%) between 2010 and 2020.
- Clarion and Belmond submarkets will experience the smallest declines in population and households over the next decade. Clarion submarket is projected to decrease by 181 people (-4.0%) and by 53 households (-2.7%). Belmond submarket is expected to decline by 138 persons (-4.0%) and by 37 households (-2.5%).
- Eagle Grove submarket is projected to have a similar percentage decline as Clarion and Belmond submarkets. Eagle Grove submarket is expected to decrease by 188 people (-4.2%) and about 68 households (-3.7%).
- Goldfield submarket is projected to have the greatest decline as a percentage. However, percentages will be inflated due to the small population and household base. Goldfield submarket is projected to decrease by 82 people (-10.2%) and 32 households (-8.8%).

2014 Population by Submarket



DEMOGRAPHIC ANALYSIS

TABLE D-1 HISTORIC POPULATION WRIGHT COUNTY 1990 - 2010									
	Historic Population				Change				
	Census				1990 - 2000		2000 - 2010		
	1990		2000		2010	No.	Pct.	No.	Pct.
Belmond Submarket									
Cities									
Belmond	2,500		2,560		2,376	60	2.4	-184	-7.2
Rowan	189		218		158	29	15.3	-60	-27.5
Townships (excludes municipalities)									
Belmond Twp.	509		520		433	11	2.2	-87	-16.7
Iowa Twp.	405		405		346	0	0.0	-59	-14.6
Norway Twp.	189		191		166	2	1.1	-25	-13.1
Pleasant Twp.	2,608		2,616		2,475	8	0.3	-141	-5.4
Belmond Submarket Subtotal	3,711		3,732		3,420	21	0.6	-312	-8.4
Clarion Submarket									
Cities									
Clarion	2,703		2,968		2,850	265	9.8	-118	-4.0
Dows (part)	660		675		460	15	2.3	-215	-31.9
Galt	43		30		32	-13	-30.2	2	6.7
Townships (excludes municipalities)									
Blaine Twp.	880		829		688	-51	-5.8	-141	-17.0
Dayton Twp.	470		438		358	-32	-6.8	-80	-18.3
Grant Twp.	1,604		1,661		1,597	57	3.6	-64	-3.9
Lake Twp.	339		404		326	65	19.2	-78	-19.3
Lincoln Twp.	1,267		1,404		1,386	137	10.8	-18	-1.3
Vernon Twp.	178		145		103	-33	-18.5	-42	-29.0
Wall Lake Twp	169		156		106	-13	-7.7	-50	-32.1
Clarion Submarket Subtotal	4,907		5,037		4,564	130	2.6	-473	-9.4
Eagle Grove Submarket									
Cities									
Eagle Grove	3,671		3,712		3,583	41	1.1	-129	-3.5
Woolstock	212		204		168	-8	-3.8	-36	-17.6
Townships (excludes municipalities)									
Eagle Grove Twp.	3,986		4,025		3,870	39	1.0	-155	-3.9
Troy Twp.	267		250		247	-17	-6.4	-3	-1.2
Woolstock Twp.	394		363		321	-31	-7.9	-42	-11.6
Eagle Grove Submarket Subtotal	4,647		4,638		4,438	-9	-0.2	-200	-4.3
Goldfield Submarket									
Cities									
Goldfield	710		680		635	-30	-4.2	-45	-6.6
Townships (excludes municipalities)									
Boone Twp.	164		160		119	-4	-2.4	-41	-25.6
Liberty Twp.	840		767		688	-73	-8.7	-79	-10.3
Goldfield Submarket Subtotal	1,004		927		807	-77	-7.7	-120	-12.9
Wright County Total									
	14,269		14,334		13,229	65	0.5	-1,105	-7.7
Sources: U.S. Census; State Data Center of Iowa; Maxfield Research Inc.									

DEMOGRAPHIC ANALYSIS

TABLE D-2 HISTORIC HOUSEHOLDS WRIGHT COUNTY 1990 - 2010								
	Historic Households			Change				
	Census			1990 - 2000		2000 - 2010		
	1990	2000	2010	No.	Pct.	No.	Pct.	
Belmond Submarket								
Cities								
Belmond	1,079	1,119	1,047	40	3.7	-72	-6.4	
Rowan	93	93	67	0	0.0	-26	-28.0	
Townships (excludes municipalities)								
Belmond Twp.	190	189	176	-1	-0.5	-13	-6.9	
Iowa Twp.	178	165	144	-13	-7.3	-21	-12.7	
Norway Twp.	71	65	55	-6	-8.5	-10	-15.4	
Pleasant Twp.	1,112	1,140	1,077	28	2.5	-63	-5.5	
Belmond Submarket Subtotal	1,551	1,559	1,452	8	0.5	-107	-6.9	
Clarion Submarket								
Cities								
Clarion	1,171	1,255	1,185	84	7.2	-70	-5.6	
Dows (part)	296	290	250	-6	-2.0	-40	-13.8	
Galt	15	15	15	0	0.0	0	0.0	
Townships (excludes municipalities)								
Blaine Twp.	359	357	313	-2	-0.6	-44	-12.3	
Dayton Twp.	185	172	155	-13	-7.0	-17	-9.9	
Grant Twp.	684	707	675	23	3.4	-32	-4.5	
Lake Twp.	143	150	129	7	4.9	-21	-14.0	
Lincoln Twp.	541	595	585	54	10.0	-10	-1.7	
Vernon Twp.	74	61	48	-13	-17.6	-13	-21.3	
Wall Lake Twp	65	63	48	-2	-3.1	-15	-23.8	
Clarion Submarket Subtotal	2,051	2,105	1,953	54	2.6	-152	-7.2	
Eagle Grove Submarket								
Cities								
Eagle Grove	1,509	1,511	1,500	2	0.1	-11	-0.7	
Woolstock	97	98	85	1	1.0	-13	-13.3	
Townships (excludes municipalities)								
Eagle Grove Twp.	1,628	1,632	1,613	4	0.2	-19	-1.2	
Troy Twp.	96	95	98	-1	-1.0	3	3.2	
Woolstock Twp.	167	160	147	-7	-4.2	-13	-8.1	
Eagle Grove Submarket Subtotal	1,891	1,887	1,858	-4	-0.2	-29	-1.5	
Goldfield Submarket								
Cities								
Goldfield	299	295	290	-4	-1.3	-5	-1.7	
Townships (excludes municipalities)								
Boone Twp.	66	63	47	-3	-4.5	-16	-25.4	
Liberty Twp.	340	326	315	-14	-4.1	-11	-3.4	
Goldfield Submarket Subtotal	406	389	362	-17	-4.2	-27	-6.9	
Wright County Total	5,899	5,940	5,625	41	0.7	-315	-5.3	
Sources: U.S. Census; State Data Center of Iowa; Maxfield Research Inc.								

Sources: U.S. Census; State Data Center of Iowa; Maxfield Research Inc.

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TABLE D-3
POPULATION GROWTH TRENDS AND PROJECTIONS
WRIGHT COUNTY
1990 - 2025

	Historic			Projected			Change					
	Census			Projections			1990 - 2000		2000 - 2010		2010 - 2020	
	1990	2000	2010	2014	2020	2025	No.	Pct.	No.	Pct.	No.	Pct.
Population												
Belmond Submarket	3,711	3,732	3,420	3,340	3,282	3,240	21	0.6%	-312	-8.4%	-138	-4.0%
Clarion Submarket	4,907	5,037	4,564	4,460	4,383	4,350	130	2.6%	-473	-9.4%	-181	-4.0%
Eagle Grove Submarket	4,647	4,638	4,438	4,330	4,250	4,210	-9	-0.2%	-200	-4.3%	-188	-4.2%
Goldfield Submarket	1,004	927	807	770	725	715	-77	-7.7%	-120	-12.9%	-82	-10.2%
Wright County Total Population	14,269	14,334	13,229	12,900	12,640	12,515	65	0.5%	-1,105	-7.7%	-589	-4.5%
Households												
Belmond Submarket	1,551	1,559	1,452	1,430	1,415	1,400	8	0.5%	-107	-6.9%	-37	-2.5%
Clarion Submarket	2,051	2,105	1,953	1,925	1,900	1,885	54	2.6%	-152	-7.2%	-53	-2.7%
Eagle Grove Submarket	1,891	1,887	1,858	1,815	1,790	1,775	-4	-0.2%	-29	-1.5%	-68	-3.7%
Goldfield Submarket	406	389	362	345	330	325	-17	-4.2%	-27	-6.9%	-32	-8.8%
Wright County Total Households	5,899	5,940	5,625	5,515	5,435	5,385	41	0.7%	-315	-5.3%	-190	-3.4%

Sources: U.S. Census; State Data Center of Iowa; Maxfield Research Inc.

Household Size

Household size is calculated by dividing the number of persons in households by the number of households (or householders). 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-4 shows households by size and D-5 shows average household size in each submarket in Wright County.

- Households with two people comprised the largest portion of household sizes in each submarket in Wright County ranging from a high of 43.6% in Goldfield to a low of 36.2% in Eagle Grove.

TABLE D-4 HOUSEHOLDS BY SIZE WRIGHT COUNTY 2010										
	Belmond		Clarion		Eagle Grove		Goldfield		Total Wright County	
Size	Number	Pct.	Number	Pct.	Number	Pct.	Number	Pct.	Number	Pct.
1PP Household	444	30.6%	593	30.4%	575	30.9%	107	29.6%	1,719	30.6%
2PP Household	559	38.5%	773	39.6%	672	36.2%	158	43.6%	2,162	38.4%
3PP Household	183	12.6%	246	12.6%	237	12.8%	40	11.0%	706	12.6%
4PP Household	144	9.9%	180	9.2%	213	11.5%	37	10.2%	574	10.2%
5PP Household	87	6.0%	94	4.8%	104	5.6%	12	3.3%	297	5.3%
6PP Household	23	1.6%	49	2.5%	38	2.0%	4	1.1%	114	2.0%
7PP+ Household	12	0.8%	18	0.9%	19	1.0%	4	1.1%	53	0.9%
Total	1,452	100%	1,953	100%	1,858	100%	362	100%	5,625	100%
Sources: U.S. Census Bureau; Maxfield Research Inc.										

Sources: U.S. Census Bureau; Maxfield Research Inc.

- In 1990, the average household sizes ranged between 2.39 (Belmond and Clarion submarkets) and 2.47 (Goldfield submarket). In Wright County overall, the average household size was 2.42. In 2000, the average household sizes range declined to between 2.38 (Goldfield submarket) and 2.46 (Eagle Grove submarket). In Wright County overall, the average household size was 2.41.
- By 2010, the average household sizes ranged between 2.23 (Goldfield submarket) and 2.39 (Eagle Grove submarket). In Wright County overall, the average household size was 2.35.

TABLE D-5 AVERAGE HOUSEHOLD SIZE WRIGHT COUNTY 1990-2010			
	Census		
	1990	2000	2010
Belmond Submarket			
Belmond Twp.	2.68	2.75	2.46
Iowa Twp.	2.28	2.45	2.40
Norway Twp.	2.66	2.94	3.02
Pleasant Twp.	2.35	2.29	2.30
Belmond Submarket Subtotal	2.39	2.39	2.36
Clarion Submarket			
Blaine Twp.	2.45	2.32	2.20
Dayton Twp.	2.54	2.55	2.31
Grant Twp.	2.35	2.35	2.37
Lake Twp.	2.37	2.69	2.53
Lincoln Twp.	2.34	2.36	2.37
Vernon Twp.	2.41	2.38	2.15
Wall Lake Twp.	2.60	2.48	2.21
Clarion Submarket Subtotal	2.39	2.39	2.34
Eagle Grove Submarket			
Eagle Grove Twp.	2.45	2.47	2.40
Troy Twp.	2.78	2.63	2.52
Woolstock Twp.	2.36	2.27	2.18
Eagle Grove Submarket Subtotal	2.46	2.46	2.39
Goldfield Submarket			
Boone Twp.	2.48	2.54	2.53
Liberty Twp.	2.47	2.35	2.18
Goldfield Submarket Subtotal	2.47	2.38	2.23
Wright County Total	2.42	2.41	2.35
Sources: U.S. Census, Maxfield Research Inc.			

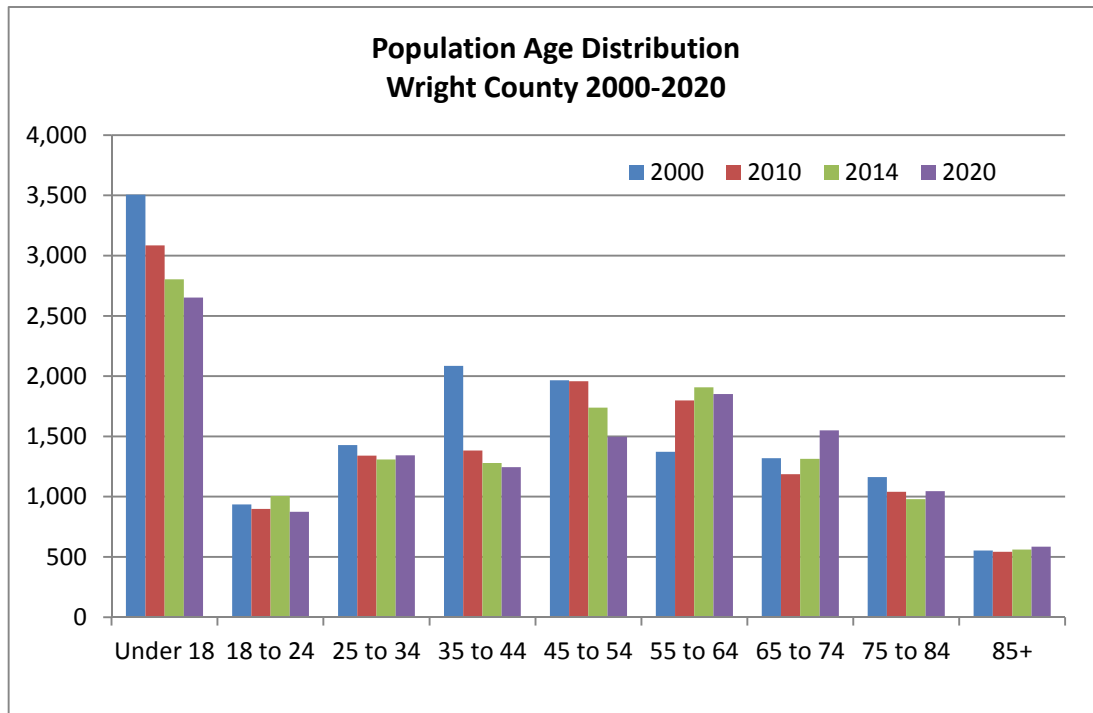
Age Distribution Trends

Table D-6 shows the distribution of persons within nine age cohorts for the four submarkets in Wright County in 2000 and 2010 with estimates for 2014 and projections for 2020. The 2000 and 2010 age distribution is from the U.S. Census Bureau. Maxfield Research Inc. derived the 2014 estimates and 2020 projections by adjustments made to data obtained from ESRI.

The key points from the table are listed on the following page.

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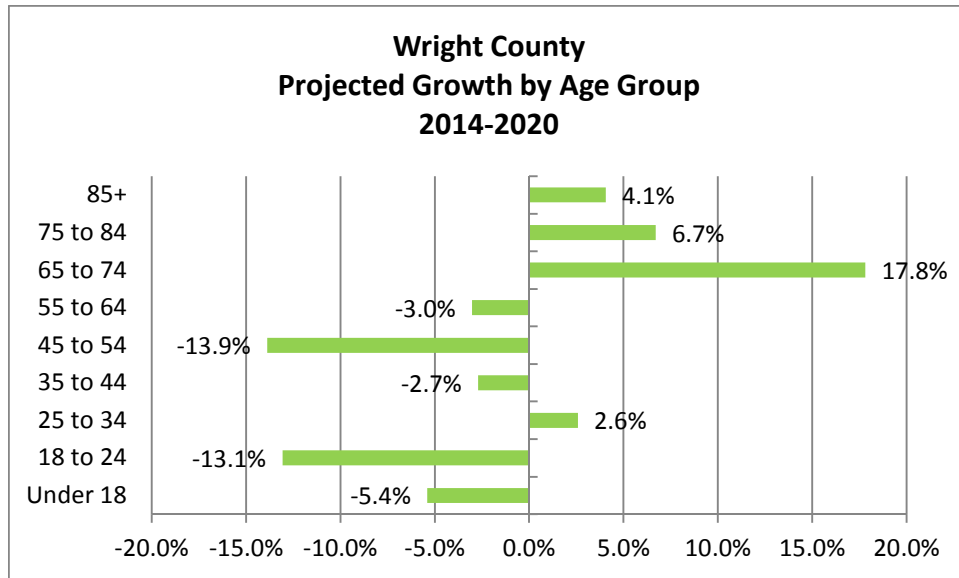
- In 2010, the largest adult cohort in Wright County was 45 to 54, totaling 1,957 people (14.8% of the total population). Mirroring trends observed across the Nation, the aging baby boomer generation is substantially impacting the composition of County's population. Born between 1946 and 1964, these individuals comprised the age groups 45 to 54 and 55 to 64 in 2010. As of 2010, baby boomers accounted for an estimated 28.4% of Wright County's population.



- 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 Wright County in 2010 with 3,086 people (23.3%). This age group is projected to remain the largest in Wright County through 2014 and 2020, comprising approximately 21.7% in 2014 (2,804 people), declining to 21.0% in 2020 (2,652 people). The 55 to 64 age group was the second largest adult cohort in Wright County in 2010 with 1,799 people (13.6%), followed by the 35 to 44 age cohort with 1,382 people (10.5%) and the 25 to 34 age group with 1,339 people (10.1%).

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- Wright County's population of 18 to 34 year olds, which consists primarily of renters and first-time homebuyers, decreased by -5.4% between 2000 and 2010, and is projected to decline (-4.2%) between 2014 and 2020. This will slightly decrease demand for rental units and starter homes.
- The 45 to 54 age cohort is projected to experience the largest percent decline between 2014 and 2020, declining by 13.9% (-241 people), followed by the 18 to 24 age cohort with a decline of 13.1% (-131 people).



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**TABLE D-6
POPULATION AGE DISTRIBUTION
WRIGHT COUNTY
2000 to 2020**

	Number of People				Change			
	U.S. Census		ESRI		U.S. Census		ESRI	
	2000	2010	2014	2020	2000-2010		2010-2020	
Belmond Submarket	No.	No.	No.	No.	No.	Pct.	No.	Pct.
Under 18	930	820	707	668	-110	-11.8%	-152	-18.6%
18 to 24	237	212	223	192	-25	-10.5%	-20	-9.6%
25 to 34	340	327	325	333	-13	-3.8%	6	2.0%
35 to 44	545	337	302	289	-208	-38.2%	-48	-14.1%
45 to 54	531	515	459	400	-16	-3.0%	-115	-22.3%
55 to 64	336	473	514	494	137	40.8%	21	4.5%
65 to 74	317	305	346	404	-12	-3.8%	99	32.5%
75 to 84	321	255	267	295	-66	-20.6%	40	15.9%
85+	175	176	199	206	1	0.6%	30	16.8%
Total	3,732	3,420	3,340	3,282	-312	-8.4%	-138	-4.0%
Clarion Submarket	No.	No.	No.	No.	No.	Pct.	No.	Pct.
Under 18	1,178	1,038	973	906	-140	-11.9%	-132	-12.7%
18 to 24	329	291	364	338	-38	-11.6%	47	16.3%
25 to 34	535	459	447	465	-76	-14.2%	6	1.3%
35 to 44	705	475	468	462	-230	-32.6%	-13	-2.7%
45 to 54	712	655	572	486	-57	-8.0%	-169	-25.8%
55 to 64	481	655	659	629	174	36.2%	-26	-3.9%
65 to 74	456	419	457	557	-37	-8.1%	138	32.8%
75 to 84	429	383	333	348	-46	-10.7%	-35	-9.1%
85+	212	189	185	192	-23	-10.8%	3	1.5%
Total	5,037	4,564	4,460	4,383	-473	-9.4%	-181	-4.0%
Eagle Grove Submarket	No.	No.	No.	No.	No.	Pct.	No.	Pct.
Under 18	1,175	1,069	970	931	-106	-9.0%	-138	-12.9%
18 to 24	306	339	353	300	33	10.8%	-39	-11.4%
25 to 34	462	478	469	469	16	3.5%	-9	-1.8%
35 to 44	708	473	431	421	-235	-33.2%	-52	-10.9%
45 to 54	605	663	595	521	58	9.6%	-142	-21.4%
55 to 64	460	548	607	611	88	19.1%	63	11.5%
65 to 74	422	389	429	483	-33	-7.8%	94	24.2%
75 to 84	349	318	317	351	-31	-8.9%	33	10.4%
85+	151	161	160	161	10	6.6%	0	0.2%
Total	4,638	4,438	4,330	4,250	-200	-4.3%	-188	-4.2%
Goldfield Submarket	No.	No.	No.	No.	No.	Pct.	No.	Pct.
Under 18	224	159	153	148	-65	-29.0%	-11	-7.2%
18 to 24	63	55	66	44	-8	-12.7%	-11	-19.7%
25 to 34	91	75	67	74	-16	-17.6%	-1	-0.9%
35 to 44	128	97	79	71	-31	-24.2%	-26	-26.5%
45 to 54	119	124	112	89	5	4.2%	-35	-27.9%
55 to 64	96	123	129	116	27	28.1%	-7	-5.3%
65 to 74	125	74	84	105	-51	-40.8%	31	42.5%
75 to 84	65	85	62	50	20	30.8%	-35	-40.9%
85+	16	15	18	26	-1	-6.3%	11	74.1%
Total	927	807	770	725	-120	-12.9%	-82	-10.2%
Wright County Total	No.	No.	No.	No.	No.	Pct.	No.	Pct.
Under 18	3,507	3,086	2,804	2,652	-421	-12.0%	-434	-14.1%
18 to 24	935	897	1,006	874	-38	-4.1%	-23	-2.5%
25 to 34	1,428	1,339	1,308	1,342	-89	-6.2%	3	0.2%
35 to 44	2,086	1,382	1,279	1,244	-704	-33.7%	-138	-10.0%
45 to 54	1,967	1,957	1,738	1,497	-10	-0.5%	-460	-23.5%
55 to 64	1,373	1,799	1,909	1,851	426	31.0%	52	2.9%
65 to 74	1,320	1,187	1,315	1,549	-133	-10.1%	362	30.5%
75 to 84	1,164	1,041	979	1,045	-123	-10.6%	4	0.4%
85+	554	541	562	585	-13	-2.3%	44	8.1%
Total	14,334	13,229	12,900	12,640	-1,105	-7.7%	-589	-4.5%

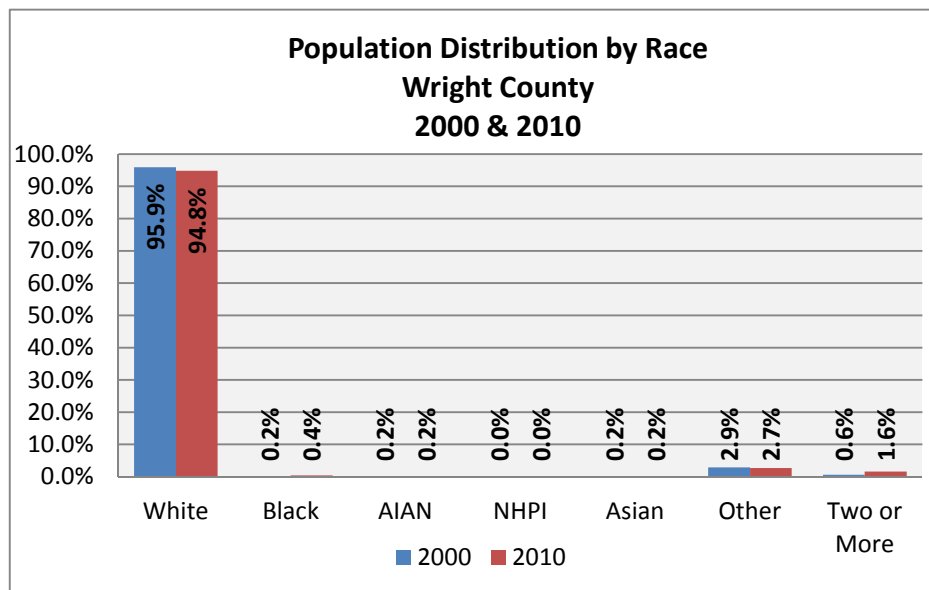
Source: U.S. Census Bureau; ESRI; Maxfield Research Inc.

- The 65 to 74 age cohort is projected to have the greatest percentage growth increasing by 234 people (17.8%) from 2014 to 2020, followed by the 75 to 84 age cohort (+6.7%) and the 85+ age cohort (+4.1%). The growth in this age cohort can be primarily attributed to the baby boom generation aging into their young senior years.

Race of Population

The race of the population illustrates the diversity for each submarket in Wright County. Data for 2000 and 2010 was obtained from the U.S. Census. Table D-7 presents race data in 2000 and 2010.

- In 2010, “Whites” comprise the largest proportion of the population in every submarket. The Goldfield submarket had the lowest percentage (91.1%) and the Eagle Grove submarket had the highest (95.8%). In 2000, the percentage of “Whites” in each submarket in Wright County ranged from 94.6% in the Clarion submarket to 98.2% in the Goldfield submarket.
- While “Whites” has remained the largest race category in 2000, it represented a smaller proportion of total population decreasing from 95.9% in 2000 to 94.8% in 2010.
- “Whites” also include Hispanic and Latino population. As of 2010, 9.6% of Wright County’s population was Hispanic/Latino.



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TABLE D-7
POPULATION DISTRIBUTION BY RACE
WRIGHT COUNTY
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	
	2000	2010	2000	2010	2000	2010	2000	2010	2000	2010	2000	2010	2000	2010
Number														
Belmond	3,547	3,230	11	8	10	5	0	4	11	10	128	113	25	50
Clarion	4,766	3,694	6	17	8	10	0	2	12	7	225	83	20	53
Eagle Grove	4,527	4,250	7	31	3	4	0	0	5	6	55	68	41	79
Goldfield	910	1,371	0	1	5	1	0	0	0	10	7	95	5	27
Wright County Total	13,750	12,545	24	57	26	20	0	6	28	33	415	359	91	209
Percentage														
Belmond	95.0%	94.4%	0.3%	0.2%	0.3%	0.1%	0.0%	0.1%	0.3%	0.3%	3.4%	3.3%	0.7%	1.5%
Clarion	94.6%	95.6%	0.1%	0.4%	0.2%	0.3%	0.0%	0.1%	0.2%	0.2%	4.5%	2.1%	0.4%	1.4%
Eagle Grove	97.6%	95.8%	0.2%	0.7%	0.1%	0.1%	0.0%	0.0%	0.1%	0.1%	1.2%	1.5%	0.9%	1.8%
Goldfield	98.2%	91.1%	0.0%	0.1%	0.5%	0.1%	0.0%	0.0%	0.0%	0.7%	0.8%	6.3%	0.5%	1.8%
Wright County Total	95.9%	94.8%	0.2%	0.4%	0.2%	0.2%	0.0%	0.0%	0.2%	0.2%	2.9%	2.7%	0.6%	1.6%
Sources: U.S. Census Bureau; Maxfield Research Inc.														

- “Black or African American Alone” experienced the largest percentage growth between 2000 and 2010, increasing from 24 to 57 people, an increase of 137.5%. Two or More Races Alone” also increased considerably from 91 to 209 people, an increase of 129.7% between 2000 and 2010. “Native Hawaiians or Pacific Islander” and “Asians” experienced small numerical growth.
- The most significant decline in population is from the “American Indian or Alaska Native Alone” category, which decreased by nearly 23.1% (-6 people) between 2000 and 2010. “Some Other Race” experienced a significant decline by nearly -13.5% (-56 people) between 2000 and 2010.

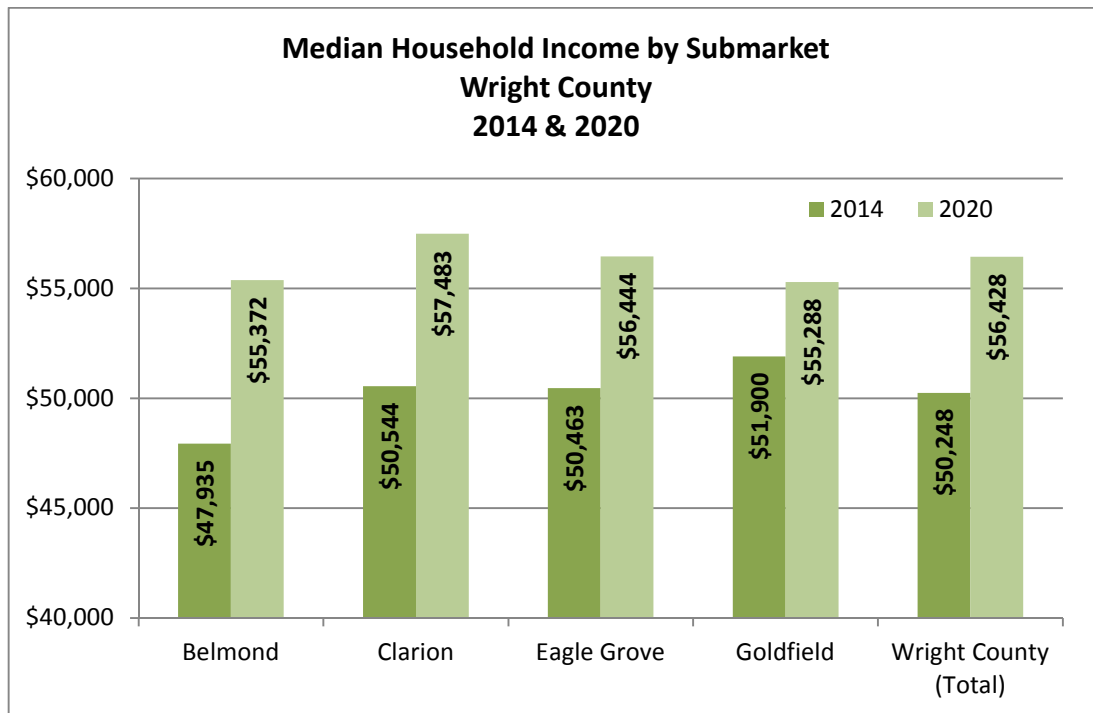
Household Income by Age of Householder

The estimated distribution of household incomes in Wright County and each submarket for 2014 and 2020 are shown in Tables D-8, D-9, D-10, D-11, and D-12. The data was estimated by Maxfield Research Inc. 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.

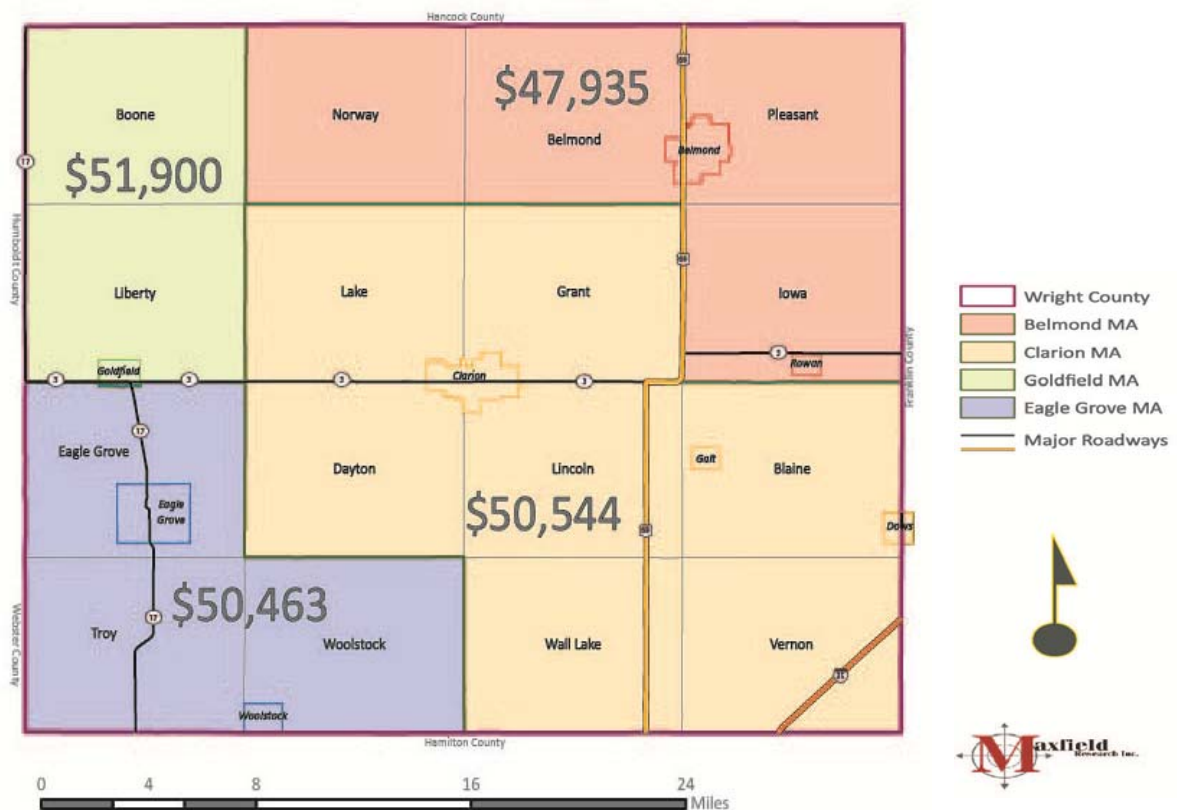
The Department of Housing and Urban Development defines affordable housing costs as 30% of a household’s adjusted gross income. For example, a household with an income of \$50,000 per year would be able to afford a monthly housing cost of about \$1,250. Maxfield Research Inc. utilizes a figure of 25% 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 2014, the median household income in Wright County was estimated to be \$50,248 and is projected to climb over 12% to \$56,428 by 2020. Within the County, the Goldfield submarket had the highest median household income in 2014, at \$51,900. Lowest incomes were found in the Belmond submarket (\$47,935).
- In 2014, the 35 to 44 age group has the highest median income in the County with \$63,910. With a household income of \$63,910, a household could afford a monthly housing cost of about \$1,598, based on an allocation of 30% of income toward housing.



2014 Household Income by Submarket



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- In 2014, 12.9% of the non-senior (under age 65) households in Wright County had incomes under \$15,000 (470 households). All of these households would be eligible for subsidized rental housing. Another 6.2% of Wright County's non-senior households had incomes between \$15,000 and \$25,000 (226 households). Many of these households would qualify for subsidized housing, but many could also afford "affordable" or older market rate rentals. If housing costs absorb 30% of income, households with incomes of \$15,000 to \$25,000 could afford to pay \$375 to \$625 per month.
- Incomes are expected to increase by 12.3% between 2014 and 2020 in Wright County for a median income of \$56,428 for all households. This equates to an increase of 2.0% annually.

TABLE D-8 HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER Wright County (Total) 2014 & 2020								
	Age of Householder							
	Total	<25	25-34	35-44	45-54	55-64	65 -74	75+
2014								
Less than \$15,000	755	53	87	61	107	162	78	207
\$15,000 to \$24,999	634	34	49	30	54	60	96	312
\$25,000 to \$34,999	625	14	46	33	43	65	175	250
\$35,000 to \$49,999	722	41	92	71	115	151	152	100
\$50,000 to \$74,999	1,302	40	142	227	313	346	168	67
\$75,000 to \$99,999	696	17	114	141	142	157	68	58
\$100,000 or more	781	25	123	132	193	169	77	63
Total	5,515	223	654	693	967	1,109	814	1,056
Median Income	\$50,248	\$38,007	\$56,893	\$63,910	\$59,855	\$55,678	\$39,386	\$25,239
2020								
Less than \$15,000	694	45	70	50	78	137	87	228
\$15,000 to \$24,999	479	20	38	19	33	36	83	252
\$25,000 to \$34,999	509	8	31	24	25	44	157	222
\$35,000 to \$49,999	648	35	78	55	75	128	160	116
\$50,000 to \$74,999	1,117	35	125	180	222	283	195	77
\$75,000 to \$99,999	925	24	144	178	161	208	119	91
\$100,000 or more	1,062	32	174	159	223	227	138	109
Total	5,435	197	660	666	817	1,062	939	1,095
Median Income	\$56,428	\$45,338	\$71,704	\$75,426	\$71,023	\$63,825	\$47,780	\$27,297
Change 2014 - 2020								
Less than \$15,000	-61	-8	-17	-11	-29	-25	9	21
\$15,000 to \$24,999	-154	-14	-11	-11	-21	-24	-13	-60
\$25,000 to \$34,999	-116	-6	-15	-9	-18	-21	-18	-28
\$35,000 to \$49,999	-74	-6	-14	-15	-40	-23	8	16
\$50,000 to \$74,999	-184	-5	-17	-46	-91	-62	27	11
\$75,000 to \$99,999	229	7	29	37	19	51	51	34
\$100,000 or more	281	7	51	27	30	58	61	46
Total	-80	-25	6	-28	-150	-47	125	38
Median Income	\$6,180	\$7,331	\$14,811	\$11,516	\$11,168	\$8,147	\$8,394	\$2,058

Sources: ESRI; US Census Bureau; Maxfield Research Inc.

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TABLE D-9
HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER
Belmond Submarket
2014 & 2020

	Total	Age of Householder						
		<25	25-34	35-44	45-54	55-64	65 -74	
2014								
Less than \$15,000	186	12	20	11	30	34	18	61
\$15,000 to \$24,999	184	9	11	6	10	13	24	111
\$25,000 to \$34,999	154	2	10	12	8	17	37	68
\$35,000 to \$49,999	215	13	32	21	35	34	47	33
\$50,000 to \$74,999	304	8	33	41	68	96	42	16
\$75,000 to \$99,999	195	4	34	36	47	51	19	4
\$100,000 or more	193	4	26	26	49	50	24	14
Total	1,430	52	166	153	247	295	211	307
Median Income	\$47,935	\$37,369	\$55,549	\$63,410	\$61,977	\$59,600	\$41,969	\$22,411
2020								
Less than \$15,000	171	11	17	8	19	27	18	71
\$15,000 to \$24,999	138	4	9	3	5	8	18	91
\$25,000 to \$34,999	125	1	6	8	5	10	31	64
\$35,000 to \$49,999	196	11	28	17	24	28	49	39
\$50,000 to \$74,999	261	7	29	31	48	77	47	21
\$75,000 to \$99,999	263	7	44	47	56	69	32	7
\$100,000 or more	261	5	37	30	55	64	42	27
Total	1,415	46	170	144	212	284	238	321
Median Income	\$55,372	\$43,070	\$70,360	\$76,553	\$76,430	\$70,987	\$50,868	\$24,649
Change 2014 - 2020								
Less than \$15,000	-15	-1	-3	-3	-11	-7	0	10
\$15,000 to \$24,999	-46	-5	-2	-3	-5	-5	-6	-20
\$25,000 to \$34,999	-29	-1	-4	-4	-3	-7	-6	-4
\$35,000 to \$49,999	-18	-2	-4	-4	-11	-6	2	6
\$50,000 to \$74,999	-43	-1	-4	-10	-20	-19	5	5
\$75,000 to \$99,999	68	3	10	11	9	18	13	3
\$100,000 or more	68	1	11	4	6	14	18	13
Total	-15	-6	4	-9	-34	-11	27	14
Median Income	\$7,437	\$5,701	\$14,811	\$13,143	\$14,453	\$11,387	\$8,899	\$2,238

Sources: ESRI; US Census Bureau; Maxfield Research Inc.

Sources: ESRI; US Census Bureau; Maxfield Research Inc.

DEMOGRAPHIC ANALYSIS

TABLE D-10
HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER
Clarion Submarket
2014 & 2020

	Total	Age of Householder						
		<25	25-34	35-44	45-54	55-64	65 -74	
2014								
Less than \$15,000	293	22	36	24	28	71	27	86
\$15,000 to \$24,999	220	11	18	20	12	28	32	99
\$25,000 to \$34,999	198	4	13	6	14	19	61	81
\$35,000 to \$49,999	240	11	28	21	37	58	52	34
\$50,000 to \$74,999	438	14	47	71	96	118	61	32
\$75,000 to \$99,999	236	6	31	65	46	46	24	19
\$100,000 or more	301	11	48	55	92	52	27	17
Total	1,925	79	220	260	325	391	282	369
Median Income	\$50,544	\$37,616	\$56,038	\$69,476	\$66,231	\$52,596	\$40,047	\$24,762
2020								
Less than \$15,000	264	17	28	17	19	61	30	92
\$15,000 to \$24,999	168	7	15	12	7	17	31	79
\$25,000 to \$34,999	158	2	8	5	5	12	56	69
\$35,000 to \$49,999	213	10	23	16	22	45	57	41
\$50,000 to \$74,999	375	11	43	56	64	94	72	35
\$75,000 to \$99,999	311	10	38	81	49	62	42	30
\$100,000 or more	412	15	73	66	105	73	49	31
Total	1,900	71	227	253	271	365	337	377
Median Income	\$57,483	\$50,000	\$72,962	\$79,327	\$82,576	\$59,767	\$47,928	\$26,809
Change 2014 - 2020								
Less than \$15,000	-30	-5	-8	-7	-9	-9	3	6
\$15,000 to \$24,999	-52	-4	-3	-8	-5	-11	-1	-20
\$25,000 to \$34,999	-40	-2	-5	-1	-9	-7	-4	-12
\$35,000 to \$49,999	-26	-1	-5	-5	-15	-13	6	7
\$50,000 to \$74,999	-64	-3	-4	-15	-32	-24	12	3
\$75,000 to \$99,999	76	4	7	17	3	17	18	11
\$100,000 or more	111	4	26	12	13	22	22	14
Total	-25	-7	7	-8	-54	-26	55	8
Median Income	\$6,939	\$12,384	\$16,924	\$9,851	\$16,345	\$7,171	\$7,881	\$2,047

Sources: ESRI; US Census Bureau; Maxfield Research Inc.

Sources: ESRI; US Census Bureau; Maxfield Research Inc.

DEMOGRAPHIC ANALYSIS

TABLE D-11
HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER
Eagle Grove Submarket
2014 & 2020

	Total	Age of Householder						
		<25	25-34	35-44	45-54	55-64	65 -74	
2014								
Less than \$15,000	238	17	30	19	36	50	32	55
\$15,000 to \$24,999	196	12	17	3	30	18	35	82
\$25,000 to \$34,999	227	8	18	10	19	27	65	81
\$35,000 to \$49,999	229	14	31	25	42	47	41	29
\$50,000 to \$74,999	449	14	49	96	115	106	53	16
\$75,000 to \$99,999	224	3	45	34	40	46	22	34
\$100,000 or more	252	7	42	48	46	57	22	30
Total	1,815	74	232	234	329	352	270	325
Median Income	\$50,463	\$35,362	\$58,256	\$62,239	\$55,165	\$55,330	\$35,766	\$27,294
2020								
Less than \$15,000	219	15	24	16	29	43	35	57
\$15,000 to \$24,999	149	7	12	3	20	10	30	68
\$25,000 to \$34,999	185	5	13	7	13	19	59	71
\$35,000 to \$49,999	207	12	26	20	30	44	43	31
\$50,000 to \$74,999	384	14	41	76	87	91	58	17
\$75,000 to \$99,999	300	4	57	41	47	62	37	52
\$100,000 or more	346	9	57	59	59	78	37	47
Total	1,790	65	229	222	285	347	300	342
Median Income	\$56,444	\$41,157	\$74,160	\$69,712	\$61,340	\$63,108	\$42,682	\$30,738
Change 2014 - 2020								
Less than \$15,000	-20	-2	-6	-3	-7	-7	4	2
\$15,000 to \$24,999	-47	-5	-5	-0	-10	-8	-5	-14
\$25,000 to \$34,999	-41	-3	-5	-3	-6	-8	-6	-10
\$35,000 to \$49,999	-22	-2	-4	-5	-12	-3	2	3
\$50,000 to \$74,999	-65	-0	-8	-19	-28	-15	5	1
\$75,000 to \$99,999	76	1	12	8	7	15	16	18
\$100,000 or more	94	2	14	11	13	21	16	17
Total	-25	-9	-2	-12	-44	-5	30	17
Median Income	\$5,981	\$5,795	\$15,904	\$7,473	\$6,175	\$7,778	\$6,916	\$3,444

Sources: ESRI; US Census Bureau; Maxfield Research Inc.

Sources: ESRI; US Census Bureau; Maxfield Research Inc.

DEMOGRAPHIC ANALYSIS

TABLE D-12
HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER
Goldfield Submarket
2014 & 2020

	Total	Age of Householder						
		<25	25-34	35-44	45-54	55-64	65 -74	75+
2014								
Less than \$15,000	41	0	4	7	15	6	3	6
\$15,000 to \$24,999	33	3	3	0	1	3	3	20
\$25,000 to \$34,999	45	0	3	3	3	3	12	21
\$35,000 to \$49,999	38	3	3	2	2	12	10	6
\$50,000 to \$74,999	113	4	12	20	32	27	13	4
\$75,000 to \$99,999	39	2	4	7	9	13	4	0
\$100,000 or more	35	2	6	4	4	11	6	2
Total	345	14	35	43	66	75	51	59
Median Income	\$51,900	\$54,062	\$56,244	\$57,698	\$55,329	\$58,993	\$45,154	\$25,950
2020								
Less than \$15,000	37	0	4	7	10	5	4	7
\$15,000 to \$24,999	26	2	2	0	1	2	3	16
\$25,000 to \$34,999	38	0	2	2	2	1	12	19
\$35,000 to \$49,999	35	2	3	2	1	9	11	7
\$50,000 to \$74,999	97	3	12	18	22	21	16	4
\$75,000 to \$99,999	50	2	5	9	10	16	8	0
\$100,000 or more	45	2	9	4	4	12	10	4
Total	330	11	37	42	50	67	65	58
Median Income	\$55,288	\$59,546	\$62,485	\$59,963	\$58,473	\$66,583	\$51,970	\$26,881
Change 2014 - 2020								
Less than \$15,000	-4	0	0	0	-5	-1	1	1
\$15,000 to \$24,999	-7	-1	-1	0	0	-1	0	-4
\$25,000 to \$34,999	-7	0	-1	-1	-1	-2	0	-2
\$35,000 to \$49,999	-3	-1	0	0	-1	-3	1	1
\$50,000 to \$74,999	-16	-1	0	-2	-10	-6	3	0
\$75,000 to \$99,999	11	0	1	2	1	3	4	0
\$100,000 or more	10	0	3	0	0	1	4	2
Total	-15	-3	2	-1	-16	-9	13	-2
Median Income	\$3,388	\$5,484	\$6,241	\$2,265	\$3,144	\$7,590	\$6,816	\$931

Sources: ESRI; US Census Bureau; Maxfield Research Inc.

Sources: ESRI; US Census Bureau; Maxfield Research Inc.

Tenure by Age of Householder

Table D-13 shows 2000 and 2010 tenure data for each of the submarkets in Wright County from the U.S. Census Bureau. Table D-14 shows the number of owner and renter households in Wright County 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.

The following are key findings from Tables D-13 and D-14.

- In 2000, 74.2% of all households in Wright County owned their housing. By 2010, that percentage decreased to 73.5%.
- In 2010, Goldfield submarket had the highest ownership rate at 79.6% while Eagle Grove submarket had the lowest ownership rate (70.1%).
- 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 Wright County as 71.9% of households age 15 to 24, 44.8% of age 25 to 34 households, and 23.4% of 65 and older households rented their housing in 2010.
- In the 15 to 24 age group, the Goldfield submarket had the highest proportion of renters at 86.7%, followed by the Eagle Grove submarket at 72.5% in 2010. Although the Goldfield submarket has the highest percentage of renters, the Eagle Grove submarket has the highest number of renters.

TABLE D-13 HOUSEHOLD TENURE WRIGHT COUNTY 2000 and 2010										
Submarket	2000					2010				
	Owner	Pct.	Renter	Pct.	Total	Owner	Pct.	Renter	Pct.	Total
Belmond	1,172	75.2	387	24.8	1,559	1,112	76.6	340	23.4	1,452
Clarion	1,533	72.8	572	27.2	2,105	1,432	73.3	521	26.7	1,953
Eagle Grove	1,409	74.7	478	25.3	1,887	1,302	70.1	556	29.9	1,858
Goldfield	293	75.3	96	24.7	389	288	79.6	74	20.4	362
TOTAL	4,407	74.2	1,533	25.8	5,940	4,134	73.5	1,491	26.5	5,625

Sources: U.S. Census; Maxfield Research, Inc.

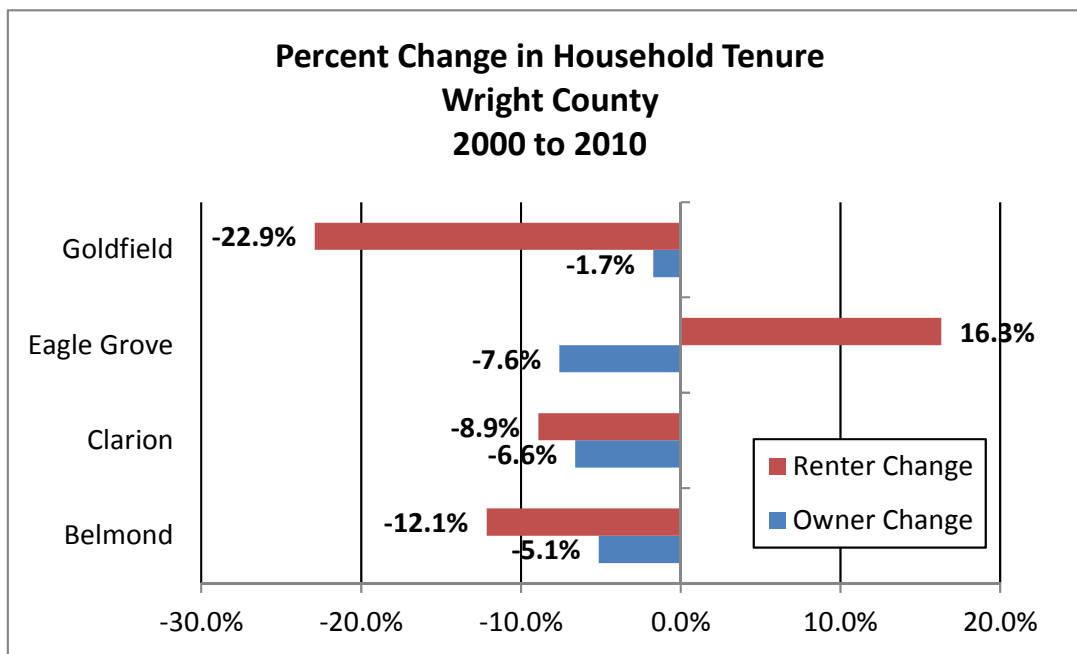
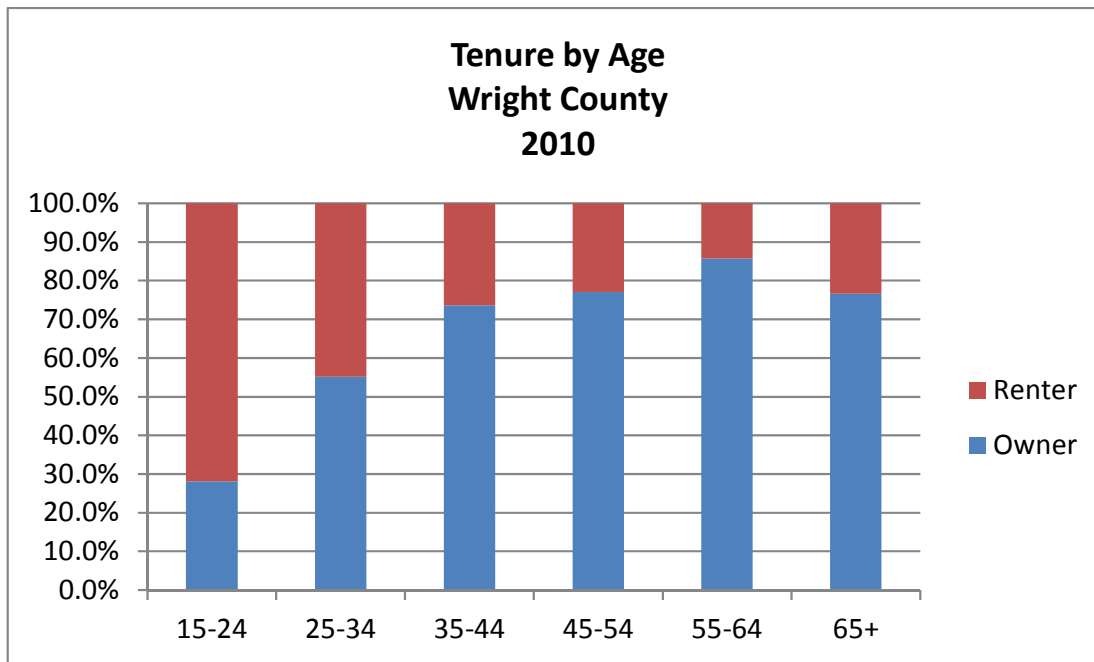


TABLE D-14
TENURE BY AGE OF HOUSEHOLDER
WRIGHT COUNTY
2010

Age		Belmond		Clarion		Eagle Grove		Goldfield		Wright County	
		No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
15-24	Own	19	32.2	21	28.4	22	27.5	2	13.3	64	28.1
	Rent	40	67.8	53	71.6	58	72.5	13	86.7	164	71.9
	Total	59	100.0	74	100.0	80	100.0	15	100.0	228	100.0
25-34	Own	101	59.4	117	52.5	125	52.1	26	74.3	369	55.2
	Rent	69	40.6	106	47.5	115	47.9	9	25.7	299	44.8
	Total	170	100.0	223	100.0	240	100.0	35	100.0	668	100.0
35-44	Own	136	77.7	197	75.5	179	67.3	44	83.0	556	73.6
	Rent	39	22.3	64	24.5	87	32.7	9	17.0	199	26.4
	Total	175	100.0	261	100.0	266	100.0	53	100.0	755	100.0
45-54	Own	240	83.9	281	76.8	270	72.6	52	74.3	843	77.1
	Rent	46	16.1	85	23.2	102	27.4	18	25.7	251	22.9
	Total	286	100.0	366	100.0	372	100.0	70	100.0	1,094	100.0
55-64	Own	242	86.7	328	86.1	270	83.6	64	88.9	904	85.7
	Rent	37	13.3	53	13.9	53	16.4	8	11.1	151	14.3
	Total	279	100.0	381	100.0	323	100.0	72	100.0	1,055	100.0
65-74	Own	174	88.8	215	86.0	205	81.7	41	93.2	635	85.7
	Rent	22	11.2	35	14.0	46	18.3	3	6.8	106	14.3
	Total	196	100.0	250	100.0	251	100.0	44	100.0	741	100.0
75-84	Own	136	80.5	190	74.5	169	80.5	50	80.6	545	78.3
	Rent	33	19.5	65	25.5	41	19.5	12	19.4	151	21.7
	Total	169	100.0	255	100.0	210	100.0	62	100.0	696	100.0
85+	Own	64	54.2	83	58.0	62	53.4	9	81.8	218	56.2
	Rent	54	45.8	60	42.0	54	46.6	2	18.2	170	43.8
	Total	118	100.0	143	100.0	116	100.0	11	100.0	388	100.0
TOTAL	Own	1,112	76.6	1,432	73.3	1,302	70.1	288	79.6	4,134	73.5
	Rent	340	23.4	521	26.7	556	29.9	74	20.4	1,491	26.5
	Total	1,452	100.0	1,953	100.0	1,858	100.0	362	100.0	5,625	100.0

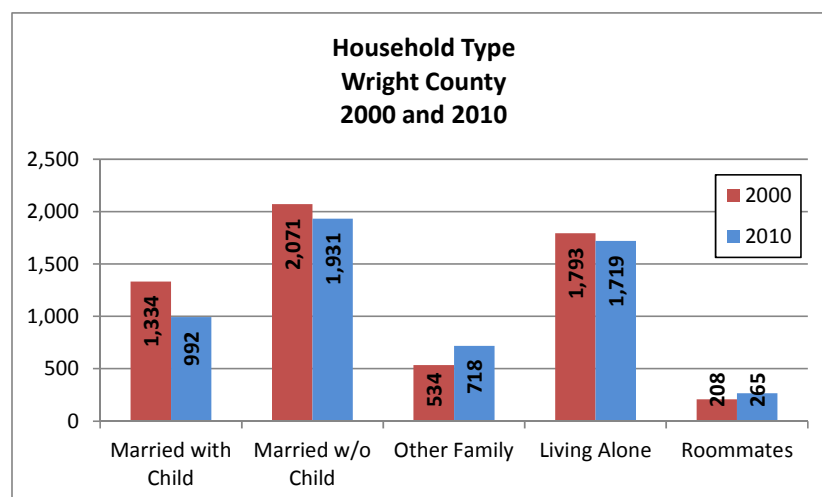
Sources: U.S. Census Bureau; Maxfield Research Inc.

Household Type

Table D-15 shows a breakdown of the type of households present in Wright County 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-15.

DEMOGRAPHIC ANALYSIS

- Family households were the most common type of household in the County, representing approximately 66.3% of all households in 2000 and 64.7% of all households in 2010. Married couples without children comprised 34.9% of all households in 2000 and 34.3% in 2010. Married couple families with children comprised 22.5% of all the Wright County households in 2000, dropping to 17.6% 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 delay child-birth, 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.
- Non-family households made up 33.7% of all households in 2000, increasing to 35.3% in 2010. The percentage of people living alone increased from 30.2% in 2000 to 30.6% in 2010. Roommates and unmarried couples comprised 3.5% of Wright County households in 2000, compared to 4.7% in 2010.
- Between 2000 and 2010, Other family households experienced the largest increase as a percentage (+34.5%). Other families include single-parents and unmarried couples with children. With only one income, these families are most likely to need affordable or modest housing, both rental and for-sale.
- According to the 2013 National Association of Realtors (NAR) Home Buyer and Seller Generational Trends, approximately 65% of all homebuyers were married couples, 25% were single, 8% were unmarried couples, and 2% were other.



DEMOGRAPHIC ANALYSIS

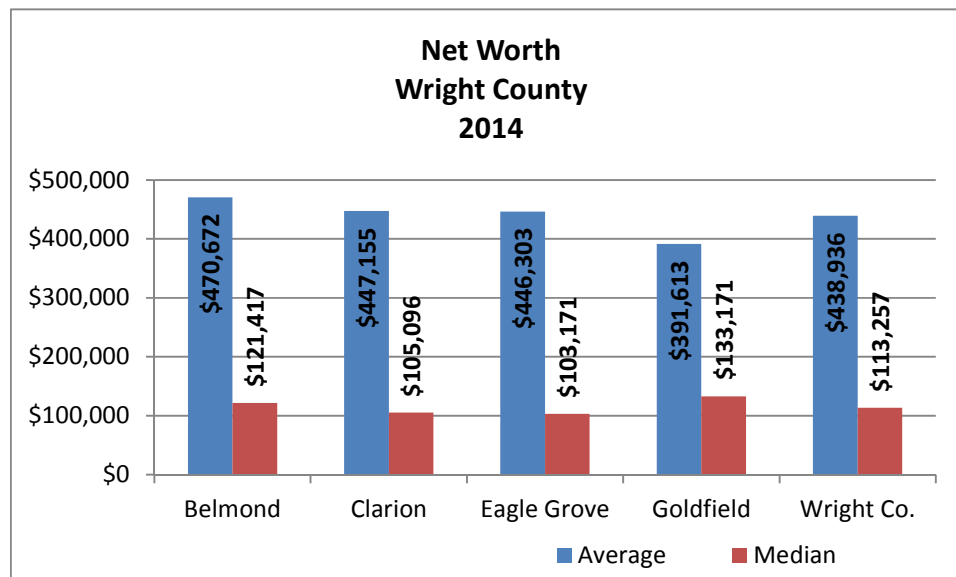
**TABLE D-15
HOUSEHOLD TYPE
WRIGHT COUNTY
2000 & 2010**

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
Wright County Total	5,940	5,625	1,334	992	2,071	1,931	534	718	1,793	1,719	208	265
Belmond	1,559	1,452	367	274	525	518	124	167	500	444	43	49
Clarion	2,105	1,953	463	341	744	693	171	229	646	593	81	97
Eagle Grove	1,887	1,858	420	317	649	579	205	282	545	575	68	105
Goldfield	389	362	84	60	153	141	34	40	102	107	16	14
State of Iowa	1,149,276	1,221,576	282,572	244,753	350,682	380,420	136,430	164,861	313,083	347,479	66,509	84,063
Percent												
Wright County Total	100.0	100.0	22.5	17.6	34.9	34.3	9.0	12.8	30.2	30.6	3.5	4.7
Belmond	100.0	100.0	23.5	18.9	33.7	35.7	8.0	11.5	32.1	30.6	2.8	3.4
Clarion	100.0	100.0	22.0	17.5	35.3	35.5	8.1	11.7	30.7	30.4	3.8	5.0
Eagle Grove	100.0	100.0	22.3	17.1	34.4	31.2	10.9	15.2	28.9	30.9	3.6	5.7
Goldfield	100.0	100.0	21.6	16.6	39.3	39.0	8.7	11.0	26.2	29.6	4.1	3.9
State of Iowa	100.0	100.0	24.6	20.0	30.5	31.1	11.9	13.5	27.2	28.4	5.8	6.9
Change 2000-2010												
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Wright County Total	-315	-5.3%	-342	-25.6%	-140	-6.8%	184	34.5%	-74	-4.1%	57	27.4%
Belmond	-107	-6.9%	-93	-25.3%	-7	-1.3%	43	34.7%	-56	-11.2%	6	14.0%
Clarion	-152	-7.2%	-122	-26.3%	-51	-6.9%	58	33.9%	-53	-8.2%	16	19.8%
Eagle Grove	-29	-1.5%	-103	-24.5%	-70	-10.8%	77	37.6%	30	5.5%	37	54.4%
Goldfield	-27	-6.9%	-24	-28.6%	-12	-7.8%	6	17.6%	5	4.9%	-2	-12.5%
State of Iowa	72,300	6.3%	-37,819	-13.4%	29,738	8.5%	28,431	20.8%	34,396	11.0%	17,554	26.4%
* Single-parents with children												
** Includes unmarried couples without children and group quarters												
Sources: U. S. Census; ESRI, Inc.; Maxfield Research, Inc.												

Net Worth

Table D-16 shows household net worth in Wright County in 2014. 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 data released by the National Association of Realtors in 2012, the average American homeowner has a net worth about 34 times greater than that of a renter. Research was based on the 2007 to 2010 Federal Reserve survey that showed the average net worth of a homeowner was \$174,500, whereas the average net worth of a renter was \$5,100.

- Wright County had an average net worth of \$438,936 in 2014 and a median net worth of \$113,257. 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 \$851,713 and a median net worth of \$218,395. Within the County, the Goldfield submarket had the highest median net worth at \$133,171 followed by the Belmond submarket at \$121,417. Conversely, the Eagle Grove submarket had the lowest median net worth at \$103,171.
- Households often delay purchasing homes and instead choose to rent until they acquire sufficient net worth to cover the costs of a down payment and closing costs associated with home ownership. This will be especially true in the short-term as tightening lending requirements make mortgages with little or no down payments more difficult to obtain.



DEMOGRAPHIC ANALYSIS

TABLE D-16
ESTIMATED NET WORTH BY AGE OF HOUSEHOLDER
WRIGHT COUNTY
2014

	Age of Householder							
	Total		15-24		25-34		35-44	
	Average	Median	Average	Median	Average	Median	Average	Median
Belmond	\$470,672	\$121,417	\$272,549	\$17,291	\$159,239	\$28,681	\$169,883	\$51,864
Clarion	\$447,155	\$105,096	\$115,166	\$18,661	\$167,348	\$22,276	\$180,092	\$43,082
Eagle Grove	\$446,303	\$103,171	\$252,372	\$17,227	\$178,666	\$26,057	\$164,855	\$45,044
Goldfield	\$391,613	\$133,171	\$43,214	\$19,083	\$207,924	\$51,654	\$128,648	\$55,920
Wright County Total	\$438,936	\$113,257	\$170,825	\$17,976	\$178,294	\$27,369	\$160,870	\$48,454
	45-54		55-64		65-74		75+	
	Average	Median	Average	Median	Average	Median	Average	Median
Belmond	\$567,991	\$115,706	\$1,013,341	\$250,001	\$921,438	\$231,638	\$514,122	\$152,417
Clarion	\$608,118	\$124,567	\$780,934	\$152,337	\$826,094	\$209,337	\$583,105	\$163,942
Eagle Grove	\$406,480	\$61,171	\$882,899	\$193,093	\$762,962	\$177,950	\$673,864	\$198,602
Goldfield	\$360,028	\$67,872	\$831,592	\$196,928	\$896,358	\$227,452	\$648,116	\$197,684
Wright County Total	\$485,654	\$91,789	\$877,192	\$195,011	\$851,713	\$218,395	\$604,802	\$180,813

Sources: ESRI; Maxfield Research, Inc.

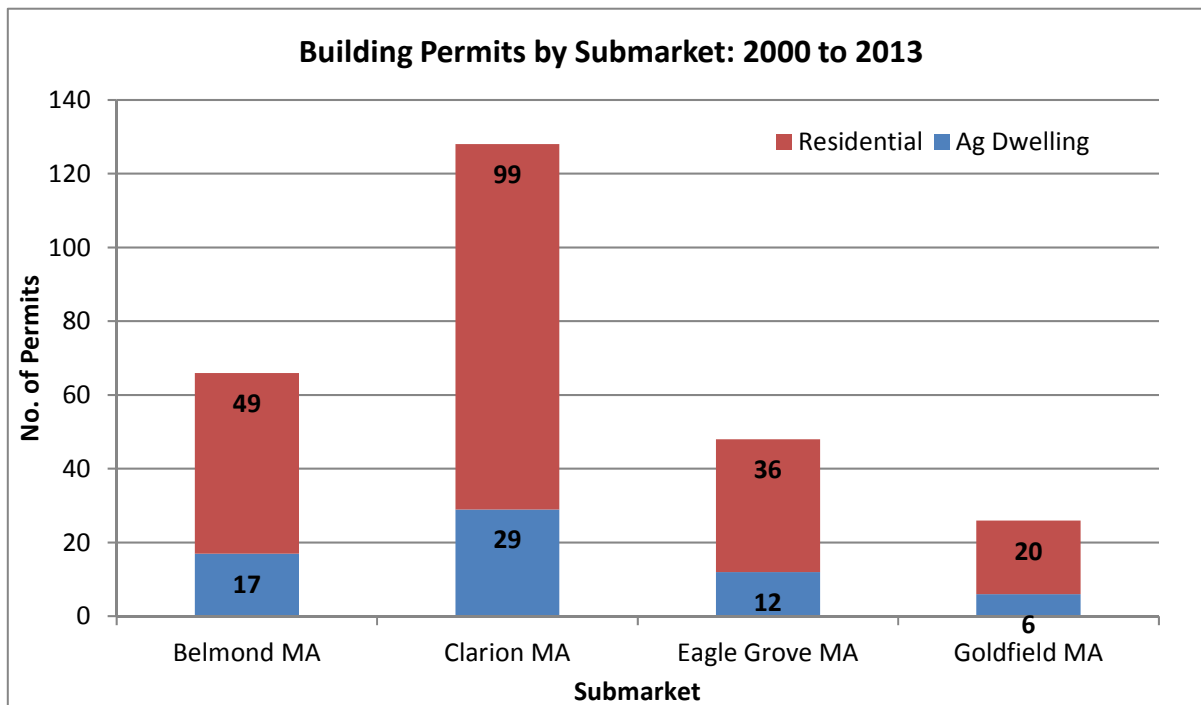
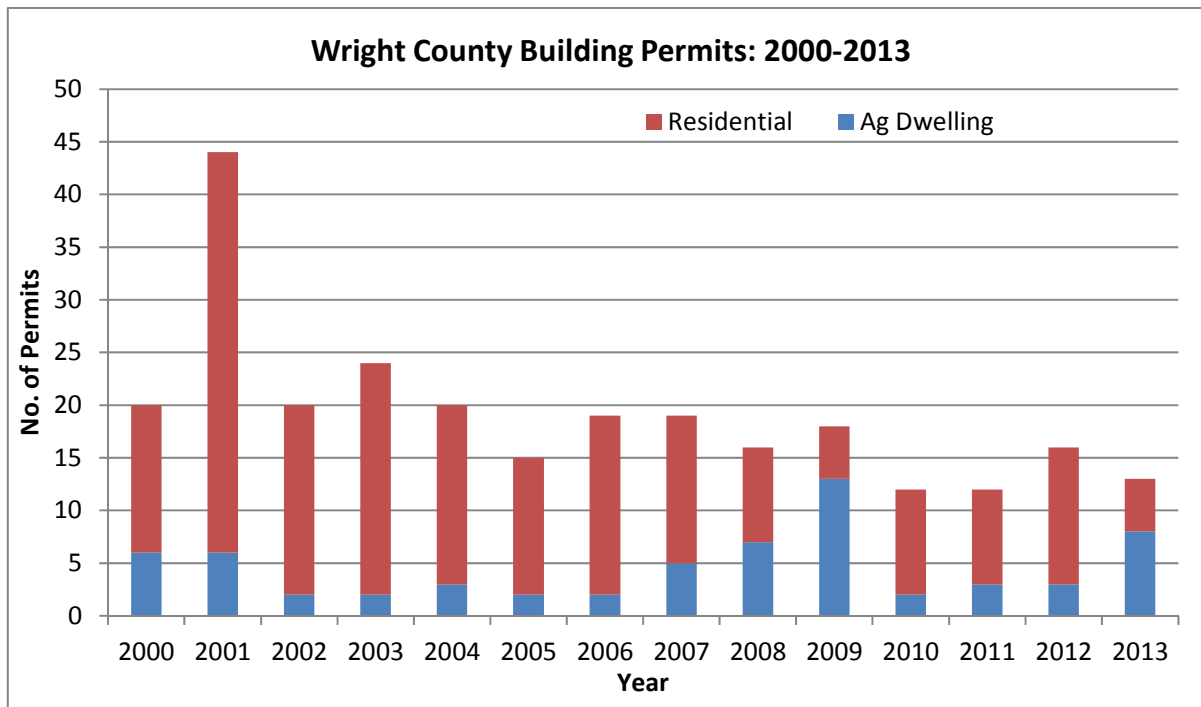
Introduction

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 each Wright County submarket 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 2013 from the Wright County Assessor parcel database. Table HC-1 displays the number of units for new construction and the average assessed housing value.

- Between 2000 and 2013, Wright County has averaged nineteen building permits a year. The building permit trends have fluctuated over the last 13 years, which peaked in 2001 (44 new construction units) and bottomed out in 2010 (12 new construction units).
- Clarion submarket has the highest number of building permits between 2000 and 2013 with 128 total building permits. Clarion's total of 128 is almost half of Wright County's building permits total.
- The lowest activity was in the Goldfield submarket, which has 26 building permits total between 2000 and 2013.
- The graphs on the following page illustrate building permit trends in Wright County between 2000 and 2013 as well as by submarkets within the County.



HOUSING CHARACTERISTICS

TABLE HC-1
BUILDING PERMITS BY SUBMARKET
2000 to 2013

	YEAR														
Submarket	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
Belmond MA															
Ag Dwelling	1	3				1	1	1	3	5		1		1	17
Residential	3	9	5	2	4	3	4	7	1	1	1	3	5	1	49
Total	4	12	5	2	4	4	5	8	4	6	1	4	5	2	66
Clarion MA															
Ag Dwelling	4	1			1	1		3	2	7	2	1	2	5	29
Residential	9	16	8	10	10	7	8	6	3	2	6	4	7	3	99
Total	13	17	8	10	11	8	8	9	5	9	8	5	9	8	128
Eagle Grove MA															
Ag Dwelling	1	2		1	1			1	1	1		1	1	2	12
Residential	2	11	1	8	2	2	1	1	2	2	1	1	1	1	36
Total	3	13	1	9	3	2	1	2	3	3	1	2	2	3	48
Goldfield MA															
Ag Dwelling			2	1	1		1		1						6
Residential		2	4	2	1	1	4		3		2	1			20
Total	0	2	6	3	2	1	5	0	4	0	2	1	0	0	26
Wright County															
Ag Dwelling	6	6	2	2	3	2	2	5	7	13	2	3	3	8	64
Residential	14	38	18	22	17	13	17	14	9	5	10	9	13	5	204
Total	20	44	20	24	20	15	19	19	16	18	12	12	16	13	268

Source: Wright County Assessor, Maxfield Research Inc.

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 2008 and 2012. 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, 2012 ACS data may have inconsistencies with previous 2010 Census data.

Tables HC-2 through HC-10 show key data from the American Community Survey for Wright County. For a comparison, information for Wright County is broken down by submarket.

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 2012 by each county submarket.

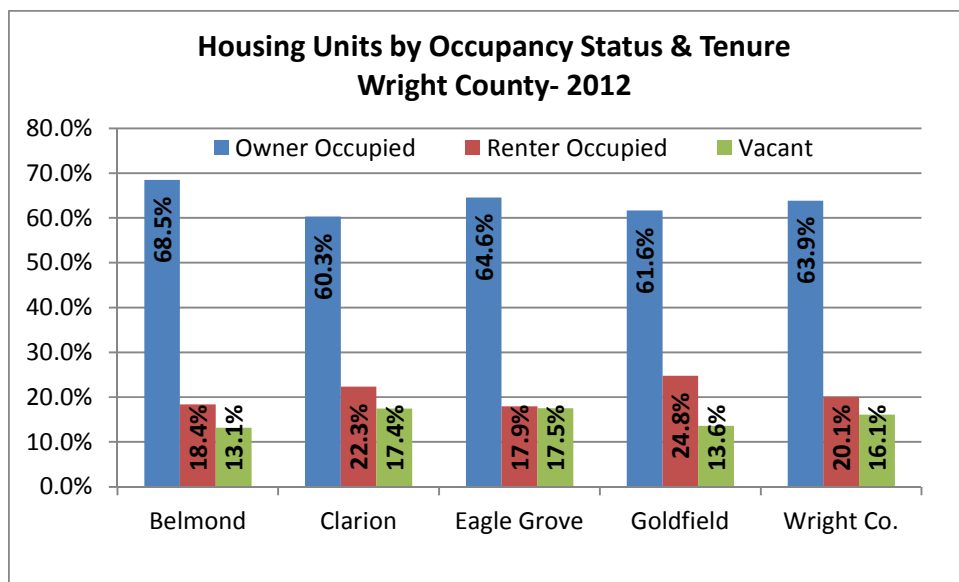
- Belmond submarket had the highest percentage of owner-occupied housing units in Wright County at 68.5%. The highest proportion of renter-occupied housing units could be found in the Goldfield submarket (24.8%).
- Eagle Grove submarket had the highest percentage of vacant housing units in Wright County at 17.5%.
- About 16% of Wright County’s housing stock was vacant in 2012. 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 17% of the vacant units were for seasonal use and 20% were for sale.

HOUSING CHARACTERISTICS

TABLE HC-2
HOUSING UNITS BY OCCUPANCY STATUS & TENURE
WRIGHT COUNTY
2012

Year/Occupancy	Belmond		Clarion		Eagle Grove		Goldfield		Total Wright	
	No.	Pct.	No.	Pct.	Pct.	Pct.	Pct.	Pct.	No.	Pct.
Owner Occupied	1,163	68.5	1,377	60.3	1,360	64.6	276	61.6	4,176	63.9
Renter Occupied	312	18.4	510	22.3	378	17.9	111	24.8	1,311	20.1
Vacant	223	13.1	398	17.4	368	17.5	61	13.6	1,050	16.1
Total	1,698	100.0	2,285	100.0	2,106	100.0	448	100.0	6,537	100.0

Sources: U.S. Census Bureau-American Community Survey; Maxfield Research Inc.



HOUSING CHARACTERISTICS

**TABLE HC-3
VACANCY STATUS
WRIGHT COUNTY
2012**

	2012														
	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.
Belmond	223	46	21%	16	7%	41	18%	0	0%	28	13%	0	0%	92	41%
Clarion	398	13	3%	24	6%	62	16%	22	6%	118	30%	0	0%	159	40%
Eagle Grove	368	74	20%	0	0%	95	26%	0	0%	5	1%	0	0%	194	53%
Goldfield	61	0	0%	0	0%	16	26%	0	0%	30	49%	0	0%	15	25%
Wright County Total	1,050	133	13%	40	4%	214	20%	22	2%	181	17%	0	0%	460	44%
Sources: U.S. Census Bureau-American Community Survey; Maxfield Research, Inc.															

Age of Housing Stock

The following graph 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 Wright County, prior to 1940 and during each decade since.

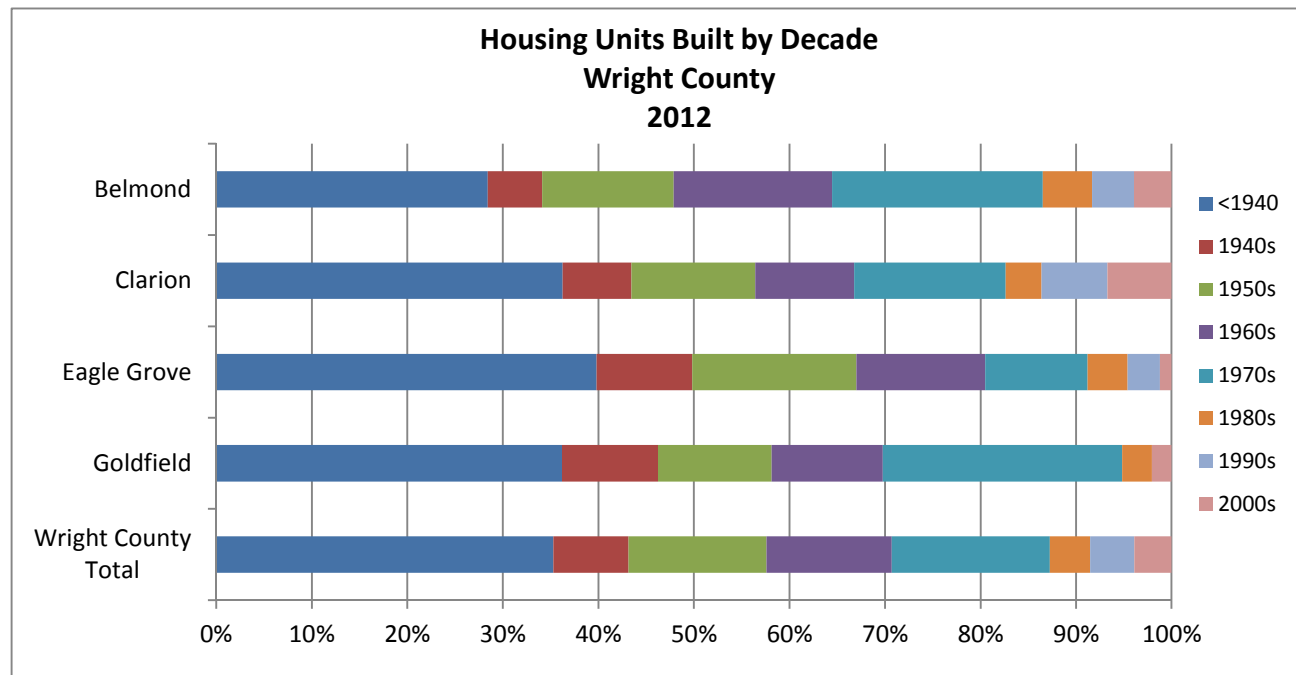
- The greatest percentage of homes in Wright County was built before the 1940s, which comprised 35.3% of the entire housing stock in the County. The second highest percentage of homes in Wright County was built in the 1970s (16.5%).
- Eagle Grove submarket has the highest proportion of older homes as 39.8% of the housing supply was built prior to 1940, followed by the Clarion and Goldfield submarkets (36.2%).
- Since 2000, 214 housing units have been added to the County's housing stock, roughly 3.9% of the total. Clarion submarket was the leader with 127 units (6.7%), followed by the Belmont submarket with 58 units (3.9%).

HOUSING CHARACTERISTICS

TABLE HC-4
AGE OF HOUSING STOCK (OCCUPIED HOUSING UNITS)
WRIGHT COUNTY
2012

	Total Units	Med. Yr. Built	Year Structure Built																	
			<1940		1940s		1950s		1960s		1970s		1980s		1990s		2000 to 2009		2010 or later	
			No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Belmond	1,475	1950	419	28.4%	84	5.7%	203	13.8%	245	16.6%	325	22.0%	76	5.2%	65	4.4%	58	3.9%	0	0.0%
Clarion	1,887	1957	684	36.2%	136	7.2%	245	13.0%	195	10.3%	299	15.8%	71	3.8%	130	6.9%	127	6.7%	0	0.0%
Eagle Grove	1,738	1947	692	39.8%	174	10.0%	299	17.2%	234	13.5%	186	10.7%	73	4.2%	59	3.4%	21	1.2%	0	0.0%
Goldfield	387	1954	140	36.2%	39	10.1%	46	11.9%	45	11.6%	97	25.1%	12	3.1%	0	0.0%	8	2.1%	0	0.0%
Wright County Total	5,487	1955	1,935	35.3%	433	7.9%	793	14.5%	719	13.1%	907	16.5%	232	4.2%	254	4.6%	214	3.9%	0	0.0%

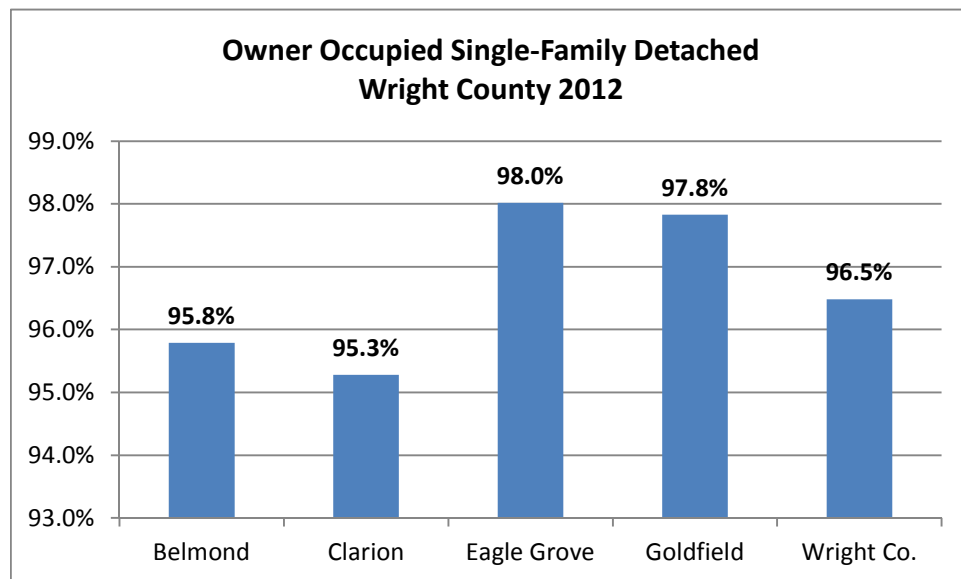
Sources: U.S. Census Bureau - American Community Survey; Maxfield Research Inc.



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

Table HC-5 shows the housing stock in Wright County by type of structure and tenure based on the 2012 ACS.

- The dominant housing type in Wright County is the single-family detached home, representing 84.5% of all housing units in the County. As a comparison, approximately 75% of all homes in Iowa are single-family detached.
- Eagle Grove and Goldfield submarkets have the highest proportions of single-family detached housing, representing 90.1% and 89.4% of their respective housing inventories. Conversely, the Clarion submarket has the smallest proportion of single-family detached housing at 78.6%.
- The majority of the housing units with two or more units are renter-occupied. Approximately 86% of housing with two or more units are renter-occupied. Goldfield submarket has the greatest proportions of multifamily units, at 94.6%.



HOUSING CHARACTERISTICS

TABLE HC-5
HOUSING UNITS BY STRUCTURE & TENURE
WRIGHT COUNTY
2012

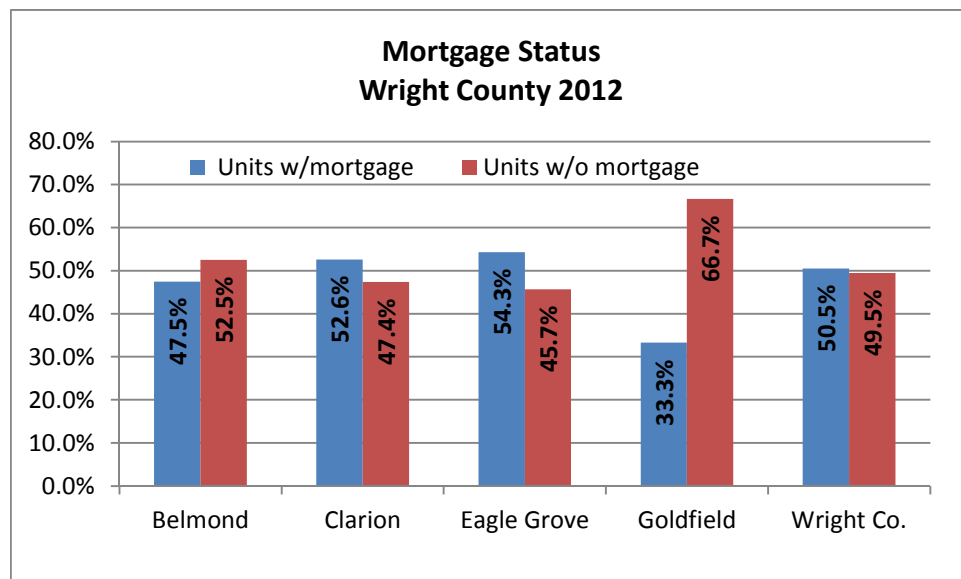
Units in Structure	Belmond				Clarion				Eagle Grove				Goldfield				Wright County Total			
	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.
1, detached	1,114	95.8%	128	41.0%	1,312	95.3%	172	34%	1,333	98.0%	233	62%	270	97.8%	76	68%	4,029	96.5%	609	46.5%
1, attached	9	0.8%	0	0.0%	24	1.7%	32	6%	0	0.0%	0	0%	4	1.4%	0	0%	37	0.9%	32	2.4%
2	0	0.0%	61	19.6%	0	0.0%	33	6%	0	0.0%	19	5%	0	0.0%	0	0%	0	0.0%	113	8.6%
3 to 4	17	1.5%	8	2.6%	13	0.9%	108	21%	0	0.0%	53	14%	0	0.0%	5	5%	30	0.7%	174	13.3%
5 to 9	3	0.3%	14	4.5%	0	0.0%	64	13%	0	0.0%	55	15%	0	0.0%	12	11%	3	0.1%	145	11.1%
10 to 19	12	1.0%	20	6.4%	0	0.0%	40	8%	0	0.0%	0	0%	0	0.0%	18	16%	12	0.3%	78	5.9%
20 to 49	0	0.0%	7	2.2%	0	0.0%	52	10%	0	0.0%	7	2%	0	0.0%	0	0%	0	0.0%	66	5.0%
50 or more	0	0.0%	74	23.7%	0	0.0%	0	0%	0	0.0%	0	0%	0	0.0%	0	0%	0	0.0%	74	5.6%
Mobile home	8	0.7%	0	0.0%	28	2.0%	9	2%	27	2.0%	11	3%	2	0.7%	0	0%	65	1.6%	20	1.5%
Boat, RV, van, etc.	0	0.0%	0	0.0%	0	0.0%	0	0%	0	0.0%	0	0%	0	0.0%	0	0%	0	0.0%	0	0.0%
Total	1,163	100%	312	100%	1,377	100%	510	100%	1,360	100%	378	100%	276	100%	111	100%	4,176	100%	1,311	100%

Sources: U.S. Census Bureau - American Community Survey; Maxfield Research Inc.

Owner-Occupied Housing Units by Mortgage Status

Table HC-6 shows mortgage status from the American Community Survey for 2012 (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 50.5% of Wright County homeowners have a mortgage. About 7% of homeowners with mortgages in Wright County also have a second mortgage and/or home equity loan.
- Eagle Grove and Clarion submarkets have the highest percentages of homeowners with a mortgage with 54.3% and 52.6%, respectively. Goldfield submarket has the lowest percentage (33.3%).



HOUSING CHARACTERISTICS

TABLE HC-6
OWNER-OCCUPIED HOUSING UNITS BY MORTGAGE STATUS
WRIGHT COUNTY
2012

Mortgage Status	Belmond		Clarion		Eagle Grove		Goldfield		Total Wright		Iowa
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	Pct.
Housing units without a mortgage	611	52.5	653	47.4	621	45.7	184	66.7	2,069	49.5	37.2
Housing units with a mortgage/debt	552	47.5	724	52.6	739	54.3	92	33.3	2,107	50.5	62.8
<i>Second mortgage only</i>	15	1.3	22	1.6	6	0.4	0	0.0	43	1.0	3.9
<i>Home equity loan only</i>	14	1.2	83	6.0	114	8.4	6	2.2	217	5.2	9.2
<i>Both second mortgage and equity loan</i>	0	0.0	0	0.0	16	1.2	0	0.0	16	0.4	0.5
<i>No second mortgage or equity loan</i>	523	45.0	619	45.0	603	44.3	86	31.2	1,831	43.8	49.2
Total	1,163	100.0	1,377	100.0	1,360	100.0	276	100.0	4,176	100.0	100.0

Sources: U.S. Census Bureau - American Community Survey; Maxfield Research Inc.

Owner-Occupied Housing Units by Value

Table HC-7 presents data on housing values summarized by nine 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.

- The median owner-occupied home in Wright County was \$74,200, which is lower than all the submarkets except for the Eagle Grove submarket.
- Median values in Wright County range from a low of \$61,530 in the Eagle Grove submarket to a high of \$79,205 in the Belmond submarket.
- Clarion and Goldfield submarkets were slightly above the median value in Wright County with a median home value of \$77,710 and \$75,940.

HOUSING CHARACTERISTICS

**TABLE HC-7
OWNER-OCCUPIED UNITS BY VALUE
WRIGHT COUNTY
2012**

Home Value	Belmond		Clarion		Eagle Grove		Goldfield		Total Wright		Iowa
	No.	Pct.	No.	Pct.	Pct.	Pct.	Pct.	Pct.	No.	Pct.	Pct.
Less than \$50,000	253	21.8	368	26.7	529	38.9	77	27.9	1,227	29.4	11.7
\$50,000-\$99,999	554	47.6	511	37.1	501	36.8	129	46.7	1,695	40.6	26.8
\$100,000-\$149,999	181	15.6	200	14.5	158	11.6	8	2.9	547	13.1	24.3
\$150,000-\$199,999	103	8.9	125	9.1	72	5.3	21	7.6	321	7.7	16.1
\$200,000-\$249,999	33	2.8	48	3.5	56	4.1	17	6.2	154	3.7	8.8
\$250,000-\$299,999	25	2.1	35	2.5	29	2.1	22	8.0	111	2.7	4.8
\$300,000-\$399,999	11	0.9	59	4.3	15	1.1	2	0.7	87	2.1	4.1
\$400,000-\$499,999	3	0.3	0	0.0	0	0.0	0	0.0	3	0.1	1.4
Greater than \$500,000	0	0.0	31	2.3	0	0.0	0	0.0	31	0.7	2.0
Total	1,163	100.0	1,377	100.0	1,360	100.0	276	100.0	4,176	100.0	100.0
Median Home Value	\$79,205		\$77,710		\$61,530		\$75,940		\$74,200		
Sources: U.S. Census Bureau - American Community Survey; Maxfield Research Inc.											

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.

- Between the Wright County submarkets, Clarion has the highest number of renter-occupied units (510), while Goldfield has the lowest number with 111.
- Most of the submarkets have a high percentage of renters paying cash, ranging from 63.1% in the Goldfield submarket to 93.7% in the Clarion submarket.
- Approximately 60.1% of Wright County renters paying cash have monthly rents ranging from \$250 to \$499, 12.8% had monthly rents ranging from \$0 to \$249, and 9.5% had monthly rents between \$500 and \$749.
- Housing units without payment of rent (“no cash rent”) make up 11.8% of Wright County renters. 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 WRIGHT COUNTY 2012										
Contract Rent	Belmond		Clarion		Eagle Grove		Goldfield		Total Wright	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	Pct.	Pct.
No Cash Rent	49	15.7	32	6.3	33	8.7	41	36.9	155	11.8
Cash Rent	263	84.3	478	93.7	345	91.3	70	63.1	1,156	88.2
\$0 to \$249	36	11.5	68	13.3	30	7.9	34	30.6	168	12.8
\$250-\$499	184	59.0	281	55.1	287	75.9	36	32.4	788	60.1
\$500-\$749	43	13.8	60	11.8	21	5.6	0	0.0	124	9.5
\$750-\$999	0	0.0	44	8.6	0	0.0	0	0.0	44	3.4
\$1,000+	0	0.0	25	4.9	7	1.9	0	0.0	32	2.4
Total	312	100.0	510	100.0	378	100.0	111	100.0	1,311	100.0
Median Contract Rent	\$297		\$361		\$392		\$303		\$348	
Sources: U.S. Census Bureau - American Community Survey; Maxfield Research Inc.										

Tenure by Household Income

Table HC-9 presents information on tenure by household incomes in Wright County. Data is obtained through the American Community Survey 2008-2012.

- Between the Wright County submarkets, Goldfield has the highest household income (\$64,958). Belmond has the lowest household income (\$45,151).
- Most of the submarkets have a high renter-occupied percentage with lower incomes. For example, 46% of Wright County's renter-occupied units are from households with less than \$15,000. Also, approximately 35% of Wright County's renter-occupied units are from households with incomes between \$15,000 and \$24,999.
- Wright County's owner-occupied percentages rise as household incomes increase, except when household incomes reach \$100,000. The owner-occupied percentage drops 0.6% when it approaches the \$100,000 to \$149,999 income level and drops 3.5% when it reaches the \$150,000 and more income level.

HOUSING CHARACTERISTICS

TABLE HC-9
TENURE BY HOUSEHOLD INCOME
WRIGHT COUNTY
2012

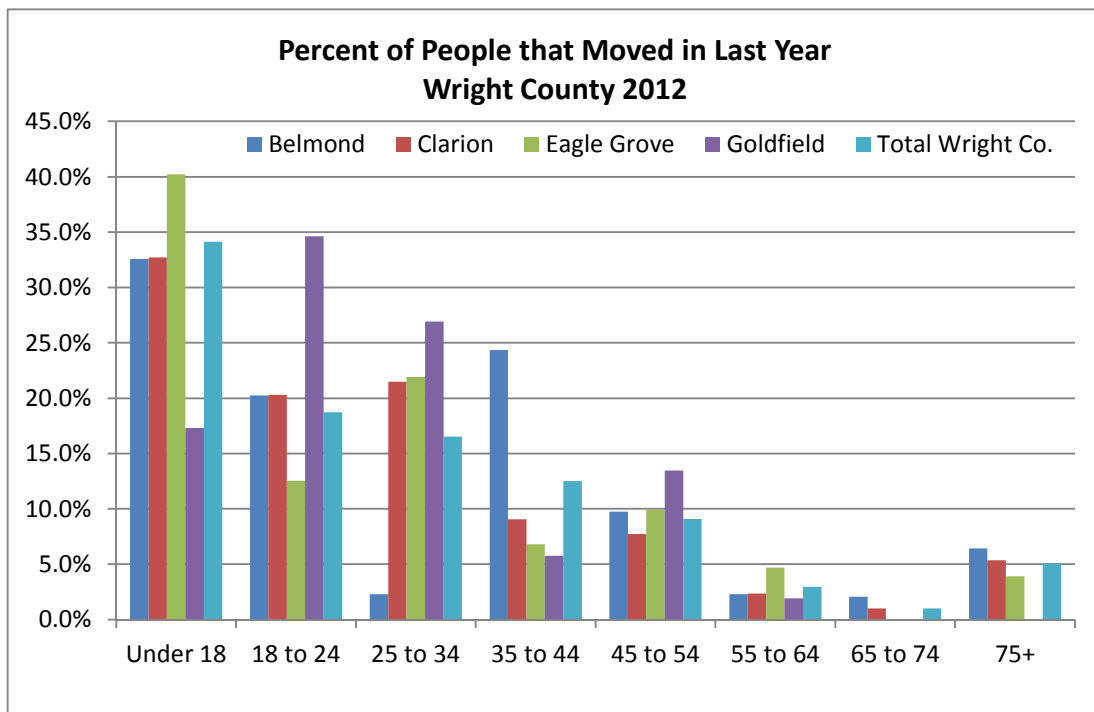
Income	Belmond				Clarion				Eagle Grove				Goldfield				Wright County			
	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.
Less than \$15,000	135	78.9%	36	21.1%	99	35.1%	183	64.9%	166	56.7%	127	43.3%	20	62.5%	12	37.5%	420	54.0%	358	46.0%
\$15,000 to \$24,999	127	58.0%	92	42.0%	171	69.5%	75	30.5%	103	74.6%	35	25.4%	30	52.6%	27	47.4%	431	65.3%	229	34.7%
\$25,000 to \$34,999	143	68.4%	66	31.6%	133	61.0%	85	39.0%	154	83.2%	31	16.8%	23	44.2%	29	55.8%	453	68.2%	211	31.8%
\$35,000 to \$49,999	166	80.2%	41	19.8%	178	69.3%	79	30.7%	257	84.8%	46	15.2%	36	60.0%	24	40.0%	637	77.0%	190	23.0%
\$50,000 to \$74,999	219	74.0%	77	26.0%	319	94.9%	17	5.1%	277	74.5%	95	25.5%	85	94.4%	5	5.6%	900	82.3%	194	17.7%
\$75,000 to \$99,999	220	100.0%	0	0.0%	164	87.2%	24	12.8%	167	90.8%	17	9.2%	44	80.0%	11	20.0%	595	92.0%	52	8.0%
\$100,000 to \$149,999	130	100.0%	0	0.0%	242	88.0%	33	12.0%	158	90.3%	17	9.7%	35	92.1%	3	7.9%	565	91.4%	53	8.6%
\$150,000+	23	100.0%	0	0.0%	71	83.5%	14	16.5%	78	88.6%	10	11.4%	3	100.0%	0	0.0%	175	87.9%	24	12.1%
Total	1,163	78.8%	312	21.2%	1,377	73.0%	510	27.0%	1,360	78.3%	378	21.7%	276	71.3%	111	28.7%	4,176	76.1%	1,311	23.9%
Median Income	\$45,151				\$47,217				\$46,111				\$64,958				\$45,713			

Source: American Community Survey; Maxfield Research Inc.

Mobility in the Past Year

Table HC-10 shows the mobility patterns of Wright County residents within a one-year time period (per 2012, the most current year available).

- The majority of residents (89.1%) did not move within the year.
- Of the residents that moved within the last year, approximately 24.5% moved from outside of Wright County but within Iowa and 55% moved from within Wright County.
- A greater proportion of younger age cohorts tended to move within the last year compared to older age cohorts. Approximately 34.1% of those age 18 to 24 moved within the last year compared to 5.1% of those age 75+.



HOUSING CHARACTERISTICS

TABLE HC-10
MOBILITY IN THE PAST YEAR BY AGE FOR CURRENT RESIDENCE
WRIGHT COUNTY
2012

Age	Not Moved		Moved							
	Same House		Within Same County		Different County Same		Different State		Abroad	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	Pct.	Pct.
Belmond										
Under 18	568	81.7%	63	9.1%	11	1.6%	53	7.6%	0	0.0%
18 to 24	141	64.1%	35	15.9%	44	20.0%	0	0.0%	0	0.0%
25 to 34	315	97.2%	5	1.5%	4	1.2%	0	0.0%	0	0.0%
35 to 44	262	73.4%	38	10.6%	30	8.4%	27	7.6%	0	0.0%
45 to 54	404	91.4%	35	7.9%	3	0.7%	0	0.0%	0	0.0%
55 to 64	439	98.0%	3	0.7%	1	0.2%	5	1.1%	0	0.0%
65 to 74	295	97.4%	0	0.0%	5	1.7%	3	1.0%	0	0.0%
75+	431	94.5%	14	3.1%	11	2.4%	0	0.0%	0	0.0%
Total	2,855	88%	193	5.9%	109	3.4%	88	2.7%	0	0.0%
Clarion										
Under 18	863	81.6%	126	11.9%	29	2.7%	33	3.1%	7	0.7%
18 to 24	168	58.1%	70	24.2%	17	5.9%	34	11.8%	0	0.0%
25 to 34	326	71.8%	48	10.6%	35	7.7%	2	0.4%	43	9.5%
35 to 44	462	89.5%	53	10.3%	1	0.2%	0	0.0%	0	0.0%
45 to 54	468	91.1%	20	3.9%	18	3.5%	8	1.6%	0	0.0%
55 to 64	687	98.0%	3	0.4%	0	0.0%	0	0.0%	11	1.6%
65 to 74	435	98.6%	0	0.0%	0	0.0%	6	1.4%	0	0.0%
75+	545	94.5%	26	4.5%	6	1.0%	0	0.0%	0	0.0%
Total	3,954	86.9%	346	7.6%	106	2.3%	83	1.8%	61	1.3%
Eagle Grove										
Under 18	858	84.8%	105	10.4%	49	4.8%	0	0.0%	0	0.0%
18 to 24	276	85.2%	9	2.8%	3	0.9%	36	11.1%	0	0.0%
25 to 34	324	79.4%	75	18.4%	9	2.2%	0	0.0%	0	0.0%
35 to 44	510	95.1%	2	0.4%	2	0.4%	22	4.1%	0	0.0%
45 to 54	733	95.1%	29	3.8%	9	1.2%	0	0.0%	0	0.0%
55 to 64	534	96.7%	0	0.0%	18	3.3%	0	0.0%	0	0.0%
65 to 74	379	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
75+	408	96.5%	4	0.9%	11	2.6%	0	0.0%	0	0.0%
Total	4,022	91.3%	224	5.1%	101	2.3%	58	1.3%	0	0.0%
Goldfield										
Under 18	139	93.9%	6	4.1%	3	2.0%	0	0.0%	0	0.0%
18 to 24	66	78.6%	0	0.0%	18	21.4%	0	0.0%	0	0.0%
25 to 34	108	88.5%	12	9.8%	2	1.6%	0	0.0%	0	0.0%
35 to 44	43	93.5%	0	0.0%	3	6.5%	0	0.0%	0	0.0%
45 to 54	176	96.2%	0	0.0%	7	3.8%	0	0.0%	0	0.0%
55 to 64	108	99.1%	1	0.9%	0	0.0%	0	0.0%	0	0.0%
65 to 74	51	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
75+	116	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	807	93.9%	19	2.2%	33	3.8%	0	0.0%	0	0.0%
Total Wright										
Under 18	2,428	83.4%	300	10.3%	92	3.2%	86	3.0%	7	0.2%
18 to 24	651	71.0%	114	12.4%	82	8.9%	70	7.6%	0	0.0%
25 to 34	1,073	82.0%	140	10.7%	50	3.8%	2	0.2%	43	3.3%
35 to 44	1,277	87.8%	93	6.4%	36	2.5%	49	3.4%	0	0.0%
45 to 54	1,781	93.2%	84	4.4%	37	1.9%	8	0.4%	0	0.0%
55 to 64	1,768	97.7%	7	0.4%	19	1.0%	5	0.3%	11	0.6%
65 to 74	1,160	98.8%	0	0.0%	5	0.4%	9	0.8%	0	0.0%
75+	1,500	95.4%	44	2.8%	28	1.8%	0	0.0%	0	0.0%
Total	11,638	89.1%	782	6.0%	349	2.7%	229	1.8%	61	0.5%

Sources: U.S. Census Bureau - American Community Survey; Maxfield Research Inc.

Employment Trends

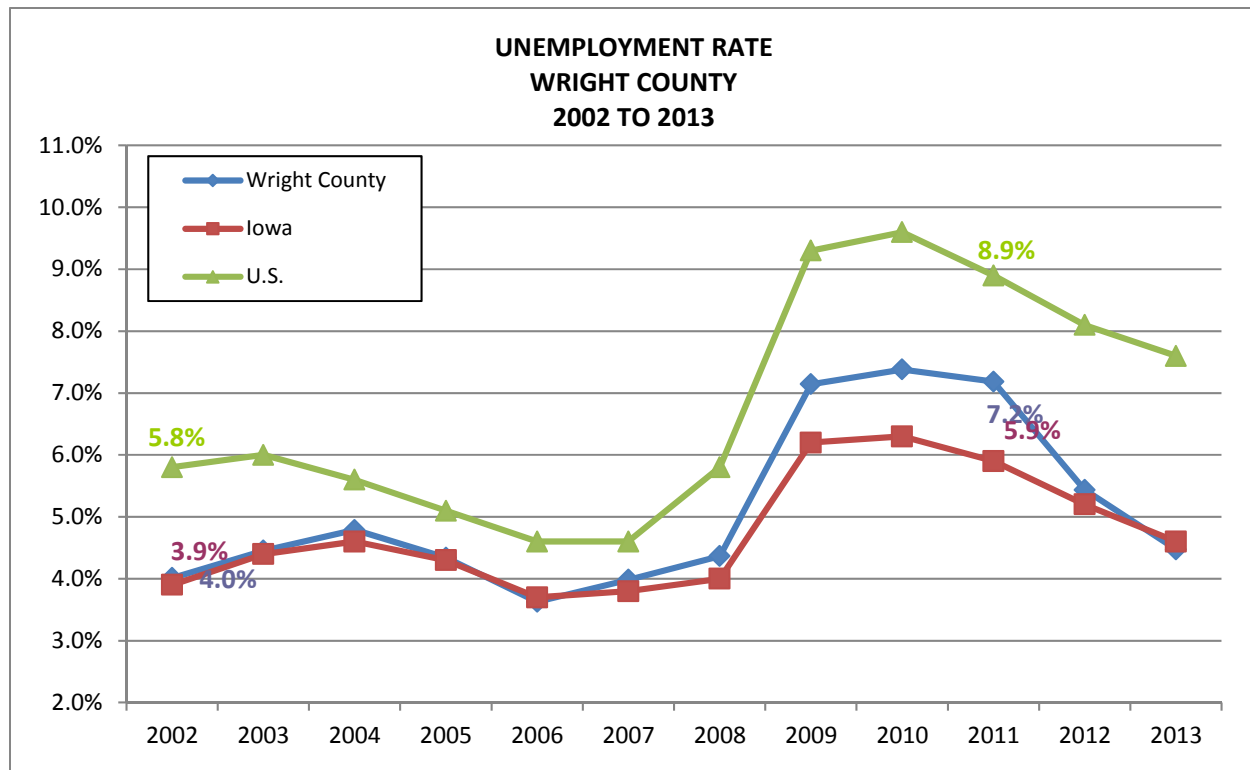
Employment characteristics are an important component in assessing housing needs in any given market area. These trends are important to consider since job growth can generally fuel household and population growth as people generally desire to live near where they work. Long commute times have encouraged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

Resident Labor Force

Table E-1 presents resident employment data for Wright County from 2002 through 2013. 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 Wright County. The data is obtained from the Iowa Workforce Development.

- Resident employment in Wright County has decreased by about 320 people between 2002 and 2013 (-4.6%). The number of individuals in the labor market also decreased, but at a lower rate (-4.1%) than resident employment.
- Wright County's unemployment rate has been much lower than the U.S. unemployment rate between 2002 and 2013. However, Wright County's unemployment rate is comparable to Iowa's unemployment rate. Average unemployment rate in Wright County over this time period is 5.1%, which is slightly higher than the average in Iowa (4.7%) and much lower than the average in the U.S. (6.8%).
- Wright County's unemployment rate was significantly lower than the nation during the Great Recession. The unemployment rate rose to 6.3% in the State of Iowa and 7.4% in Wright County in 2010. However, as of 2013, the unemployment rate has fallen to 4.5%, below the State and nation at 4.6% and 7.6%, respectively.

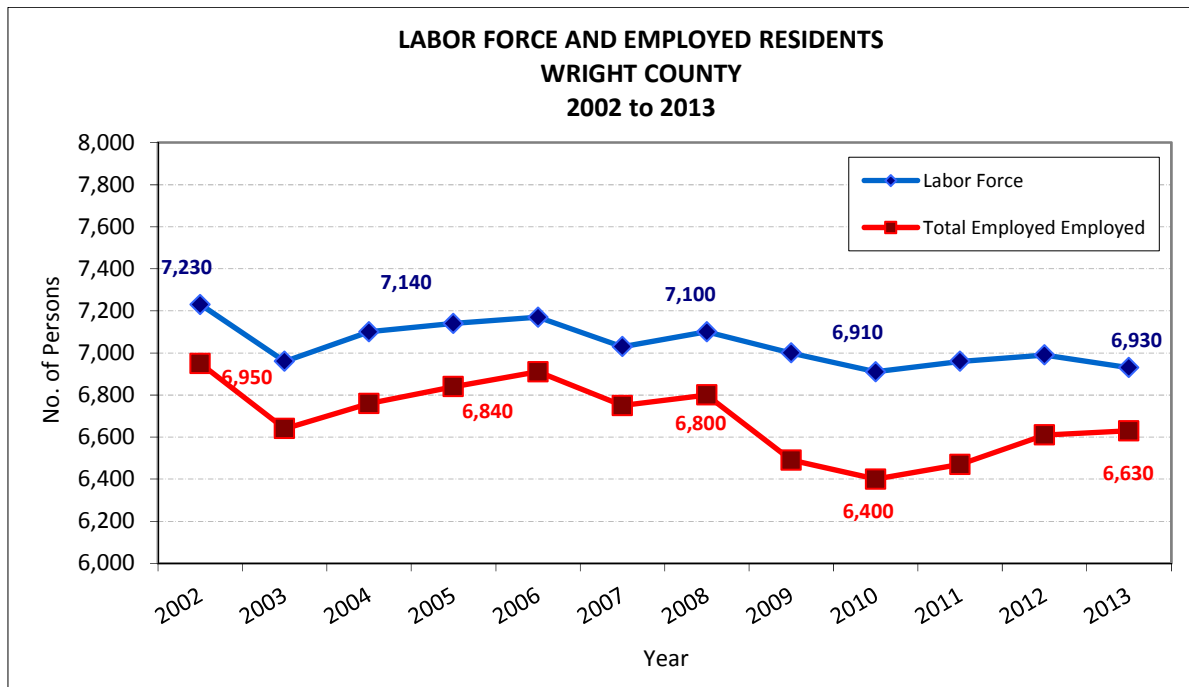
EMPLOYMENT TRENDS



**TABLE E-1
RESIDENT EMPLOYMENT (ANNUAL AVERAGE)
Wright County
2002 through 2013**

Year	Total Labor Force	Total Employed	Total Unemployed	Wright Co. Unemployment Rate	Iowa Unemployment Rate	U.S. Unemployment Rate
2002	7,230	6,950	290	4.0%	3.9%	5.8%
2003	6,960	6,640	310	4.5%	4.4%	6.0%
2004	7,100	6,760	340	4.8%	4.6%	5.6%
2005	7,140	6,840	310	4.3%	4.3%	5.1%
2006	7,170	6,910	260	3.6%	3.7%	4.6%
2007	7,030	6,750	280	4.0%	3.8%	4.6%
2008	7,100	6,800	310	4.4%	4.0%	5.8%
2009	7,000	6,490	500	7.1%	6.2%	9.3%
2010	6,910	6,400	510	7.4%	6.3%	9.6%
2011	6,960	6,470	500	7.2%	5.9%	8.9%
2012	6,990	6,610	380	5.4%	5.2%	8.1%
2013	6,930	6,630	310	4.5%	4.6%	7.6%
Change 2002-13	-300	-320	20	0.5%	0.7%	1.8%

Sources: Iowa Workforce Development; Maxfield Research Inc.



Covered Employment by Industry

Table E-2 shows an average weekly wage comparison between Wright County and Iowa. Data is sourced from the U.S. Bureau of Labor Statistics. Table E-3 presents covered employment in the County for 2012. 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 obtained from the U.S. Census Bureau.

- The average weekly wage in Wright County grew by over 40% between 2003 and 2012, compared to 29% for the State of Iowa. The average annual growth following a similar trend with 4.0% in Wright County, slightly higher than the State of Iowa with 2.9%.
- As of 2012, the average weekly wage was \$705 in Wright County and \$761 in the State of Iowa. Comparatively, the average weekly wage was \$502 in Wright County in 2003, compared to \$590 in the State of Iowa.
- Wright County's largest employment numbers are in the Manufacturing industry. As a percentage, Manufacturing is about 23% of the employment total.
- The second largest employment numbers are in the Educational Services, healthcare, and social assistance sector, which represents nearly 21% of the employment total.

EMPLOYMENT TRENDS

- Public Administration has the highest average wage (\$44,000), however, it should be noted these careers only account for 3.3% of the employment total. Agriculture, forestry, fishing, hunting, and mining account for 11% of the total employment and have an average wage of \$43,594.
- The lowest wages were found in the arts, entertainment, recreation, accommodation, and food services sector (\$13,973). This industry also has the lowest employment total as well.

TABLE E-2 AVERAGE WEEKLY/ ANNUAL WAGE Wright County 2003 - 2012				
	Wright County		Iowa	
	Weekly	Annual	Weekly	Annual
Avg. Annual Growth	4.0%		2.9%	
2003	\$502	\$26,104	\$590	\$30,680
2004	\$519	\$26,988	\$617	\$32,084
2005	\$502	\$26,104	\$636	\$33,072
2006	\$548	\$28,496	\$660	\$34,320
2007	\$585	\$30,420	\$688	\$35,776
2008	\$613	\$31,876	\$711	\$36,972
2009	\$622	\$32,344	\$715	\$37,180
2010	\$642	\$33,384	\$733	\$38,116
2011	\$681	\$35,412	\$754	\$39,208
2012	\$705	\$36,660	\$761	\$39,572

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

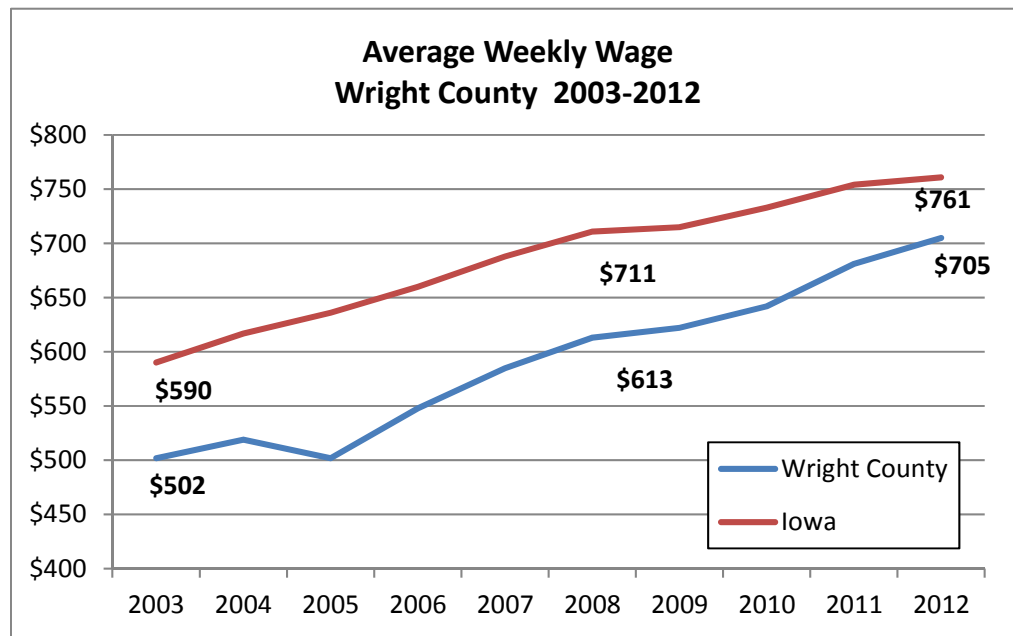


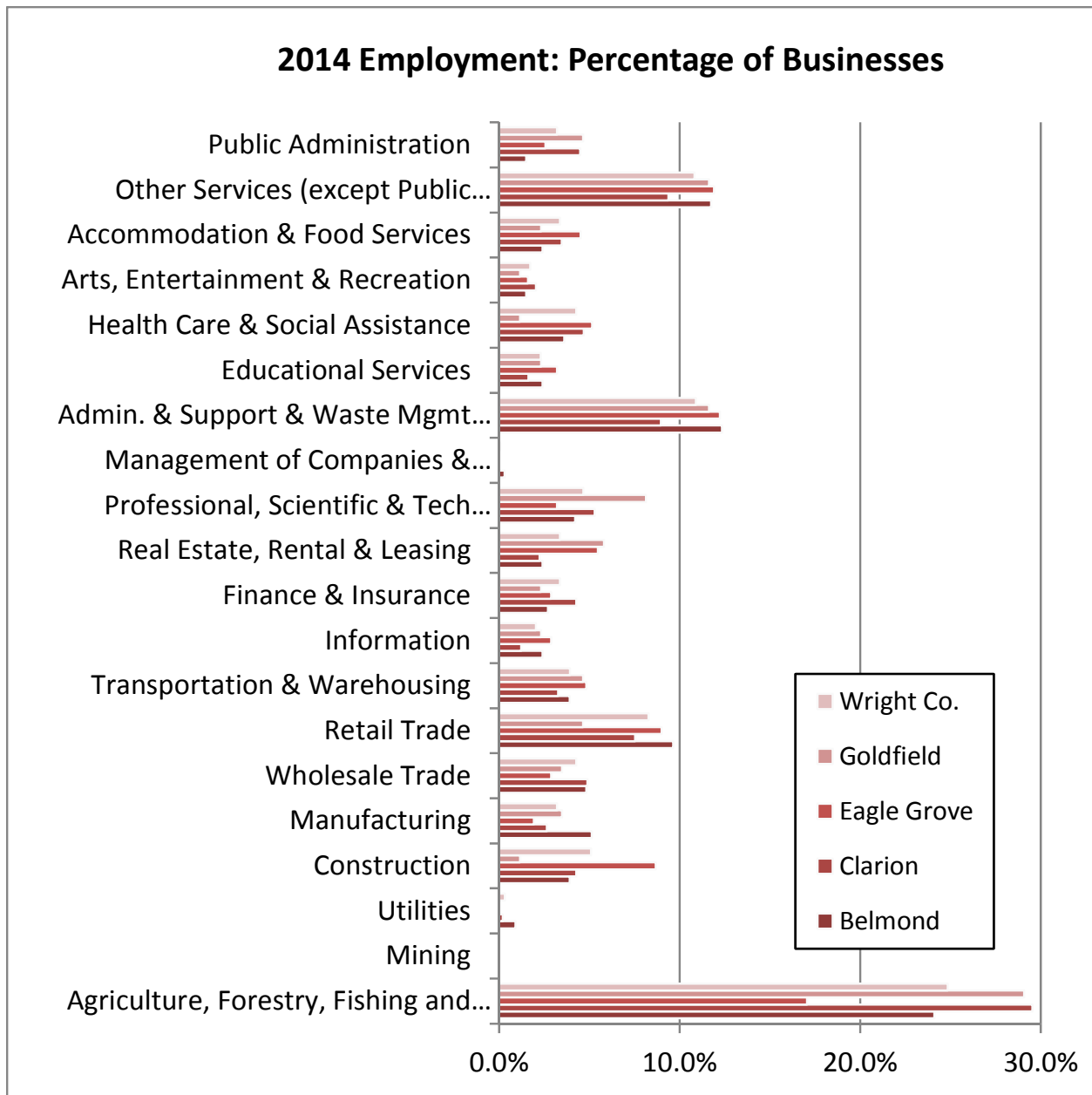
TABLE E-3
COVERED EMPLOYMENT BY INDUSTRY
Wright County
2012

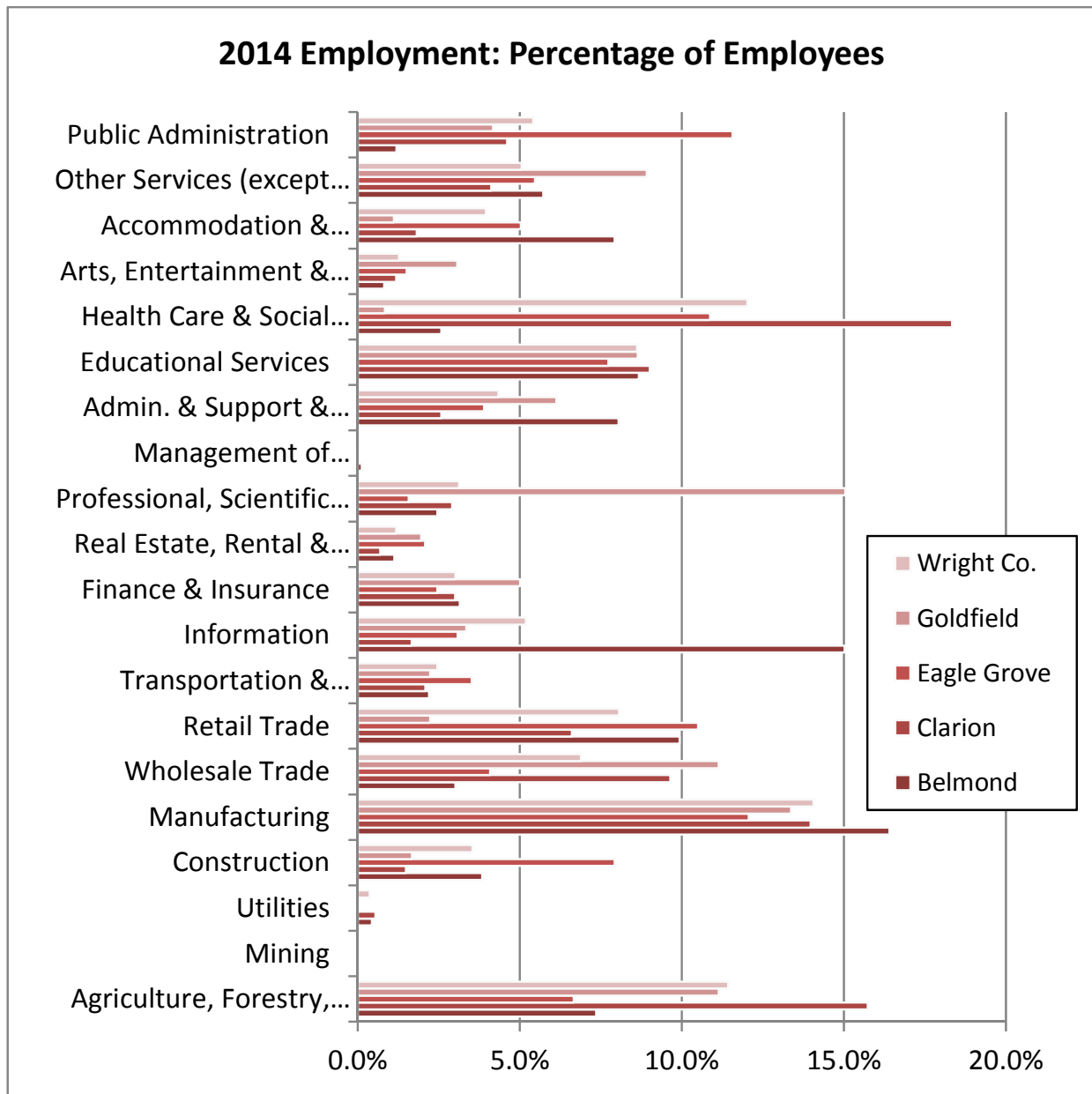
	Wright County Total		Iowa Total
	Employment	Avg. Wage	Avg. Wage
Agriculture, forestry, fishing and hunting, and mining	493 11.0%	\$43,594	\$37,478
Construction	247 5.5%	\$33,438	\$41,424
Manufacturing	1,017 22.7%	\$36,142	\$41,455
Wholesale trade	257 5.7%	\$41,635	\$43,301
Retail trade	440 9.8%	\$24,286	\$31,563
Transportation and warehousing, and utilities	324 7.2%	\$40,870	\$48,810
Information	65 1.5%	\$36,563	\$42,102
Finance and insurance, and real estate and rental and leasing	203 4.5%	\$26,758	\$44,875
Professional, scientific, management, administrative and waste management services	181 4.0%	\$32,067	\$42,951
Educational services, and health care and social assistance	919 20.5%	\$36,161	\$39,377
Arts, entertainment, recreation, accommodation and food services	63 1.4%	\$13,973	\$24,698
Other services, except public administration	123 2.7%	\$37,917	\$33,334
Public administration	150 3.3%	\$44,000	\$51,725
Total	4,482 100%		
Sources: U.S. Census; Maxfield Research Inc.			

Existing Business Mix by NAICS

Table E-4 presents business data by submarket as compiled from ESRI in 2014. 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.

- In each subdivision within Wright County, Agriculture, Forestry, Hunting, and Fishing comprises of the largest percentage of their business total. In the Belmond submarket, this category is about 24% of their business total, while the Clarion submarket accounts for roughly 30%. In the Eagle Grove submarket, this category is close to 17% of their business total, while the Goldfield submarket account for over 29%.
- The Clarion submarket has the largest number of employees and businesses in Wright County with an employee total of 3,299 and business total of 491. The Clarion submarket has the highest percentage of employees in the Health Care & Social Assistance with about 18%.
- The Belmond submarket has 261 employees who work in the Manufacturing industry, which accounts for nearly 16.4% of their total number of employees.
- The Eagle Grove submarket has a considerable percentage of employees in the Manufacturing industry (12.1%) and Public Administration industry (11.6%).
- The Goldfield submarket has 54 employees who work in the Professional, Scientific, and Tech Services industry, which represents 15% of their total number of employees.





EMPLOYMENT TRENDS

TABLE E-4
BUSINESS SUMMARY - BY NAICS CODE
WRIGHT COUNTY
2014

Business/Industry	Belmond				Clarion				Eagle Grove				Goldfield				Wright County Total			
	Businesses		Employees		Businesses		Employees		Businesses		Employees		Businesses		Employees		Businesses		Employees	
	Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Pct	Number	Pct
NAICS CODES																				
Agriculture, Forestry, Fishing and Hunting	80	24.1%	117	7.4%	145	29.5%	519	15.7%	53	17.0%	106	6.7%	25	29.1%	40	11.1%	303	24.8%	782	11.4%
Mining	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Utilities	3	0.9%	7	0.4%	1	0.2%	18	0.5%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	4	0.3%	25	0.4%
Construction	13	3.9%	61	3.8%	21	4.3%	49	1.5%	27	8.7%	126	7.9%	1	1.2%	6	1.7%	62	5.1%	242	3.5%
Manufacturing	17	5.1%	261	16.4%	13	2.6%	461	14.0%	6	1.9%	192	12.1%	3	3.5%	48	13.4%	39	3.2%	962	14.1%
Wholesale Trade	16	4.8%	48	3.0%	24	4.9%	318	9.6%	9	2.9%	65	4.1%	3	3.5%	40	11.1%	52	4.3%	471	6.9%
Retail Trade	32	9.6%	158	9.9%	37	7.5%	218	6.6%	28	9.0%	167	10.5%	4	4.7%	8	2.2%	101	8.3%	551	8.1%
Transportation & Warehousing	13	3.9%	35	2.2%	16	3.3%	69	2.1%	15	4.8%	56	3.5%	4	4.7%	8	2.2%	48	3.9%	168	2.5%
Information	8	2.4%	239	15.0%	6	1.2%	55	1.7%	9	2.9%	49	3.1%	2	2.3%	12	3.3%	25	2.0%	355	5.2%
Finance & Insurance	9	2.7%	50	3.1%	21	4.3%	99	3.0%	9	2.9%	39	2.5%	2	2.3%	18	5.0%	41	3.4%	206	3.0%
Real Estate, Rental & Leasing	8	2.4%	18	1.1%	11	2.2%	23	0.7%	17	5.5%	33	2.1%	5	5.8%	7	1.9%	41	3.4%	81	1.2%
Professional, Scientific & Tech Services	14	4.2%	39	2.5%	26	5.3%	96	2.9%	10	3.2%	25	1.6%	7	8.1%	54	15.0%	57	4.7%	214	3.1%
Management of Companies & Enterprises	1	0.3%	2	0.1%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	1	0.1%	2	0.0%
Admin. & Support & Waste Mgmt & Remediation Services	41	12.3%	128	8.0%	44	9.0%	85	2.6%	38	12.2%	62	3.9%	10	11.6%	22	6.1%	133	10.9%	297	4.3%
Educational Services	8	2.4%	138	8.7%	8	1.6%	297	9.0%	10	3.2%	123	7.7%	2	2.3%	31	8.6%	28	2.3%	589	8.6%
Health Care & Social Assistance	12	3.6%	41	2.6%	23	4.7%	605	18.3%	16	5.1%	173	10.9%	1	1.2%	3	0.8%	52	4.3%	822	12.0%
Arts, Entertainment & Recreation	5	1.5%	13	0.8%	10	2.0%	39	1.2%	5	1.6%	24	1.5%	1	1.2%	11	3.1%	21	1.7%	87	1.3%
Accommodation & Food Services	8	2.4%	126	7.9%	17	3.5%	60	1.8%	14	4.5%	80	5.0%	2	2.3%	4	1.1%	41	3.4%	270	3.9%
Other Services (except Public Administration)	39	11.7%	91	5.7%	46	9.4%	136	4.1%	37	11.9%	87	5.5%	10	11.6%	32	8.9%	132	10.8%	346	5.1%
Public Administration	5	1.5%	19	1.2%	22	4.5%	152	4.6%	8	2.6%	184	11.6%	4	4.7%	15	4.2%	39	3.2%	370	5.4%
Total	332	100.0%	1,591	100.0%	491	100.0%	3,299	100.0%	311	100.0%	1,591	100.0%	86	100.0%	359	100.0%	1,220	100.0%	6,840	100.0%
Total Number of Businesses	1,220																			
Total Number of Employees	6,840																			

Sources: ESRI, Maxfield Research Inc.

Commuting Patterns

Proximity to employment is often a primary consideration when choosing where to live, since transportation costs often account for a considerable proportion of households' budgets. Tables E-5 and E-6 highlight the commuting patterns of workers in Wright County in 2011 (the most recent data available), based on Employer-Household Dynamics data from the U.S. Census Bureau. Home destination is defined as where workers live who are employed in the selection area. Work destination is defined as where workers are employed who live in the selection area.

- As the Table E-5 illustrates, Clarion is the top home destination for workers in the County with a 14.3% share, while many are commuting from Eagle Grove (13.5%) and Belmond (10.7%).
- About 46% of the workers in Wright County reside within ten miles of their place of employment while nearly 16% travel greater than 50 miles. Approximately 25% of workers in the County travel 10 to 24 miles for employment and 12% commute a distance ranging from 25 to 50 miles.
- Roughly 22% of the workers living in Wright County have jobs in Clarion, while many are choosing other locations such as Belmond (13.8%) and Eagle Grove (12.2%).
- About 47% of Wright County's residents travel less than ten miles to their place of employment, while 19% have a commute distance greater than 50 miles. Over 23% commute between 10 to 24 miles and 11% travel 25 to 50 miles.

**TABLE E-5
COMMUTING PATTERNS
WRIGHT COUNTY
2011**

Home Destination			Work Destination		
<u>Place of Residence</u>	<u>Count</u>	<u>Share</u>	<u>Place of Employment</u>	<u>Count</u>	<u>Share</u>
Clarion	750	14.3%	Clarion	1,124	22.0%
Eagle Grove	707	13.5%	Belmond	703	13.8%
Belmond	558	10.7%	Eagle Grove	622	12.2%
Goldfield	97	1.9%	Fort Dodge	203	4.0%
Mason City	92	1.8%	Webster	190	3.7%
Fort Dodge	82	1.6%	Des Moines	137	2.7%
Humboldt	77	1.5%	Ames	101	2.0%
Webster	76	1.5%	Goldfield	85	1.7%
Dows	74	1.4%	Garner	65	1.3%
Garner	56	1.1%	West Des Moines	61	1.2%
All Other Locations	2,665	50.9%	All Other Locations	1,821	35.6%
<u>Distance Traveled</u>			<u>Distance Traveled</u>		
Total Primary Jobs	5,234	100.0%	Total Primary Jobs	5,112	100.0%
Less than 10 miles	2,413	46.1%	Less than 10 miles	2,400	46.9%
10 to 24 miles	1,316	25.1%	10 to 24 miles	1,206	23.6%
25 to 50 miles	652	12.5%	25 to 50 miles	542	10.6%
Greater than 50 miles	853	16.3%	Greater than 50 miles	964	18.9%
Home Destination = Where workers live who are employed in the selection area			Work Destination = Where workers are employed who live in the selection area		
Sources: US Census Bureau Local Employment Dynamics; Maxfield Research, Inc.					

TABLE E-6
COMMUTING PATTERNS BY COUNTY
WRIGHT COUNTY
2011

Home Destination		
Place of Residence	Count	Share
Wright County	2,891	55.2%
Hancock County	280	5.3%
Cerro Gordo County	221	4.2%
Franklin County	211	4.0%
Humboldt County	196	3.7%
Webster County	168	3.2%
Hamilton County	132	2.5%
Kossuth County	77	1.5%
Calhoun County	70	1.3%
Polk County	69	1.3%
All Other Locations	919	17.6%
Distance Traveled		
Total Primary Jobs	5,234	100.0%
Less than 10 miles	2,413	46.1%
10 to 24 miles	1,316	25.1%
25 to 50 miles	652	12.5%
Greater than 50 miles	853	16.3%

Work Destination		
Place of Employment	Count	Share
Wright County	2,891	56.6%
Polk County	314	6.1%
Hamilton County	292	5.7%
Webster County	248	4.9%
Hancock County	201	3.9%
Story County	136	2.7%
Humboldt County	104	2.0%
Franklin County	83	1.6%
Cerro Gordo County	70	1.4%
Carroll County	69	1.3%
All Other Locations	704	13.8%
Distance Traveled		
Total Primary Jobs	5,112	100.0%
Less than 10 miles	2,400	46.9%
10 to 24 miles	1,206	23.6%
25 to 50 miles	542	10.6%
Greater than 50 miles	964	18.9%

Home Destination = Where workers live who are employed in the selection area

Work Destination = Where workers are employed who live in the selection area

Sources: US Census Bureau Local Employment Dynamics; Maxfield Research, Inc.

- As the Table-6 illustrates, Wright County is the top home destination for workers in the County with a 55.2% share, while some are commuting from Hancock County (5.3%) and Cerro Gordo County (4.2%).
- Roughly 57% of the workers living in Wright County have jobs in Wright County, while some are choosing other locations such as Polk County (6.1%), Hamilton County (5.7%), and Webster County (4.9%).

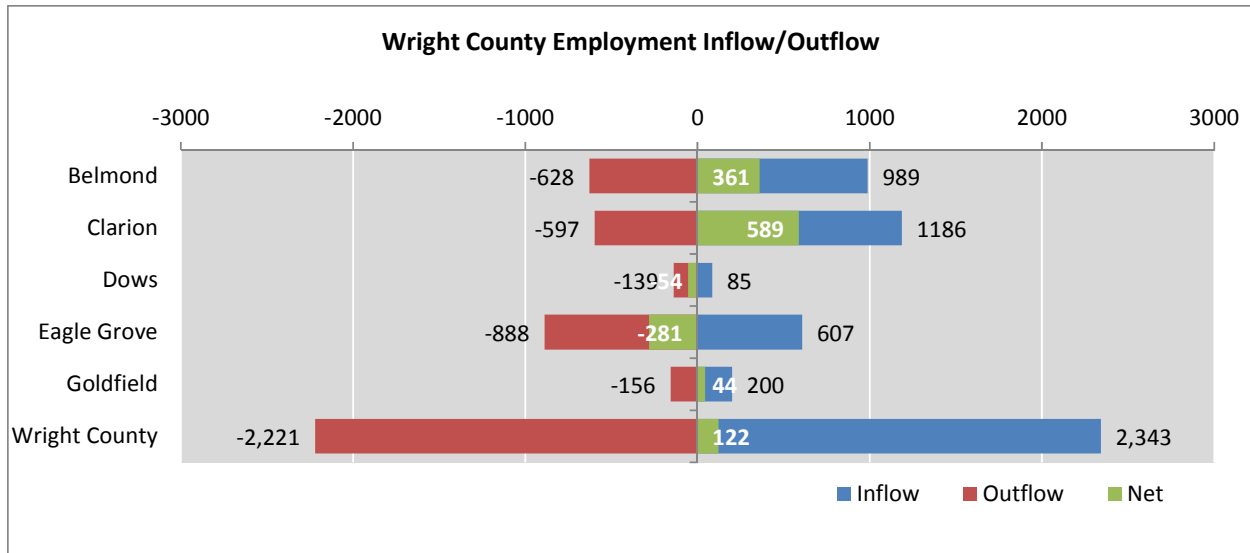
Inflow/Outflow

Table E-7 provides a summary of the inflow and outflow of workers in the County. Outflow reflects the number of workers living in the County but employed outside of the County while inflow measures the number of workers that are employed in the County but live outside. Information was unavailable on a submarket level, but is available by major cities in Wright County.

EMPLOYMENT TRENDS

- Wright County can be considered an importer of workers, as the number of workers coming into the County (inflow) exceeded the employment number of residents leaving the County for work (outflow). Approximately 2,343 workers came into the County for work while 2,221 workers left, for a net difference of +122.
- Most of the major cities in Wright County are importers of workers. In Clarion, 1,186 workers came into the City for work while 597 left, for a net difference of +589. In Belmond, 989 came into the City for work while 628 left, for a net difference of +361.
- In Eagle Grove, 607 came into the City for work while 888 left, for a net difference of -281. In Goldfield, 200 came into the City for work while 156 left, for a net difference of +44. In Dows, 85 people came into the City for work while 139 left, for a net difference of -54.

TABLE E-7 COMMUTING INFLOW/OUTFLOW MAJOR CITIES IN WRIGHT COUNTY 2011						
	Belmond		Clarion		Dows	
	Num.	Pct.	Num.	Pct.	Num.	Pct.
Employed in the Selection Area	1,371	100%	1,774	100%	94	100%
Employed in the Selection Area but Living Outside	989	72.1%	1186	66.9%	85	90.4%
Employed and Living in the Selection Area	382	27.9%	588	33.1%	9	9.6%
Living in the Selection Area	1,010	100%	1,185	100%	148	100%
Living in the Selection Area but Employed Outside	628	62.2%	597	50.4%	139	93.9%
Living and Employed in the Selection Area	382	37.8%	588	49.6%	9	6.1%
	Eagle Grove		Goldfield		Wright County	
	Num.	Pct.	Num.	Pct.	Num.	Pct.
Employed in the Selection Area	1,072	100%	219	100%	5,234	100%
Employed in the Selection Area but Living Outside	607	56.6%	200	91.3%	2,343	44.8%
Employed and Living in the Selection Area	465	43.4%	19	8.7%	2,891	55.2%
Living in the Selection Area	1,353	100%	175	100%	5,112	100%
Living in the Selection Area but Employed Outside	888	65.6%	156	89.1%	2,221	43.4%
Living and Employed in the Selection Area	465	34.4%	19	10.9%	2,891	56.6%
Sources: U.S. Census Bureau; Maxfield Research Inc.						



Worker Profile

Table E-8 compares characteristics of employed residents living in Wright County in 2011. Information on monthly earnings, age, race and ethnicity, educational attainment and job classification is provided.

- Wright County has a high concentration of moderate income earners. Approximately 40% of Wright County employees earned between \$1,251 and \$3,333 a month, while 34% earned more than \$3,333.
- About 55% of employees fall into the 30 to 54 age group, while 25% are age 55 and older. The remaining 20% are age 29 and younger.
- Some college or Associate's Degree is the most common worked educational level, which represents 29% of Wright County's total. High school education is the second most common educational level, which accounts for 27% of Wright County's total.

TABLE E-8
CORRIDOR-WIDE WORKER PROFILE
WRIGHT COUNTY
2011

Corridor-Wide Worker Profile	Wright County		Iowa
	Num	Pct.	Pct.
Total Jobs			
Total All Jobs	5,234	100%	
Monthly Earnings			
\$1,250 or Less	1,340	26%	27%
\$1,251 to \$3,333	2,089	40%	37%
More Than \$3,333	1,805	34%	36%
Worker Ages			
Age 29 or Younger	1,070	20%	25%
Age 30 to 54	2,863	55%	54%
Age 55 or Older	1,301	25%	21%
Worker Race and Ethnicity			
Race			
White Alone	5,144	98%	95%
Black or African American Alone	28	1%	3%
American Indian or Alaska Native Alone	11	0%	0%
Asian Alone	28	1%	2%
Native Hawaiian or Other Pacific Islander Alone	1	0%	0%
Two or More Race Groups	22	0%	0%
Ethnicity			
Not Hispanic or Latino	4,971	95%	96%
Hispanic or Latino	263	5%	4%
Worker Educational Attainment			
Less Than High School	378	7%	6%
High School or Equivalent, No College	1,415	27%	23%
Some College or Associate Degree	1,534	29%	26%
Bachelor's Degree or Advanced Degree	837	16%	21%
Educational Attainment Not Available	1,070	20%	24%
Source: U.S. Census Bureau; Maxfield Research, Inc.			

Major Employers

A portion of the employment growth in Wright County will be generated by the largest employers in the County. The table below lists some of the top employers in Wright County along with a description of their primary industry and number of employees. Table E-9 shows the major employers in Wright County in 2014 based on data provided by Wright County Economic Development.

The following are key points from the major employers table.

- Hagie Manufacturing, located in Clarion, is the largest employer in Wright County with a total of 490 employees. Hagie Manufacturing specializes in agricultural products and equipment.
- Iowa Specialty Hospital, located in Clarion and Belmond, is the second largest employer in Wright County with a total of 441 employees.
- Eaton Corporation and Gold-Eagle Cooperative are considered the third and fourth biggest employers with 270 and 257 employees, respectively. Eaton Corporation, a power management company, provides energy-efficient solutions for their customers.
- Centrum Valley Farms, located in Galt and Clarion, is the fifth largest employer with a total of 160. Centrum Valley Farms specializes in egg farming.

TABLE E-9 MAJOR EMPLOYERS WRIGHT COUNTY AUGUST 2014			
Name	City	Industry/Product/Service	Employee Size
Wright County			
Hagie Manufacturing	Clarion	High clearance sprayer manufacturing	490
Iowa Specialty Hospital	Clarion/Belmond	Hospital	441
Eaton Corporation	Belmond	Valve and piston manufacturing	270
Gold-Eagle Cooperative	Goldfield/Eagle Grove	Feed Mill/ ethanol Plant	257
Centrum Valley Farms-NPE	Galt/Clarion	Egg-laying	160
Eagle Grove School District	Eagle Grove	Education	158
Wright County	Clarion	Government	153
Clarion-Goldfield School District	Clarion/Goldfield	Education	150
Daybreak Foods	Eagle Grove	Production	141
Belmond-Klemme School District	Belmond	Education	128
Rotary Ann Homes	Eagle Grove	Senior Care	127
Ag Processors	Eagle Grove	Grain/ soybean Handling	125
Mosiac	Clarion/Belmond/Eagle Grove	Workshop for disabled	125
Clarion Packaging	Clarion	Egg/ drink manufacturing	120
PSI/ Farm & Home Publishers/ City Directory	Belmond	Advertising/printing	118
Total			2,963
Source: Wright County Economic Development, Maxfield Research Inc.			

Employer Survey

Maxfield Research surveyed representatives of the largest employers in Wright County during September 2014. The questions covered topics such as recent trends in job growth, average wages and salaries, employee turnover, 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.

- While a large number of the workforce comes from Wright County, many employees commute from other areas in Iowa such as Des Moines, Garner, Fort Dodge, and Webster City. Several employers said their employees commute from a 15 to 25 mile radius from their workplace. However, many employers believe the majority of their employees commute from within a 15 mile radius.
- Hiring is expected to remain steady or increase over the next three to five years. A number of employers in the agriculture industry said they are anticipating flat growth, but expect business to pick up in the future.
- A large number of employers said most employees in the County currently own their homes, but many new employees relocating to Wright County from other areas tend to rent at first.
- There were consistent reviews regarding the current rental stock available in Wright County. A lot of employers indicated that the rental stock is dated, rundown, and undesirable for professionals moving into the area. Many employers believe the current rental stock is affecting recruitment and pushing professionals away from Wright County.
- In addition, several employers voiced a concern regarding the current for-sale market. Many employers said the homes on the market are over-priced considering they are outdated and require several renovations. However, some employers expressed no concern regarding the for-sale market at this time.
- There appears to be a short supply of updated rental units in the area. Many of the rental units are older apartment complexes with limited amenities or low to medium value homes, which might not be desirable for professionals or families moving to the area.

Introduction

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

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 2008-2012 ACS in Wright County, broken down into four submarkets, 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 1,491 renter-occupied housing units in Wright County in 2010 while the 2012 ACS data shows 1,311 renter-occupied housing units.
- Wright County has significantly lower rents when compared to Iowa. The median gross rent in the County is at \$493 which is 25% lower than the median rent of \$655 in Iowa. Rural communities often have lower rents than metropolitan areas due to wage rates and the age of rental properties in rural areas.

RENTAL MARKET ANALYSIS

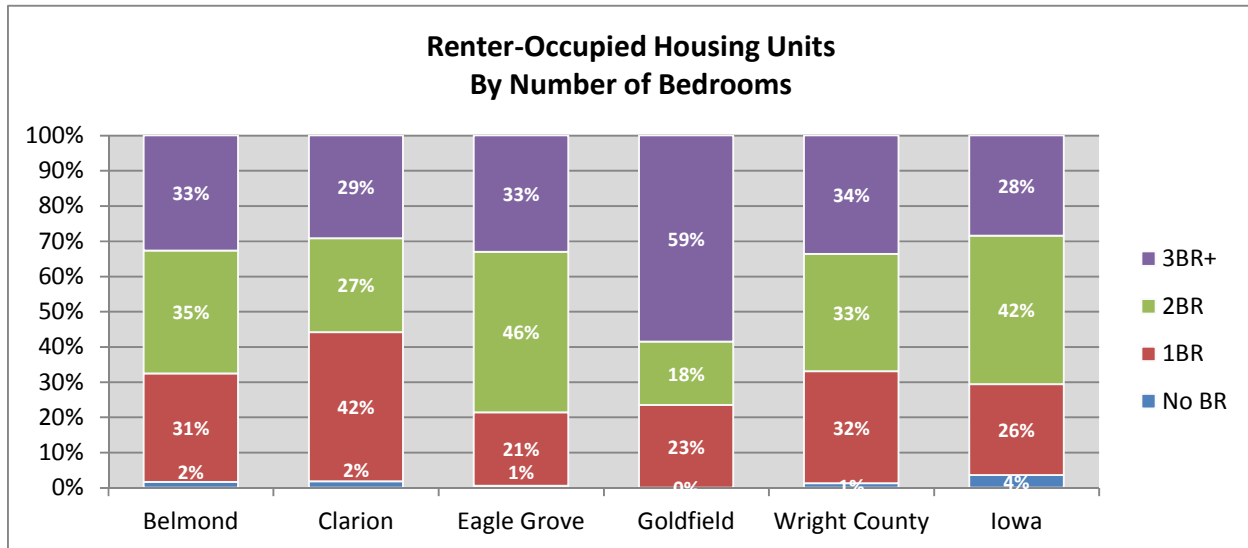
TABLE R-1
BEDROOMS BY GROSS RENT, RENTER-OCCUPIED HOUSING UNITS
WRIGHT COUNTY
2012

	Belmond		Clarion		Eagle Grove		Goldfield		Wright County		Iowa
	#	% of Total	#	% of Total	#	% of Total	#	% of Total	#	% of Total	% of Total
Total:	312	100%	510	100%	378	100%	111	100%	1,311	100%	100%
Median Gross Rent	\$481		\$473		\$569		\$345		\$493		\$655
No Bedroom	5	2%	9	2%	2	1%	0	0%	16	1%	4%
Less than \$200	5	2%	0	0%	0	0%	0	0%	5	0%	0%
\$200 to \$299	0	0%	0	0%	2	1%	0	0%	2	0%	0%
\$300 to \$499	0	0%	9	2%	0	0%	0	0%	9	1%	1%
\$500 to \$749	0	0%	0	0%	0	0%	0	0%	0	0%	1%
\$750 to \$999	0	0%	0	0%	0	0%	0	0%	0	0%	0%
\$1,000 or more	0	0%	0	0%	0	0%	0	0%	0	0%	0%
No cash rent	0	0%	0	0%	0	0%	0	0%	0	0%	0%
1 Bedroom	96	31%	216	42%	79	21%	26	23%	417	32%	26%
Less than \$200	19	6%	13	3%	0	0%	0	0%	32	2%	1%
\$200 to \$299	0	0%	38	7%	10	3%	2	2%	50	4%	3%
\$300 to \$499	65	21%	88	17%	50	13%	24	22%	227	17%	8%
\$500 to \$749	7	2%	17	3%	19	5%	0	0%	43	3%	10%
\$750 to \$999	0	0%	39	8%	0	0%	0	0%	39	3%	2%
\$1,000 or more	0	0%	21	4%	0	0%	0	0%	21	2%	2%
No cash rent	5	2%	0	0%	0	0%	0	0%	5	0%	1%
2 Bedrooms	109	35%	136	27%	172	46%	20	18%	437	33%	42%
Less than \$200	0	0%	0	0%	0	0%	0	0%	0	0%	1%
\$200 to \$299	7	2%	0	0%	23	6%	18	16%	48	4%	1%
\$300 to \$499	30	10%	58	11%	19	5%	2	2%	109	8%	5%
\$500 to \$749	41	13%	47	9%	130	34%	0	0%	218	17%	19%
\$750 to \$999	31	10%	0	0%	0	0%	0	0%	31	2%	11%
\$1,000 or more	0	0%	28	5%	0	0%	0	0%	28	2%	4%
No cash rent	0	0%	3	1%	0	0%	0	0%	3	0%	2%
3 or More Bedrooms	102	33%	149	29%	125	33%	65	59%	441	34%	28%
Less than \$200	0	0%	0	0%	0	0%	0	0%	0	0%	0%
\$200 to \$299	0	0%	0	0%	0	0%	0	0%	0	0%	0%
\$300 to \$499	29	9%	66	13%	15	4%	6	5%	116	9%	2%
\$500 to \$749	16	5%	38	7%	70	19%	4	4%	128	10%	7%
\$750 to \$999	13	4%	11	2%	0	0%	14	13%	38	3%	7%
\$1,000 or more	0	0%	5	1%	7	2%	0	0%	12	1%	7%
No cash rent	44	14%	29	6%	33	9%	41	37%	147	11%	4%

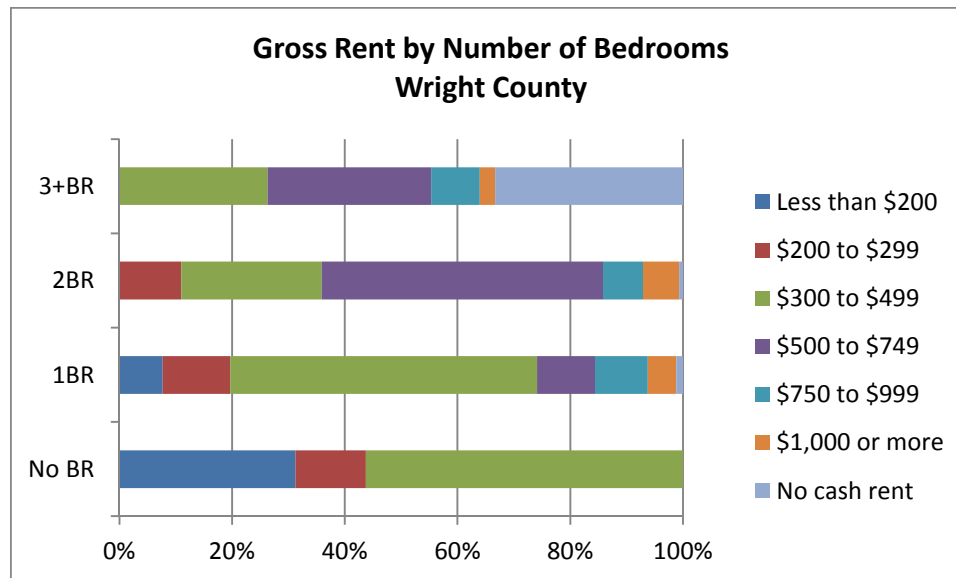
Sources: 2008-2012 American Community Survey; Maxfield Research, Inc.

RENTAL MARKET ANALYSIS

- Three bedroom or more units are the most common rental unit type in Wright County, representing 34% of all occupied rental units in the County. However, in the State of Iowa, three bedroom or more units are the second most common (28%). In Iowa, two-bedroom units make up the largest percentage (42%).



- Approximately 33% of the renter-occupied housing units in Wright County have two bedrooms compared to 42% in Iowa. One-bedroom units comprise 32% of Wright County's renter-occupied housing supply and units while only 1% of the renter-occupied units have no bedrooms/studio units. By comparison, roughly 26% of Iowa's renter-occupied housing units are one-bedroom and 4% have no bedrooms/studio units.
- Monthly gross rents in one-bedroom units in Wright County range from less than \$200 to over \$1,000 with over 54% renting for between \$300 and \$499 per month. Approximately 12% have gross monthly rents between \$200 and \$299.
- Nearly 50% of the two-bedroom units in Wright County have gross monthly rents ranging from \$500 to \$749, and 25% have a rental rate range of \$300 to \$499. Units with rents of \$200 to \$299 represent roughly 11% of the two-bedroom units in Wright County.
- Roughly 29% of the units with three or more bedrooms in Wright County rent for between \$500 and \$749 per month. Nearly 26% have a rental rate range of \$300 to \$499 per month.
- About 56% of the units without a bedroom in Wright County have gross monthly rents between \$300 and \$499 per month. Units with rents of \$200 or less represent 31% of the units without a bedroom/studio in Wright County.



- Roughly 1% of the one-bedroom units, 1% of the two-bedroom units, and 33% 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 Wright County's general occupancy rental market included a survey of four market rate apartment properties (8 units and larger) and three affordable/subsidized communities in September 2014. These projects represent a combined total of 91 units, including 39 market rate units and 52 affordable/subsidized units. Maxfield Research provided an inventory list of properties with less than eight units in Wright County.

At the time of our survey, no market rate units and no affordable/subsidized units were vacant, resulting in an overall vacancy rate of 0%. The overall market rate vacancy rate of 0% is much lower than the industry standard of 5% vacancy for a stabilized rental market, which promotes competitive rates, ensures adequate choice, and allows for unit turnover.

Table R-2 summarizes information on market rate projects, while Table R-3 summarizes information affordable and subsidized projects. Table R-4 shows an amenity and utility checklist for general occupancy projects in Wright County. Table R-5 shows an inventory of complexes with less than eight units in Wright County.

Market Rate

- *Riverwood Apartments*, constructed in the 1980s, is the newest market rate rental complex surveyed in Wright County.
- No vacancies were found at the time of the rental survey, resulting in a vacancy rate of 0% as of September 2014.
- Nearly 49% of the market rate units in Wright County are one-bedroom units. The unit breakout by unit type is summarized below.
 - Efficiency units: 0 | 0%
 - One-bedroom units: 19 | 48.7%
 - Two-bedroom units: 19 | 48.7%
 - Three-bedroom units: 1 | 2.6%
- The following is the monthly rent ranges and average rent for each unit type:
 - Efficiency units: not available
 - One-bedroom units: \$280 to \$390 | Avg. \$350
 - Two-bedroom units: \$400 to \$465 | Avg. \$460
 - Three-bedroom units: \$490
- Rental projects with less than eight units are common in Wright County. According to Table R-5, there are 17 properties with 76 units total in Wright County. About 43% of the units are located in Eagle Grove, 36% in Clarion, 16% in Belmond, and 5% in Goldfield.
- Properties with less than eight units have a median year built of 1965. However, there is a range between 1960 (Eagle Grove) and Belmond (1980).
- Single-family rentals are prevalent in Wright County. The following is the monthly rent ranges for each unit type:
 - Two-bedroom units: \$450 to \$500
 - Three-bedroom units: \$550 to \$575
 - Four-bedroom units: \$600 to \$700
- Based on Maxfield Research's phone calls to realtors and city officials, there was a need for rental units in Wright County. Several different agencies and officials said they receive frequent phone calls looking for available rental units in the area.

RENTAL MARKET ANALYSIS

TABLE R-2
GENERAL OCCUPANCY RENTAL DEVELOPMENTS
WRIGHT COUNTY
September 2014

Development/Location	Date Opened	No. of Units	Vacant	Unit Mix	Unit Size	Monthly Rent/Fees	Comments
Riverwood Apartments/Gabrielson 604 Gabrielson Dr <i>Belmond</i>	1980s	24	0	8 - 1BR 16 - 2BR	n/a n/a	\$390 \$465	Water and garbage are included in rent. Designated parking spot included.
Bowman Investments 205 5th Ave NW & 402 Central Ave E <i>Clarion</i>	1930s 1920s	10	0	8 - 1BR 1 - 2BR 1 - 3BR	550 700 800	\$280 \$340 \$400 \$490	Two separate 5-plexes.
Triple L Apartments Not available <i>Belmond</i>	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Crossroad Apartments 502 N Main St. <i>Goldfield</i>	n/a	5	0	3 - 1BR 2 - 2BR	n/a n/a	\$350 \$450	Located on Main Street above Crossroads and Youth building.
Totals		39	0	0.0%			
*Vacancy rate does not include properties that were unable to participate in rental survey.							
Souce: Maxfield Research Inc.							

RENTAL MARKET ANALYSIS

TABLE R-3 SUBSIDIZED/AFFORDABLE DEVELOPMENTS WRIGHT COUNTY September 2014							
Development/Location	Date Opened	No. of Units	Vacant	Unit Mix	Unit Size	Monthly Rent/Fees	Comments
Lantern Park Apartments 601 2nd Street SE <i>Clarion</i>	n/a	24	0	8 - 1BR 16 - 2BR	n/a n/a	Based on Income Based on Income	Keyway Management Company. Rural Development.
Wright County Housing 415 1st Street SW <i>Clarion</i>	1990s	4	0	1 - 3BR 3 - 4BR	n/a n/a	Based on Income Based on Income	Managed by Michael Murphy. Rural Development.
Eaglewood Park Apartments 300 Kirkwood Avenue <i>Eagle Grove</i>	1994	24	0	8 - 1BR 16 - 2BR	n/a n/a	Based on Income Based on Income	Keyway Management Company. Rural Development.
Totals		52	0				
Source: Maxfield Research Inc.							

RENTAL MARKET ANALYSIS

TABLE R-4
COMMON AREA FEATURES/AMENITIES
EXISTING GENERAL OCCUPANCY RENTAL PROJECTS
WRIGHT COUNTY
September 2014

Projects	In Unit/Common Area Amenities											Utilities and Parking						
	Air Conditioning	Dishwasher	Patio/Balcony	Walk-in Closet	Laundry	Elevator	Community Room	Fitness Center	Playground	Pool	Extra Storage Space	Heat/Gas	Electricity	Water/Sewer	Trash	Cable	Parking	Parking Fee (per month)
MARKET RATE RENTAL																		
Riverwood Apartments		X	X		X				X		X			X	X		C	Incl.
Bowman Investments	X	X	S									S		X	X		O	
Crossroad Apartments	X	X			X							X	X	X	X		O	
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; HU=Hook-ups; C=Common																		
Source: Maxfield Research Inc.																		

Table R-5
INVENTORY OF PROPERTIES LESS THAN EIGHT UNITS
WRIGHT COUNTY
September 2014

Address	Location	Year Built	# of Units
216 2nd St SE	Belmond	1977	4
611 3rd St SE	Belmond	1982	4
311 Country Clb LN	Belmond	1980	4
<u>Total</u>			<u>12</u>
316 2nd St NE	Clarion	1965	4
509 Central Ave E	Clarion	1947	4
212 Central Ave E	Clarion	1981	4
120 13th Ave SW	Clarion	1964	4
1205 Central Ave E	Clarion	1950	5
208 8th Ave SW	Clarion	1971	6
<u>Total</u>			<u>27</u>
106 S Kirkwood	Eagle Grove	1960	4
108 N Lucas	Eagle Grove	1900	4
520 S Jackson	Eagle Grove	1968	4
516 SE 5th	Eagle Grove	1974	4
110 S Iowa	Eagle Grove	1938	4
201 SW 1st	Eagle Grove	1975	6
207 SW 1st	Eagle Grove	1928	7
<u>Total</u>			<u>33</u>
410 W Webster	Goldfield	1965	4
<u>Wright County Total</u>			<u>76</u>

Source: Wright County; Maxfield Research Inc.

Market Rate General Occupancy Projects in Wright County

The following are photographs of select market rate general occupancy rental projects in Wright County:



Market-Rate GO Rental in Belmond



Market-Rate GO Rental in Belmond



Market-Rate GO Rental in Belmond



Market-Rate GO Rental in Belmond



Market-Rate GO Rental in Clarion



Market-Rate GO Rental in Eagle Grove

RENTAL MARKET ANALYSIS

- The majority of the properties surveyed have unit air conditioner, refrigerator, stove, and common area laundry.
- Most properties provide a common parking lot or off-street parking. Although, utility packages differ from property to property, it was common for tenants to pay heat, electricity, and cable. In most cases, water, sewer, and trash were included in the monthly rent.

Affordable/Subsidized

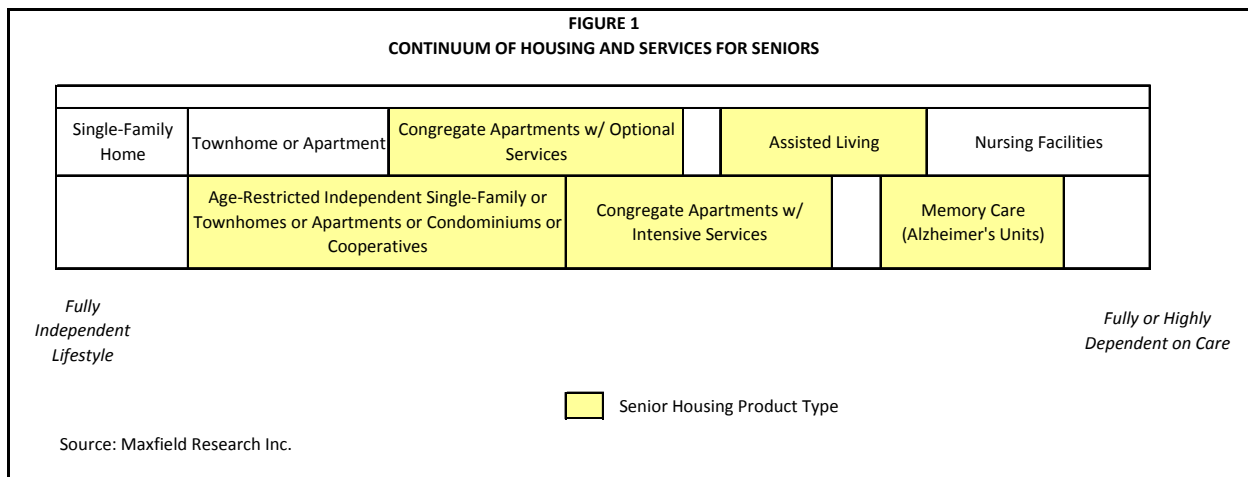
- There are three income-restricted projects in Wright County with 52 total units. As of September 2014, there were no vacancies. Typically, subsidized and affordable rental properties should be able to maintain vacancy rates of 3% or less in most housing markets. The low vacancy rates in the market indicate pent-up demand for affordable and subsidized units and also are an indication of the current economic climate in the area.
- *Lantern Park Apartments* and *Eaglewood Park Apartments*, located in Clarion and Eagle Grove, are the largest subsidized/affordable projects in Wright County. Both projects have 24 units and participate in the USDA Rural Development Program. Both properties are managed by Keyway Management Company.
- *Wright County Housing*, located in Clarion, has four different locations throughout Clarion. Each location is a single-family rental, which also participates in the USDA Rural Development. One location is a three-bedroom house and the other three locations are four-bedroom houses.

Introduction

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

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 Inc. 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

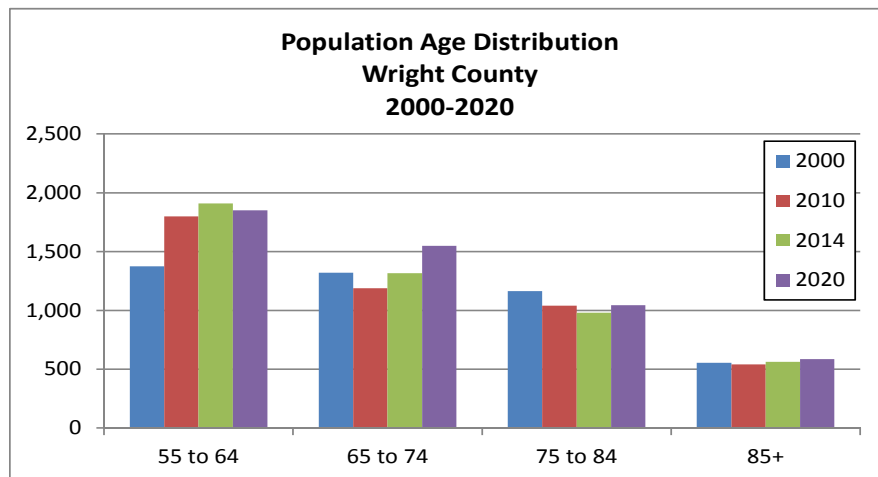
of services, active adult properties generally do not command the rent premiums of more service-enriched senior housing. Active adult properties can have a rental or owner-occupied (condominium or cooperative) format.

- 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.

Older Adult (Age 55+) Population and Household Trends

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

- The greatest growth is predicted to occur among older adults in Wright County. Aging of baby boomers led to an increase of 426 people (+31%) in the 55 to 64 population between 2000 and 2010 in Wright County. As this group ages, the 65 and older cohorts are expected to continue increasing.

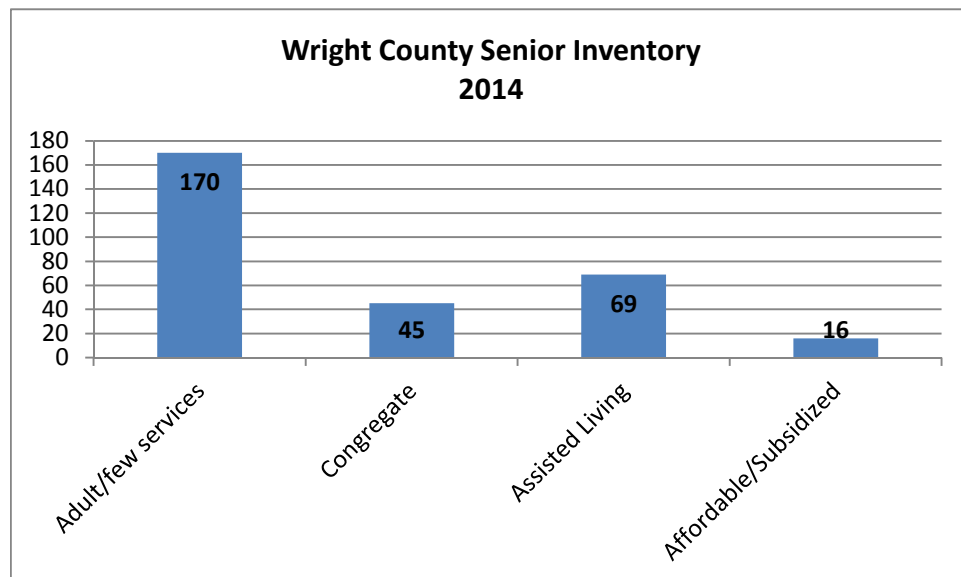


- The primary market for service-enhanced housing is senior households age 75 and older. While individuals in their 50s and 60s typically do not comprise the market base for service-enhanced senior housing, they often have elderly parents to whom they provide support when they decide to relocate to senior 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.
- Wright County maintains relatively high rates of homeownership in the older adult age cohorts. The homeownership rate in 2010 was 85.7% 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. This movement pattern is demonstrated by the drop in homeownership between the 65 to 74 age cohort (85.7%) and the 75+ age cohort (70.4%).

- With a homeownership rate of 76.6% 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 2013 median sale price for single-family homes in Wright County (\$61,500), a senior household could generate around \$1,500 of additional income annually (about \$125 per month), if they invested in an income-producing account (2.5% interest rate) after accounting for marketing costs and/or real estate commissions (6.0% of home sale price).

Supply of Senior Housing in the Wright County

As of September 2014, Maxfield Research identified seven senior housing developments in Wright County. Combined, these projects contain a total of 300 units. One of the projects is subsidized, while the remaining six are market rate. Table S-1 provides information on the market-rate 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. Table S-2 summarizes information for the subsidized product in Wright County. Table S-3 shows a checklist for unit features, building amenities, and services for market-rate and subsidized senior projects in Wright County.



The following are key points from our survey of the senior housing supply.

Affordable/Subsidized Senior Housing Projects

- Subsidized senior housing offers affordable rents to qualified lower income seniors and handicapped/disabled persons. Typically, rents are tied to residents' incomes and based on 30% of adjusted gross income (AGI), or a rent that is below the fair market rent. For those households meeting the age and income qualifications, subsidized senior housing is usually the most affordable rental option available. Affordable projects are typically tax-credit projects that are limited to households earning less than 80% of Wright County's area median income.
- There are a total of 16 units in one subsidized senior project (*Goldfield Community Apartments*). As of September 2014, one unit was vacant resulting in a vacancy rate of 6.3%. The project is managed by Connor Management.
- Most utilities are included in the rent except for optional telephone service. Unit features include dishwasher and microwave oven. Building amenities include community room and dining room for the guests. Services are limited but include local area transportation.

SENIOR HOUSING ANALYSIS

TABLE S-1 SENIOR HOUSING DEVELOPMENTS WRIGHT COUNTY September 2014						
Development/Location	Date Opened	No. of Units	Vacant	Unit Mix	Monthly Rent/Fees	Comments
Adult/Few Services Developments						
Belmond Community Apartments	1970s	108	0	8 - EFF	\$464	As of 8/1/2014, no longer participate in Section 8 or HUD. Assistance is avail through Fort Dodge Housing.
116 Luick's Lane N	1980s			90 - 1BR	\$465 - \$550	
Belmond				10 - 2BR	\$550 - \$650	
Southtown Apartments	1970s	62	3	56 - 1BR	\$275	No longer income-based. Managed by Murphy Mgmt.
1501 S Main Street				6 - 2BR	\$330	
Clarion						
Congregate						
Meadows Independent Living	1993	45	1	25 - 1BR	\$950 - \$1,150	Waiting List.
1302 S Main Street				17 - 2BR	\$1,400	
Clarion				3 - 3BR	\$1,700	
Assisted Living						
Meadows Assisted Living	2007	18	1	18 - 1BR	\$2,700	Waiting List.
1302 S Main Street						
Clarion						
Belle Haven Assisted Living	2009	16	1	14 - 1BR	\$2,300	Managed by ABCM.
815 Luick's Lane N				2 - 2BR		
Belmond						
Rotary Homes	1950s	35	n/a	35 - 1BR	\$2,000 - \$4,000	Licensed residential care, skilled nursing, and assisted living facility.
620 SE 5th St	1960s					
Eagle Grove						
Total		284	6	2.4%*		
*Vacancy calculation excludes properties that did not provide vacancy information.						
Source: Maxfield Research Inc.						

SENIOR HOUSING ANALYSIS

TABLE S-2 AFFORDABLE/SUBSIDIZED SENIOR HOUSING DEVELOPMENTS WRIGHT COUNTY September 2014							
Development/Location	Date Opened	No. of Units	Vacant	Unit Mix	Unit Size	Monthly Rent/Fees	Comments
Goldfield Community Apartments 415 Lincoln Street & 127 Washington	1997	16	1	13 - 1BR 3 - 2BR	n/a n/a	Based on Income	Managed by Connor Management. Rural Development.
Total		16	1	6.3%			
Source: Maxfield Research Inc.							

SENIOR HOUSING ANALYSIS

TABLE S-3
UNIT FEATURES/BUILDING AMENITIES/SERVICES
COMPETITIVE SENIOR HOUSING PROJECTS
WRIGHT COUNTY
September 2014

	Unit Features							Building Amenities							Services				Other Features	
	A/C	Dishwasher	Microwave Oven	W/D	Walk-in Closet	Balcony/Patio	Emergency Call	Community Rm.	Dining Rm.	Craft/Hobby Rm.	Library	Storage Lockers	Exercise Rm.	Garage Parking	Guest Suite	Transportation	Activities	Housekeeping		Meals
Adult/Few Services Projects																				
Belmond Community Apartments	X	X	X			S		X	X	X						Y	N	N	Y	Transit Service Meals.
Southtown Apartments	X	X	X					X	X	X				X		Y	N	N	Y	Transit Service Meals. Local area transportation.
Congregate																				
Meadows Independent Living	X	X	X	X			X	X	X	X			X	X		Y	Y	Y	Y	1 meal a day. Local area transportation
Assisted Living																				
Meadows Assisted Living	X		X		X		X	X	X	X			X	X		Y	Y	Y	Y	Local area transportation.
Belle Haven Assisted Living	X					X	X	X	X	X		X		X		Y	Y	Y	Y	Local area transportation.
Rotary Homes				n/a									n/a					n/a		
Subsidized/ Affordable Projects																				
Goldfield Community Apts		X	X					X	X							Y	N	N	N	Local area transportation.
Y=Included, N=Not Included, O=Optional, S=Some, HU=Hook-Ups, C=Common/Shared, UG=Underground Parking, G=Garage																				
Source: Maxfield Research Inc.																				

Wright County Senior Housing Projects

The following are photographs of select senior housing facilities in Wright County:



Belle Haven Assisted Living



The Meadows



Rotary Senior Living



Goldfield Community Apartments

Active-Adult Few Services

- There are two active-adult few services rental developments in Wright County for a total of 170 units. Both projects were previously income-based developments. *Belmond Community Apartments*, as of August 1st 2014, no longer participates in Section 8 or HUD programs. *Southtown Apartments*, according to Murphy Management, has had no income restrictions for over two years.
- Combined, these projects have a vacancy rate of 1.8%. The majority of the unit types are one-bedrooms, which make up 86% of the active-adult few services units.
- Unit features include air conditioning, dishwasher, microwave oven, and patio. Common building amenities include community room, dining room, and craft/hobby room. Local transportation is available and transit service meals are optional.

Congregate Senior Projects

- There is one congregate senior rental developments located in Wright County. *The Meadows Independent Living* has 45 units located in Clarion.
- As of September 2014, *The Meadows* had one vacancy resulting in a vacancy rate of 2.2%. However, management said they have a waiting list and anticipate the unit to be filled very soon.
- Unit features include air conditioning, dishwasher, microwave oven, washer/dryer, and emergency call. Common building amenities include community room, dining room, craft/hobby room, exercise room, and garage parking. Local area transportation, activities, housekeeping, and one meal daily are provided.

Assisted Living

- There are three assisted living projects located in Wright County for a total of 69 units. *Rotary Senior Living*, in Eagle Grove, is the largest assisted living facility in Wright County.
- *Meadows Assisted Living* and *Belle Haven Assisted Living* have one vacancy each at this time, but expect to fill the vacant unit in the near future. The total assisted living vacancy rate is 2.9% as of September 2014.
- Unit features include air conditioning, patio, walk-in closet, and emergency call. Common building amenities include community room, dining room, craft/hobby room, and garage parking. Local area transportation, activities, housekeeping, and three meals daily are provided.

Introduction

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

Home Resales in Wright County

Table FS-1 presents home resale data on single-family and multifamily housing in Wright County from 2000 through 2013. The data was obtained from the Wright County Assessor and shows the annual number of sales and median sales price by Wright County submarket. The table includes only residential transactions and excludes agricultural dwellings. The following are key points observed from our analysis of this data.

- Since 2000, there have been an average of 186 residential transactions in Wright County. Transaction volume was highest in 2000 with 251 transactions and lowest in 2010 with 145 transactions.
- Average annual transactions ranged from 11 in the Goldfield Submarket to 69 in the Clarion Submarket. The Belmond and Eagle Grove Submarkets have averaged just over 50 transactions per year.
- Over the past fourteen years, the median sales price in Wright County has fluctuated from year-to-year. The median sales price peaked this past year (2013) with a median sales price of \$61,500.
- The median sales prices bottomed-out in 2010 at \$40,000 in Wright County. However, over the past two years the median sales price has increased by 53%.
- Although the Goldfield submarket posted the fewest transactions in 2013, the area posted the highest median sales price at \$77,500.
- Historically the Belmond Market Area has had the highest resale since 2000. The median sales price has averaged the following for each submarket:
 - Belmond Market Area: \$59,800
 - Clarion Market Area: \$50,600
 - Goldfield Market Area: \$48,100
 - Eagle Grove Market Area: \$46,460

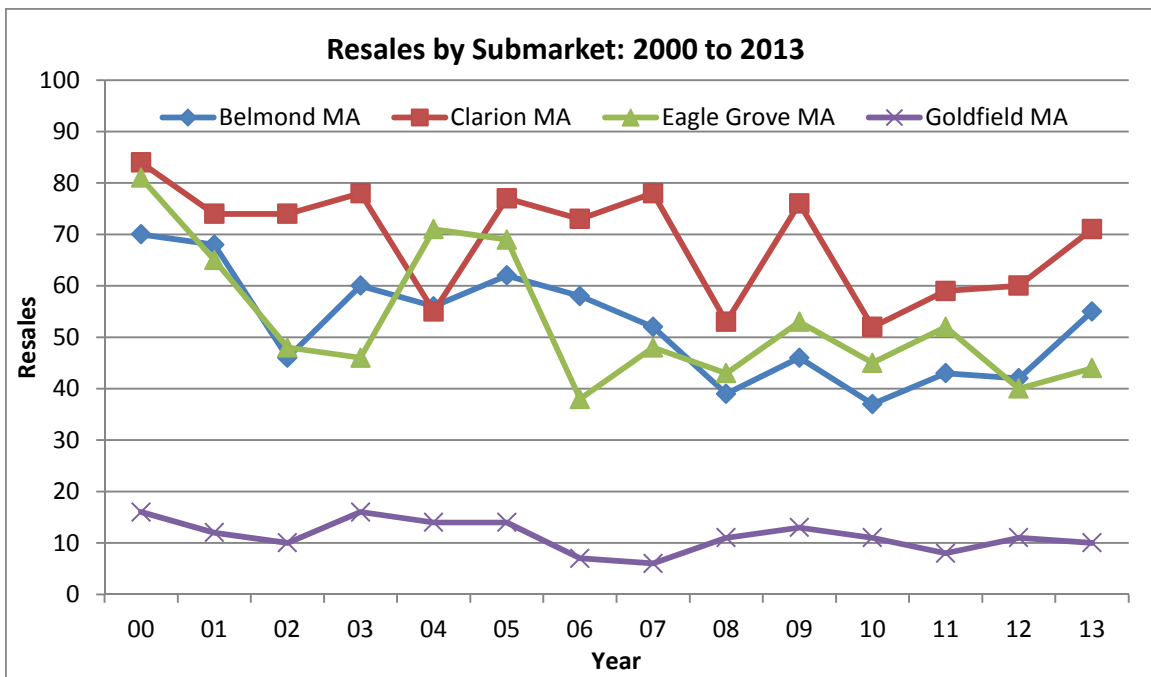
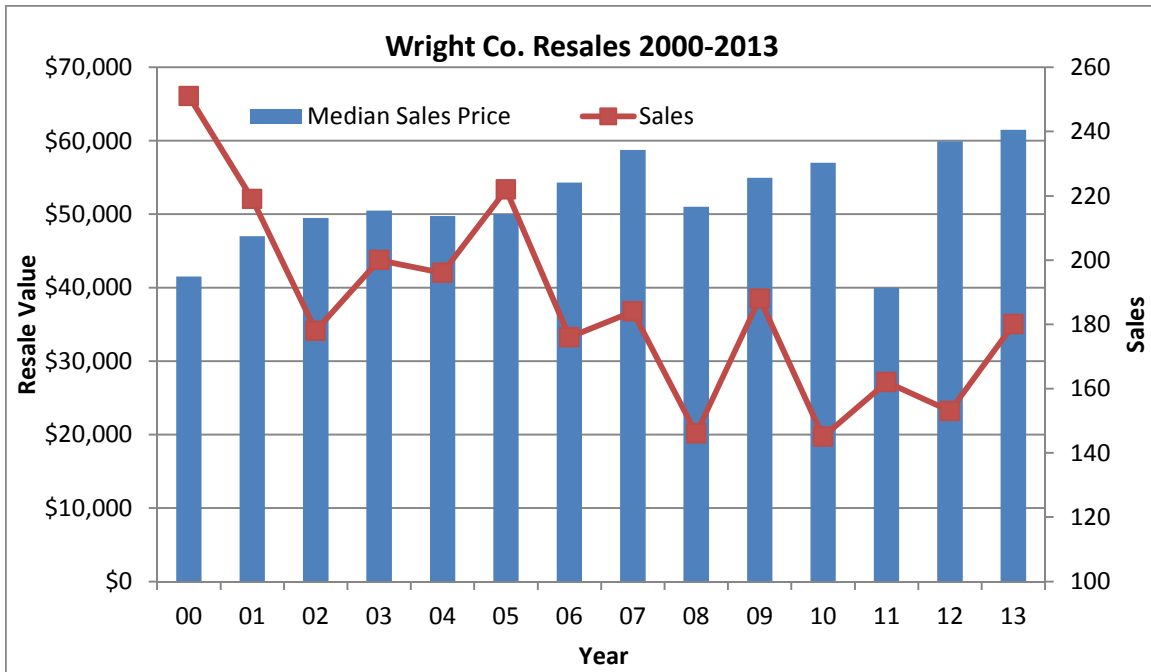
TABLE FS-1
WRIGHT COUNTY RESALE VALUES BY SUBMARKET
2000 to 2013

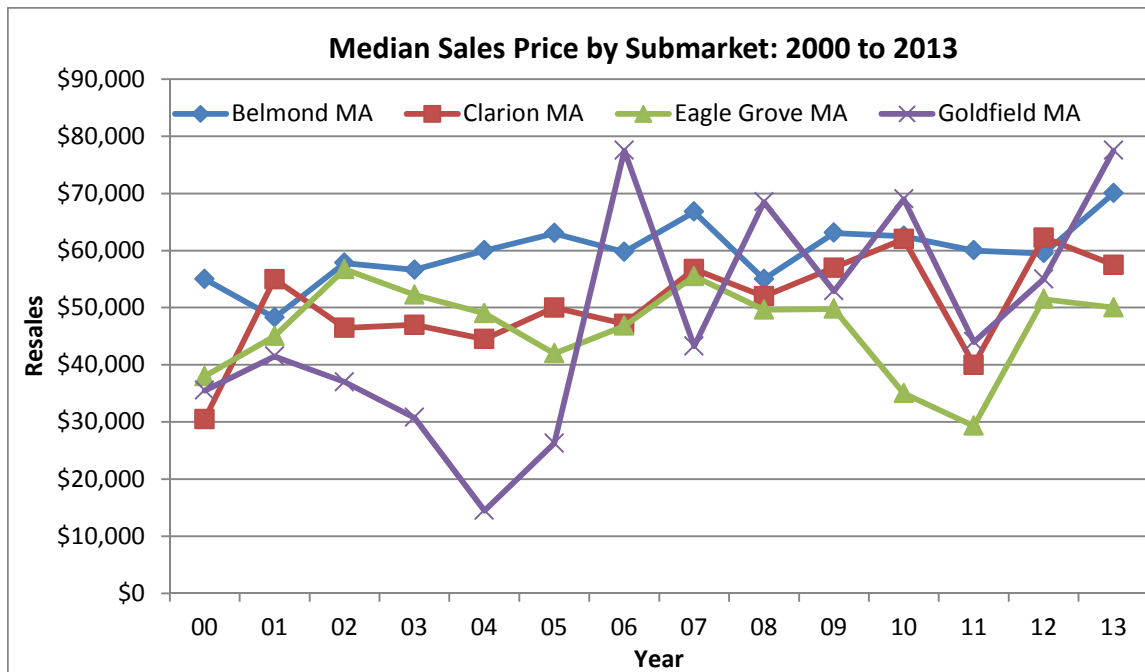
Year	Belmond MA	Clarion MA	Eagle Grove MA	Goldfield MA	Wright Co.
Sales					
2000	70	84	81	16	251
2001	68	74	65	12	219
2002	46	74	48	10	178
2003	60	78	46	16	200
2004	56	55	71	14	196
2005	62	77	69	14	222
2006	58	73	38	7	176
2007	52	78	48	6	184
2008	39	53	43	11	146
2009	46	76	53	13	188
2010	37	52	45	11	145
2011	43	59	52	8	162
2012	42	60	40	11	153
2013	55	71	44	10	180
Total	734	964	743	159	2,600
Ann. Avg.	52	69	53	11	186

Year	Belmond MA	Clarion MA	Eagle Grove MA	Goldfield MA	Wright Co.
Median Sales Price					
2000	\$55,000	\$30,500	\$38,000	\$35,500	\$41,500
2001	\$48,250	\$55,000	\$45,000	\$41,500	\$47,000
2002	\$57,810	\$46,450	\$56,734	\$37,000	\$49,500
2003	\$56,600	\$47,000	\$52,250	\$30,750	\$50,500
2004	\$60,000	\$44,500	\$49,000	\$14,500	\$49,750
2005	\$63,000	\$50,000	\$42,000	\$26,250	\$50,000
2006	\$59,750	\$47,170	\$46,800	\$77,500	\$54,300
2007	\$66,750	\$56,750	\$55,500	\$43,250	\$58,750
2008	\$55,000	\$52,000	\$49,620	\$68,500	\$51,000
2009	\$63,075	\$57,000	\$49,750	\$52,900	\$54,950
2010	\$62,500	\$62,000	\$35,000	\$69,000	\$57,000
2011	\$60,000	\$40,000	\$29,300	\$44,000	\$40,000
2012	\$59,500	\$62,250	\$51,500	\$55,000	\$59,900
2013	\$70,000	\$57,500	\$50,000	\$77,500	\$61,500

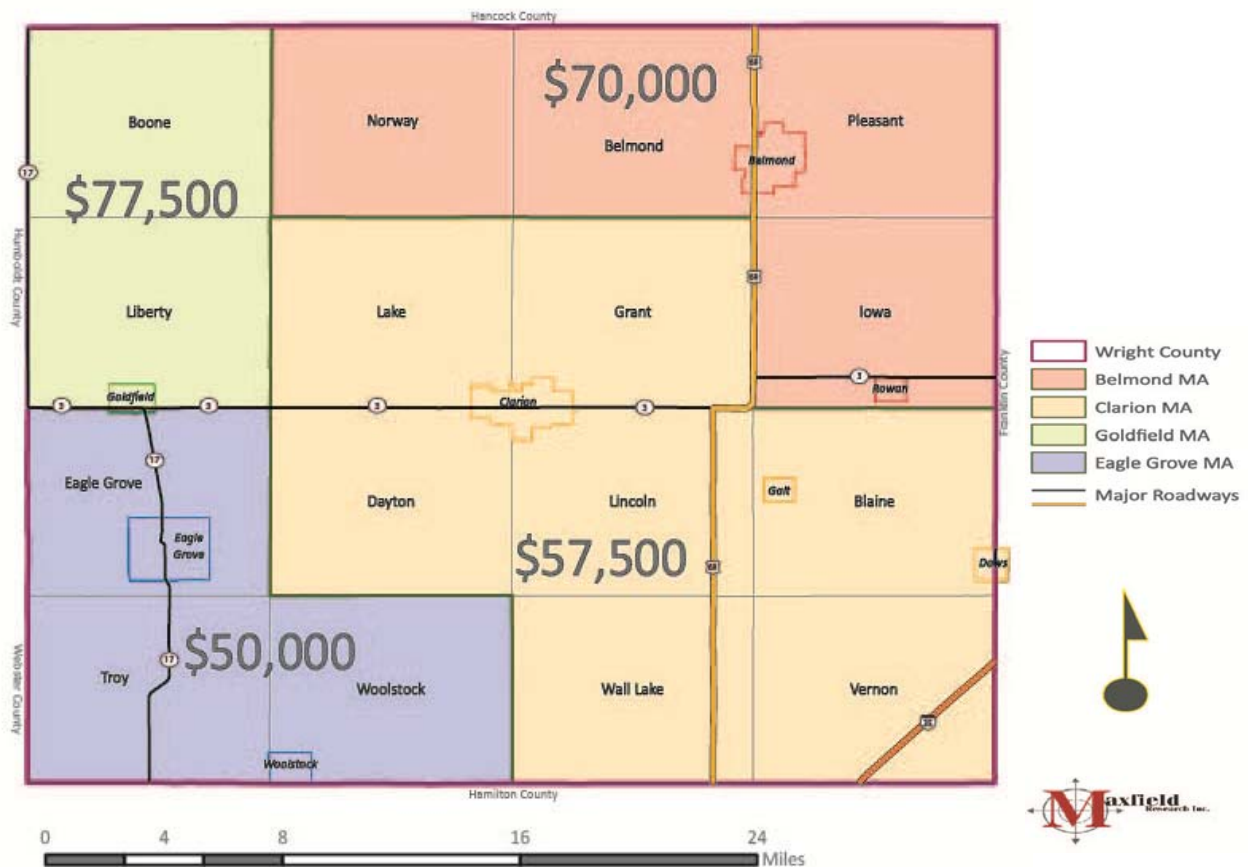
Sources: Wright County Assessor, Maxfield Research Inc.

- Single-family housing types accounted for nearly all of the transaction in the County. There have been only a handful of condominium or duplex sales; due in part to the lack of supply of this product type.





2013 Median Resale by Submarket



Current Supply of Homes on the Market

To more closely examine the current market for available owner-occupied housing in Wright County, we reviewed the current supply of homes on the market (listed for sale). Table FS-3 homes shows currently listed for sale in Wright County by Market Area distributed into eight price ranges. The data was obtained for each individual real estate office in Wright County and combining all the data. The listings were obtained in August and September 2014. Please note: listings without sales prices were omitted from the table. Table FS-3 shows the active listings by home style (i.e. one-story, two-story, etc.)

- As of September 2014, there were 86 homes listed for sale in Wright County. Only two of the listings were for multifamily properties; both of which are located in the Belmond Market Area.
- The median list price in Wright County for a single-family home is \$74,900. 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.

FOR-SALE MARKET ANALYSIS

TABLE FS-2
HOMES CURRENTLY LISTED FOR-SALE
WRIGHT COUNTY
August/September 2014

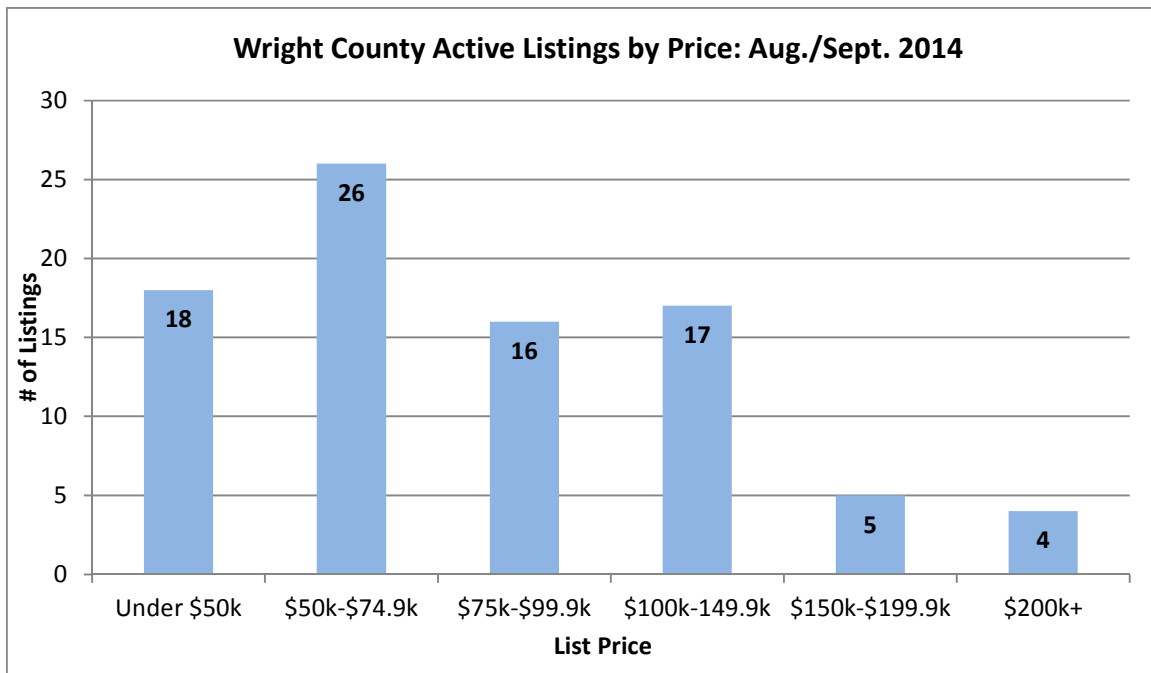
Price Range	Belmond MA		Clarion MA		Eagle Grove MA		Goldfield MA		Wright County	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Under \$25,000	0	0.0%	0	0.0%	1	4.8%	0	0.0%	1	1.2%
\$25,000 to \$49,999	7	17.5%	7	30.4%	3	14.3%	0	0.0%	17	19.8%
\$50,000 to \$74,999	12	30.0%	5	21.7%	8	38.1%	1	50.0%	26	30.2%
\$75,000 to \$99,999	7	17.5%	3	13.0%	5	23.8%	1	50.0%	16	18.6%
\$100,000 to \$149,999	10	25.0%	3	13.0%	4	19.0%	0	0.0%	17	19.8%
\$150,000 to \$199,999	3	7.5%	2	8.7%	0	0.0%	0	0.0%	5	5.8%
\$200,000 to \$249,999	1	2.5%	2	8.7%	0	0.0%	0	0.0%	3	3.5%
\$250,000 and Over	0	0.0%	1	4.3%	0	0.0%	0	0.0%	1	1.2%
	40	100%	23	100%	21	100%	2	100%	86	100%
Minimum	\$27,500		\$35,000		\$6,900		\$54,700		\$69,000	
Maximum	\$245,000		\$450,000		\$137,500		\$119,000		\$450,000	
Median	\$79,950		\$68,000		\$72,000		\$86,850		\$74,900	
Average	\$92,864		\$111,709		\$71,190		\$86,850		\$93,937	

Note: Does not include agricultural properties. Excludes listings where no price was provided

Sources: Local real estate firms websites: Jaspersen Real Estate, North IA Real Estate Property Link Real Estate, Ryerson Realty Town & Country Real Estate, Maxfield Research Inc.

FOR-SALE MARKET ANALYSIS

- Based on a median list price of \$74,900, the income required to afford a home at this price would be about \$21,400 to \$25,000, 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 75% of Wright County households have annual incomes at or above \$25,000.
- Over 50% of the homes for sale in Wright County are priced under \$75,000; including 21% priced under \$50,000 and 30% priced from \$50,000 to \$74,999.



- About 30% of the homes for sale are priced higher than \$100,000. Most of these homes are priced from \$100,000 to \$149,999; only 11% of the stock is priced higher than \$150,000.
- Although the Goldfield submarket had only two active listings (other listings were omitted as they did not have list prices), the Goldfield Submarket posted the highest median list price at \$86,850. The Belmond Submarket posted a median list price of nearly \$80,000; while the Clarion and Eagle Grove Submarkets were both near \$70,000.
- The Belmond Submarket had the highest number of homes for sale at 40; accounting for 46.5% of all listings in Wright County. The Clarion and Eagle Grove Submarket were similar as they both account for about 25% of the homes for sale in the County.

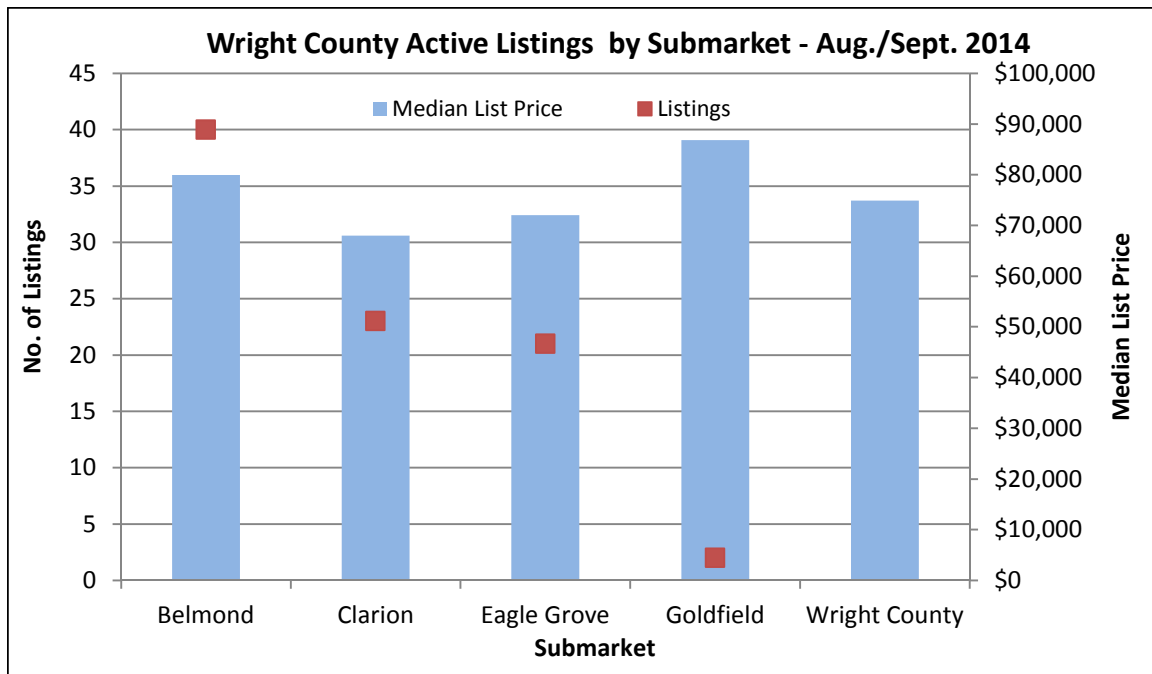


TABLE FS-3
ACTIVE LISTINGS BY HOUSING TYPE
August/September 2014

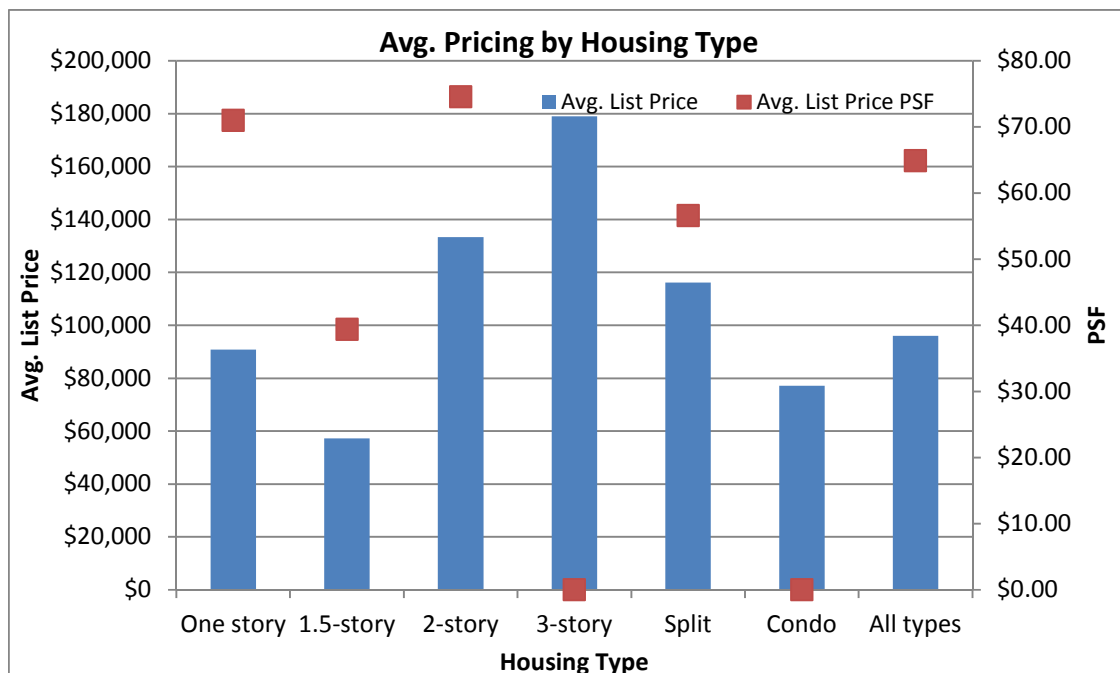
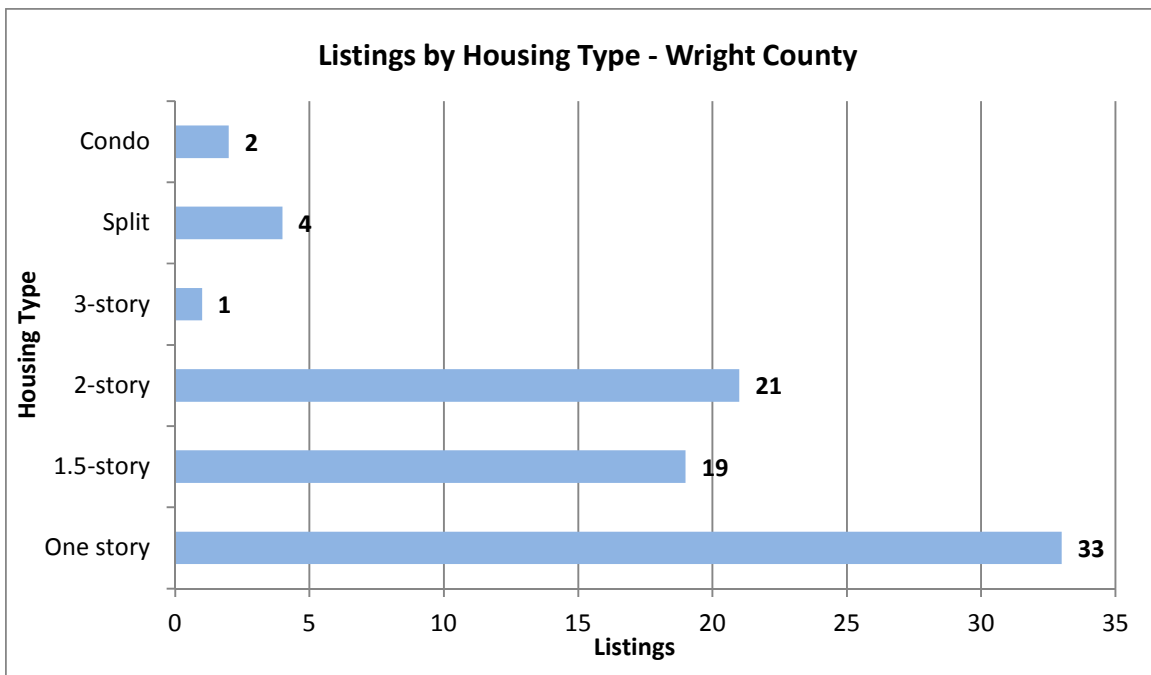
Property Type	Listings	Pct.	Avg. List Price	Avg. Home Size Sq. Ft.	Avg. List Price Per Sq. Ft.	Avg. Age of Home
Single-Family						
One story	33	41.3%	\$90,843	1,280	\$70.97	1959
1.5-story	19	23.8%	\$57,258	1,453	\$39.41	1910
2-story	21	26.3%	\$133,333	1,788	\$74.57	1921
3-story	1	1.3%	\$179,000	n/a	n/a	n/a
Split	4	5.0%	\$116,150	2,052	\$56.60	1965
Condo	2	2.5%	\$77,200	n/a	n/a	1989
Total	80	100.0%	\$96,047	\$1,480	\$64.90	1939

Sources: Local real estate firms websites: Jaspersen Real Estate, North IA Real Estate Property Link Real Estate, Ryerson Realty, Town & Country Real Estate, Maxfield Research Inc.

- One-story homes made up the highest percentage of active single-family listings in Wright County (41%). Two-story homes accounted for 26% of the inventory while one and one-half story homes made up 24% of the inventory.
- Overall, the average list price per square foot ("PSF") among all active single-family listings is \$65/foot. Two-story homes have the highest PSF costs at \$75/PSF; followed closely by one-story homes at \$71/PSF. One and one-half level homes have the lowest list price PSF (\$39).

FOR-SALE MARKET ANALYSIS

- Because of the higher finished square footages, two-story homes have among the highest average list price at \$133,333.



Owner-occupied Turnover

Table FS-4 illustrates existing home turnover as a percentage of owner occupied units in Wright County and the Market Area. Resales are based on historic transaction volume between 2000 and 2013 as obtained from the Wright County Assessor. Owner-occupied housing units are sourced to the U.S. Census as of 2010.

As displayed in the table, approximately 4.5% of the Wright County Market Area's owner-occupied housing stock is sold annually. Turnover rates range from 3.8% in the Goldfield Market Area to 4.8% in the Clarion Market Area. Typically we find owner-occupied turnover ranges from 3% at the low-end to 8% at the high-end in many communities throughout the Midwest.

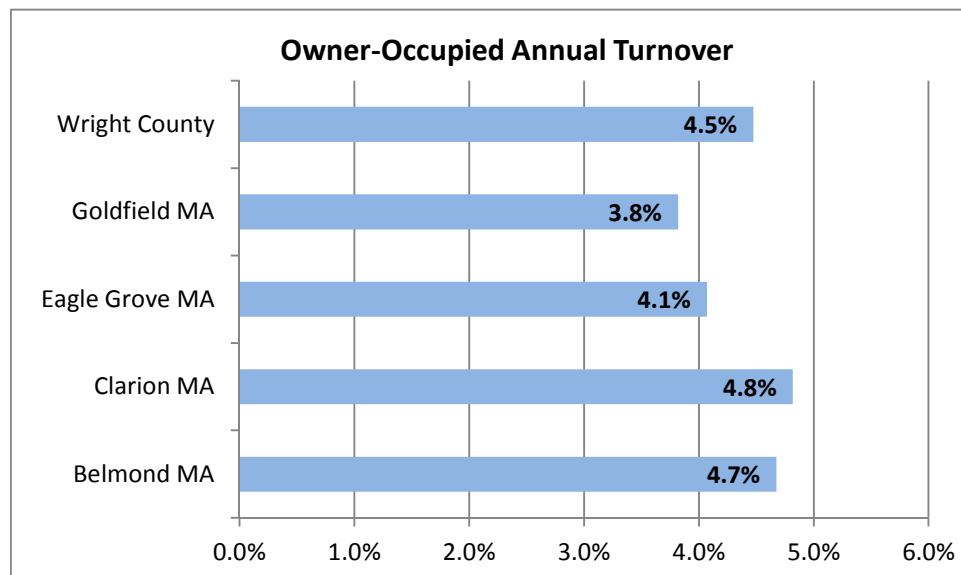
**TABLE FS-4
OWNER-OCCUPIED TURNOVER
WRIGHT COUNTY**

Submarket	Owner-occupied Housing Units¹	Resales Annual Avg.²	Turnover Pct.
Belmond MA	1,112	52	4.7%
Clarion MA	1,432	69	4.8%
Eagle Grove MA	1,302	53	4.1%
Goldfield MA	288	11	3.8%
Wright County	4,134	185	4.5%

¹ Owner-occupied housing units in 2010

² Average of assessor resales between 2000 and 2013

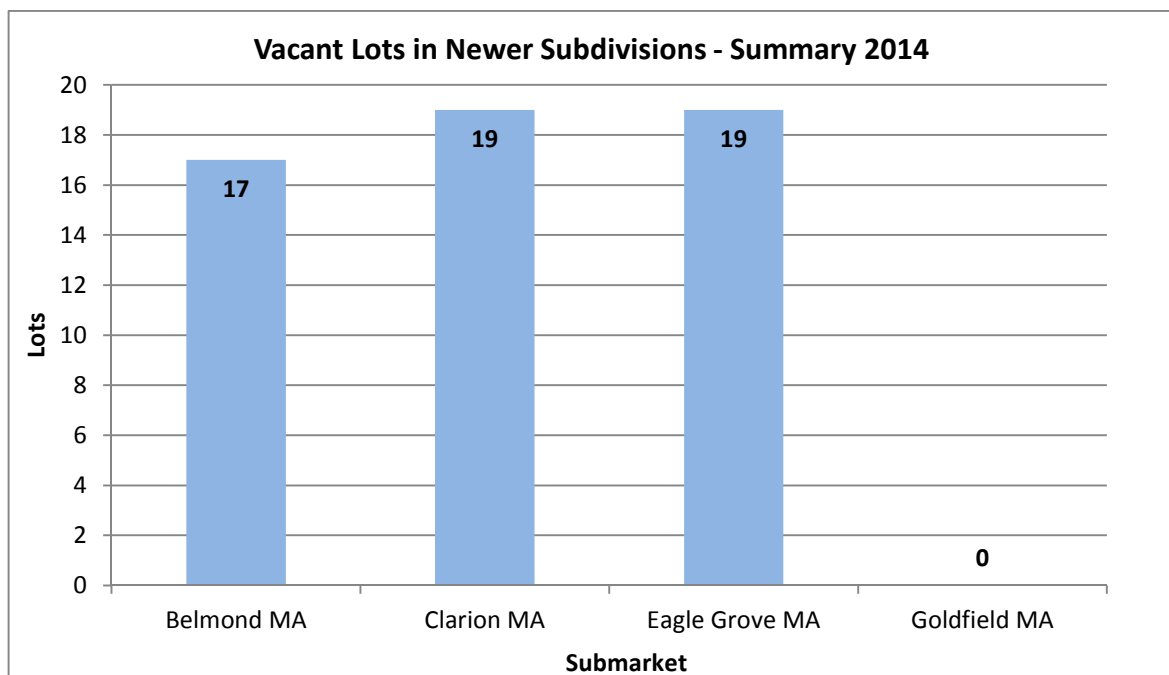
Source: U.S. Census Bureau, Wright County Assessor, Maxfield Research Inc.



Actively Marketing Subdivisions

Table FS-5 identifies newer subdivisions with available lots in Wright County. The table identifies the year platted, number of lots, available lots, typical lot sizes, and assessed and marketing values for lots and homes. Please note; the table does not include scattered, infill lots. Key points from the table follow.

- There are four active subdivisions in Wright County with available lots. Combined, there are 55 vacant lots. All of the actively marketing product targets move-up or executive-level home buyers.
- All of the subdivisions were platted between 1995 and 2014. Prior to the new White Fox Drive subdivision in Clarion, there had not been a new platted subdivision since 1997 (Diamond Estates).
- There is only one lot remaining in the Country Club Estates subdivision in Belmond. However, there are 16 vacant lots in the Dumond Estates subdivision in Belmond. The Dumond Estates subdivision includes a mix of single-family and twinhome lots and is owned by the City of Belmond. The subdivision also includes six lots designated for moderate income households up to 120% of area median income. Although the average lot cost is around \$20,000 in the subdivision, buyers can make an offer to the Belmond Housing Council who determines the final lot cost.

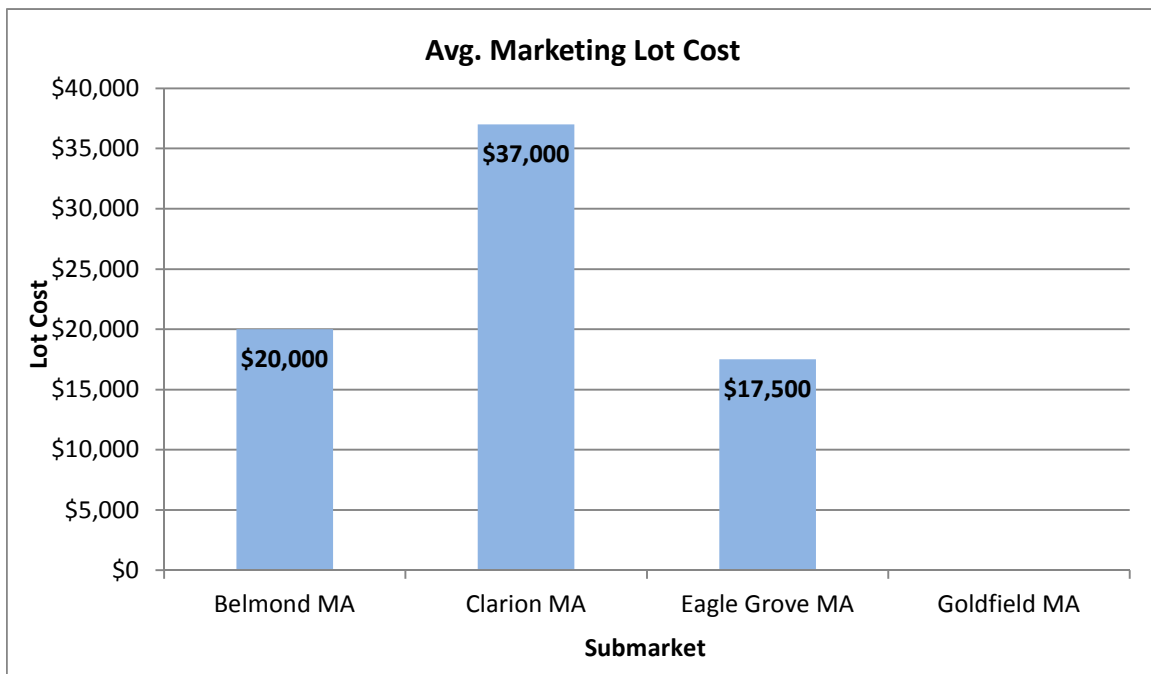


FOR-SALE MARKET ANALYSIS

TABLE FS-5 ACTIVELY MARKETING SINGLE-FAMILY SUBDIVISIONS WRIGHT COUNTY SUMMER 2014																		
Subdivision	City/Twp.	Builder Restrictions	Year Platted	No. of Lots	Vacant/ Avail. Lots	Average Size of Lots (Acres)			Average Assessed Lot/Land Value			Average Assessed Home Value			Marketing Land/Lot Value			Comments
Min	Max	Avg.	Min	Max	Avg.	Min	Max	Avg.	Min	Max	Avg.	Min	Max	Avg.	Min	Max	Avg.	
Belmond Submarket																		
Dumond Estates	Belmond	None	1997	40	16	0.13	-	1.00	0.43	\$8,300	-	\$43,800	\$20,325	\$82,500	-	\$224,900	\$143,630	14 SF lots & 26 twinhome lots
Country Club Estates	Belmond	None		44	1	0.14	-	0.75	0.26	\$8,500	-	\$32,100	\$14,761	\$89,700	-	\$214,700	\$132,233	
Subtotal				84	17			0.34				\$17,411		\$137,660		\$20,000		
Clarion Submarket																		
White Fox Drive - Phase 1	Clarion	None	2014	23	19	0.27	-	0.49	0.34	n/a	-	n/a	n/a	n/a	-	n/a	n/a	Min. Assessed value \$200k
White Fox Drive - Phase 2 (future - duplex)	Clarion	None	2014	8	n/a	n/a	-	n/a	n/a	n/a	-	n/a	n/a	n/a	-	n/a	n/a	Future phase
White Fox Drive - Phase 3 (future)	Clarion	None	2014	9	n/a	n/a	-	n/a	n/a	n/a	-	n/a	n/a	n/a	-	n/a	n/a	Future phase
Subtotal				23	19			0.34								\$37,000		
Eagle Grove Submarket																		
Maier Addition (Morningside)	Eagle Grove	None	1995	25	19	0.36	-	0.61	0.45	\$16,900	-	\$21,300	\$17,066	\$79,200	-	\$250,300	\$190,383	
Goldfield Submarket																		
No active subdivisions in city limits																		
Wright County Total				132	55			0.36								\$25,009		
¹ Lot value and home value based on Wright County Assessor data. In new subdivisions with no recorded sales, the values represent the value of the property as its marketing.																		
Source: Wright County Assessor, Interviews with Realtors, Maxfield Research Inc.																		

FOR-SALE MARKET ANALYSIS

- The White Fox Drive subdivision in Clarion is the newest housing development in Wright County. The subdivision is developed by a non-profit development group “i2i” which has orchestrated the development of the plat due to concerns of housing shortages in Clarion. The subdivision is planned for three phases and 40 total lots; however only phase I with 23 lots is marketing at this time. A total of four lots have sold ranging from \$36,000 to \$38,000. According to the subdivision’s covenants the estimated market value of the property must exceed \$200,000. Phase II is planned for eight twinhome lots and Phase III is planned for 9 single-family lots.
- The Maier Addition in Eagle Grove is the only actively marketing subdivision in the Eagle Grove Submarket. The subdivision was platted in 1995 and includes 25 total lots; of which six have been purchased. Lot sizes average about 0.45 acres and are marketing from \$15,000 to \$20,000.



- There are no actively marketing subdivision in the Goldfield Submarket.
- The average lot size across all of the actively marketing subdivision is 0.37 acres with average assessed lot values of approximately \$17,000.
- All of the actively marketing subdivisions are “open builder” subdivisions that allow the lot buyer to select the builder of their choice to the subdivision.

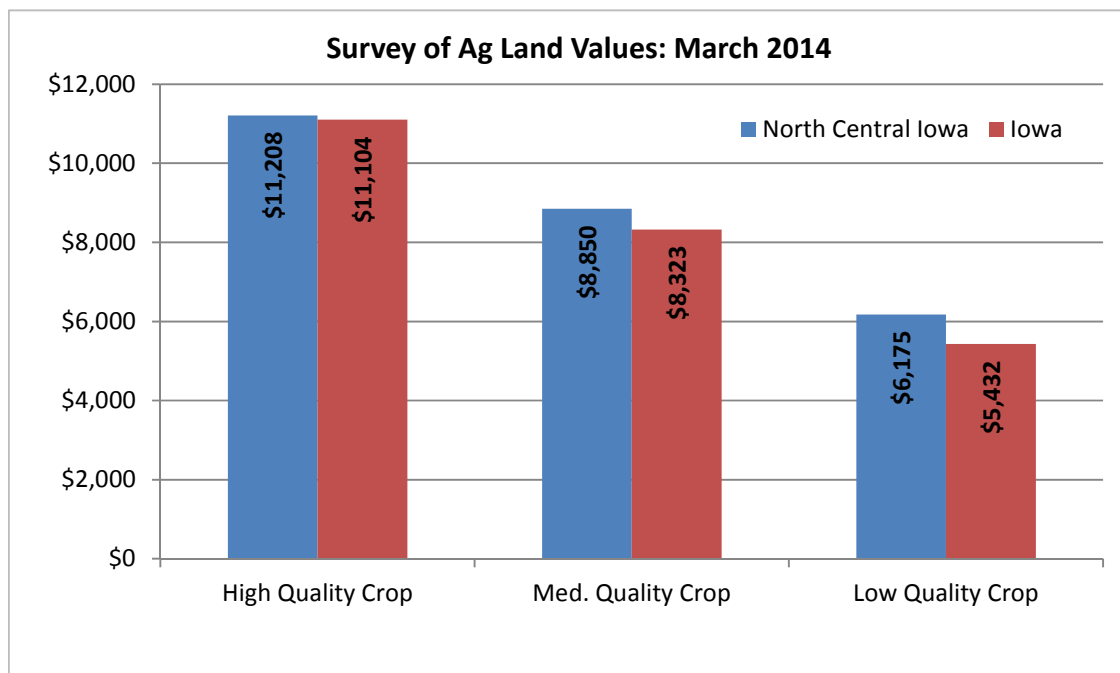
Agricultural Land Values

Wright County has desirable agricultural land that historically has been priced near the State of Iowa average on a per-acre basis. Table FS-6 shows farmland values in various submarkets of Iowa in March 2014. The data was compiled by the Realtors Land Institute (RLI) which is composed of Realtors who specialize in farm and land sales or appraisals. Key findings follow.

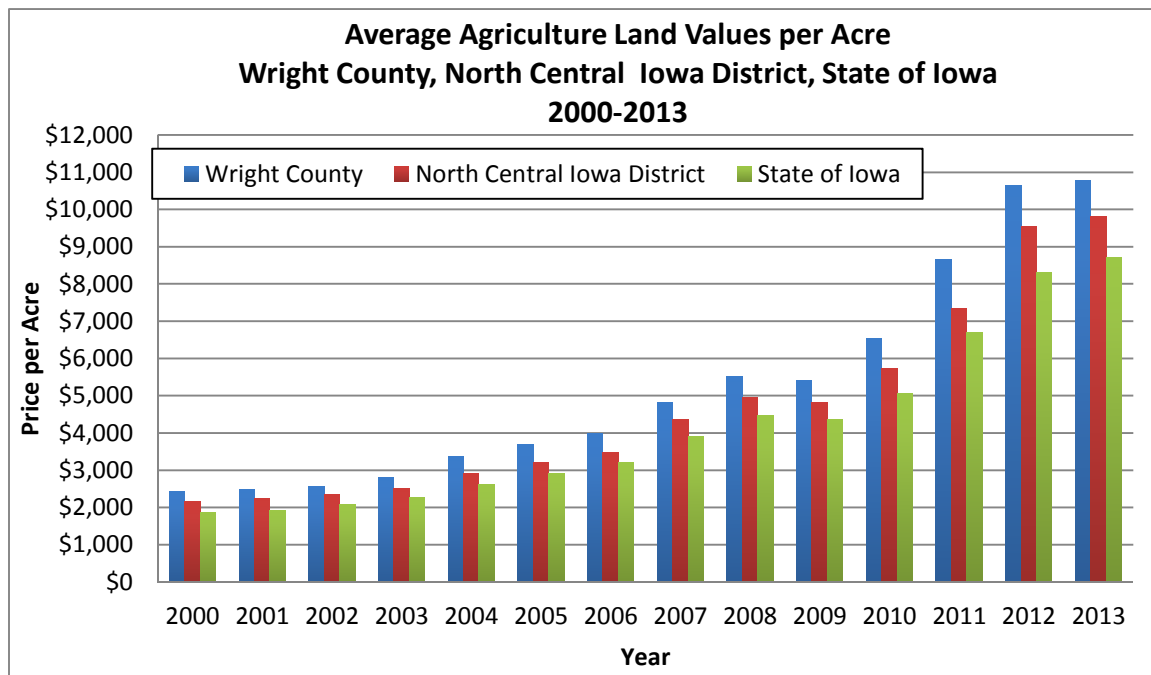
TABLE FS-6
SURVEY OF FARMLAND VALUES
March 2014

Area in Iowa	Crop Land			Non-tillable Pasture	Timber
	High Quality	Medium	Low Quality		
North Central	\$11,208	\$8,850	\$6,175	\$2,313	\$1,888
Northwest	\$12,930	\$9,843	\$6,706	\$2,816	\$2,518
Northeast	\$12,203	\$8,894	\$5,661	\$2,771	\$2,463
West Central	\$11,510	\$9,126	\$6,392	\$3,039	\$2,300
Central	\$11,305	\$8,432	\$5,569	\$2,656	\$2,109
East Central	\$11,283	\$8,337	\$5,387	\$2,788	\$2,372
Southwest	\$10,744	\$7,981	\$5,367	\$3,393	\$2,440
South Central	\$8,056	\$6,228	\$3,618	\$2,494	\$2,375
Southeast	\$10,698	\$7,216	\$4,016	\$2,353	\$1,947
Iowa	\$11,104	\$8,323	\$5,432	\$2,736	\$2,268

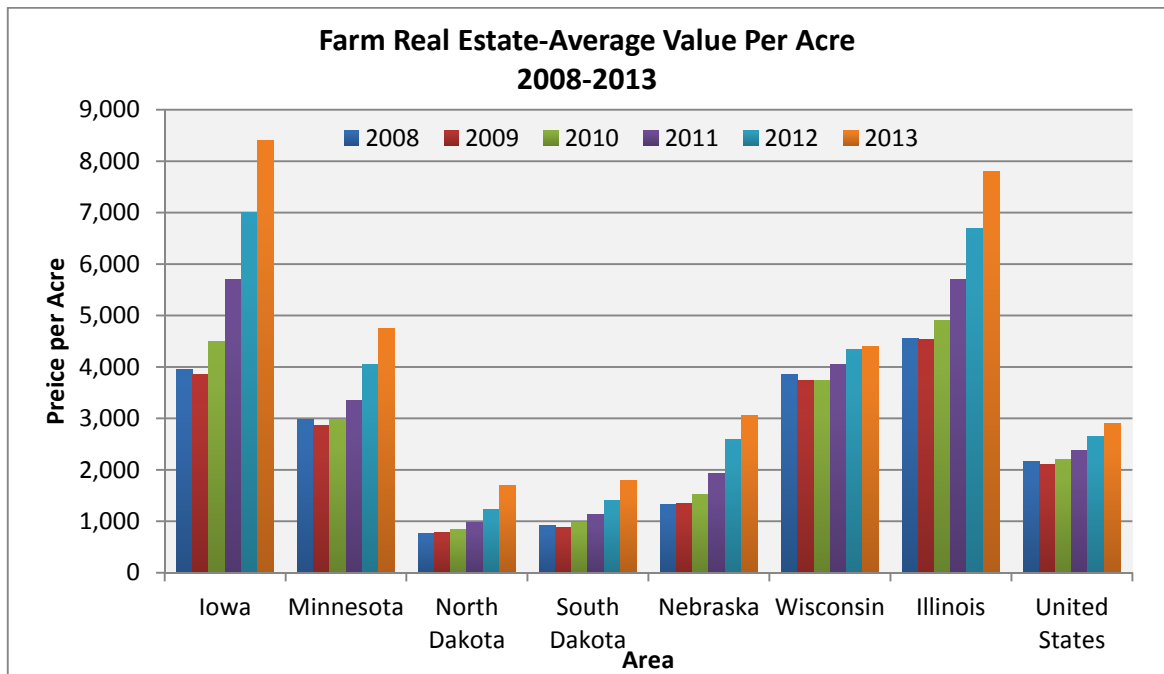
Sources: Realtors Land Institute, Maxfield Research Inc.



- As illustrated in the Table and chart, North Central Iowa has agricultural land values on-par with State of Iowa averages. As of March 2014, cropland ranges from \$6,175 (low quality) to \$11,208 (high quality) per acre.
- The Iowa State University Extension also measures the value of agricultural land throughout the State. The chart below depicts the average land value per acre in Wright County, North Central Iowa, and the State of Iowa between 2000 and 2013. According to the Iowa State University Extension, Wright County has land values higher than the region and the state. As of 2013, land values in Wright County averaged \$10,786 per acre.



- The United States Department of Agriculture (“USDA”) also publishes land value statics across the country. The following chart illustrates farm real estate values by acre at the state-wide level. As illustrated in the chart, Iowa has the highest value of farm real estate in the Midwest.



Realtor/Builder Interviews

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

Market Overview

- Wright County does not experience the high and low real estate cycles like many areas across the country. Although there were some foreclosures that resulted during the Great Recession, the local market did not feel the downturn like many real estate markets. This sentiment was expressed across all Wright County communities.
- Lenders and bankers in Wright County employ conservative underwriting standards for purchasing real estate. Many of the banks hold their mortgages versus selling to the secondary market; hence fewer defaults have resulted. Many buyers have good pre-qualifications and put a significant amount of equity down at the time of purchase. At the same time, some interviewees commented that buyer demand could be higher if lender-standards were slightly eased.
- The preferred housing type is the one-level ranch (or rambler) style home. This product is especially popular with older adults and seniors; but other age cohorts have also gravitated towards this housing product as it retains the highest resale value. Many buyers prefer a main-level floor plan with at least 1,500 square feet and a full basement. Although buyers

would prefer a walk-out ranch product, many areas do not have the topography and soils to develop the walk-out product.

- Realtors commented that split-levels and two-stories have been more difficult to sell; mostly because buyers do not want stairs.
- Realtors in all communities commented on the gap of housing in Wright County. Most markets meet the demand for entry-level and for executive buyers; but supply lacks from the move-up buyer who desire a quality home without extensive home improvement costs that may come with the older housing stock.
- Interviews also commented on the lack of “amenitized” housing for young professionals. Many of the buyers desire housing features that the current housing stock may not meet (i.e. open floor plans, upgraded kitchens, etc.). In addition, interviewees commented on the community amenities in larger communities outside of Wright County that are attracting younger demographics.
- Wages and household incomes are lower in the Wright County area which has a direct effect on housing affordability in the area. Many interviewees commented on the need for higher paying jobs that would benefit the local housing market.
- Single-family housing is the dominant housing type and has historically been the preferred housing type in Wright County. However, Realtors commented that additional maintenance-free products (i.e. twinhome or cottage style) would be desirable, especially due to the aging of the population.
- Realtors also commented on mobility trends and that many buyers tend to be former residents who left the area but move back later in life. These buyers are attracted to the “smaller town atmosphere” and the good schools.

New Construction

- New construction throughout Wright County tends to start at \$150 per square foot (PSF) or more. Most Realtors and builders thought it was extremely difficult to build a new home for less than \$225,000 today. As a result, new construction is priced significantly higher than the existing home stock in Wright County.
- Builders and remodelers did not experience the highs and the lows like other construction markets during the Great Recession. Most contractors are busy and have enough work. Contractors commented on the rising labor and materials costs that must be passed along to the consumer thereby increasing the final price of the home.

- Wright County and the municipalities do not have building permit inspections. New construction is required to have a building permit that meets zoning specifications (i.e. land use restrictions) but are not required to have on-site inspections.
- Because of construction costs, the new construction market targets mostly executive-level buyers in Wright County. Although move-up buyers would be attracted new construction, contractors commented on the difficulty of building a new home around the \$150,000 price point.
- New construction buyers desire a one-level living ranch (i.e. rambler) style home. This product type is popular for older adults who don't want stairs, but also among younger buyers as resale values are highest for this product type. Many buyers want upwards of 1,800 square feet on the main-level with a full basement.
- Nearly all new construction is built-to-suit for the homebuyer as builders/developers are not willing to build spec housing because of the risk.
- Interviewees stated that builders are unable to develop lots today given the high infrastructure costs (i.e. curb and gutter, streets, etc.). Because of the high upfront fees builders/developers are unable to front these fees. As a result, any new subdivisions would require public assistance from local municipalities.

Belmond

- Realtors commented on the importance of the Eaton Corporation and the Iowa Specialty Hospital in Belmond as drivers of the local economy. Many of these employees desire newer housing products that are not presently offered in Belmond. Hence a large percentage of the workforce commutes to Belmond from other locations (i.e. Clear Lake, Mason City, Garner, etc.)
- Realtors commented that step-up housing priced between \$90,000 and \$120,000 has had longer market times and the inventory is low for quality homes in this price point. Although they have had longer market times, it's mostly a result of lack of supply and housing stock that does not meet the needs of move-up buyers.
- Homes priced around the \$50,000 to \$60,000 move the fastest and the supply is also highest at this price point. Realtors also commented that new executive level buyers who may be employed at the hospital or the Eaton Corporation also sell relatively fast.
- The tornado that damaged Belmond in the 1960s damaged and/or destroyed a significant portion of Belmond's housing stock. Because many homes were rebuilt in the 1960s the housing stock is newer compared to other Wright County communities.

- The days on market in Belmond has been averaging about 90 to 120 days.

Clarion

- On average there are about 25 homes per sale in Clarion. The days on market tends to run about six to nine months.
- Clarions housing costs are loosely defined as followed:
 - Entry-level: \$50,000 to \$70,0000
 - Move-up: \$80,000+
 - Executive: \$200,000+
- The Clarion submarket also covers the Lake Cornelia area northeast of Clarion. Demand is high for lake property homes and prices tend to range from \$200,000 to \$700,000. The average price home around the lake is about \$400,000 to \$450,000. Most of these properties are year-round homes versus seasonal lake homes.
- The housing stock is older and is dominated by the detached, single-family house. Realtors commented on a lack of maintenance-free housing product.

Eagle Grove

- The days on market in Eagle Grove has improved over the past two years. The average market time today is about six months (180 days) compared to over 200 days a few years ago.
- The average sale price has been averaging \$45,000 in Eagle Grove. Generally, housing costs are defined as followed:
 - Entry-level: \$25,000 to \$40,0000
 - Move-up: \$40,000 to \$60,000
 - Executive: \$110,000 or more
- Product priced between \$50,000 and \$80,000 has been in short supply and is the product in highest demand that has sold the fastest.
- Although Eagle Grove has older city lots (typically 50 feet wide), these lots do not meet buyer needs due to the desirability of ranch-style housing that cannot be accommodated in smaller lot sizes.

- Realtors also commented that the Eagle Grove market moves slower compared to other Wright County communities. This has been in part due to a lack of newer, higher-paying employment opportunities in the city.
- There are a number of local investors in Eagle Grove that purchase homes and convert the properties to single-family rentals. Single-family rentals have been very popular and typically command rents from \$450 to \$700 per month.

Goldfield

- The average sales price in Goldfield tends to be about \$55,000. Realtors commented that Goldfield does not command the price point that Clarion would only ten miles to the east. Housing costs are generally defined as followed:
 - Entry-level: \$50,000 or less
 - Move-up: \$80,000+
 - Executive: \$150,000+
- Interviewees commented on the lack of available land in the community should the city want to add future housing subdivisions. Realtors commented that there are only a few desirable lots available in the entire community. Infill lots sell from \$5,000 to \$10,000 but are not in high demand.
- Goldfield lacks service-oriented goods and residents must drive to other communities for most goods. Although some buyers prefer the more rural-feeling, the city lacks amenities that many younger households desire.
- Goldfield is dominated by the single-family home and lacks rental housing and maintenance-free housing products. The city could benefit from a more diversified housing stock.

Planned and Proposed Housing Projects

Maxfield Research interviewed planning staff members in communities in Wright County in order to identify housing developments under construction, planned, or pending. At the time of this study, there are no pending for-sale projects in the Wright County communities.

Introduction

Affordable housing is a term that has various definitions according to different people and is a product of supply and demand. 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.

Generally, housing that is income-restricted to households earning at or below 80% of Area Median Income (AMI) is considered affordable. However, many individual properties have income restrictions set anywhere from 30% to 80% of AMI. Rent is not based on income but instead is a contract amount that is affordable to households within the specific income restriction segment. Moderate-income housing, often referred to as “workforce housing,” refers to both rental and ownership housing. Hence the definition is broadly defined as housing that is income-restricted to households earning between 50% and 120% AMI. Figure 1 below summarizes income ranges by definition.

FIGURE 1 AREA MEDIAN INCOME (AMI) DEFINITIONS	
Definition	AMI Range
Extremely Low Income	0% - 30%
Very Low Income	31% - 50%
Low Income	51% - 80%
Moderate Income Workforce Housing	50% - 120%
Note: Wright County 4-person AMI = \$58,500 (2014)	

Naturally-Occurring Affordable Housing (i.e. Unsubsidized Affordable)

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. Because of these factors, housing costs tend to be lower.

According to the *Joint Center for Housing Studies of Harvard University*, the privately unsubsidized housing stock supplies three times as many low-cost affordable units than assisted

projects nationwide. Unlike assisted rental developments, most unsubsidized affordable units are scattered across small properties (one to four unit structures) or in older multifamily structures. Many of these older developments may be vulnerable to redevelopment due to their age, modest rents, and deferred maintenance.

Because many of these housing units have affordable rents, project-based and private housing markets cannot be easily separated. Some households (typically those with household incomes of 50% to 60% AMI) income-qualify for both market rate and project-based affordable housing.

Based on the review of Wright County's housing stock and the inventory of rental properties; we find a substantial portion of the housing stock would be classified as naturally-occurring affordable housing.

Rent and Income Limits

Table HA-1 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 Wright County. These incomes are published and revised annually by the Department of Housing and Urban Development (HUD) and also published separately by the Iowa Finance Authority (IFA) based on the date the project was placed into service. Fair market rent is the amount needed to pay gross monthly rent at modest rental housing in a given area. This table is used as a basis for determining the payment standard amount used to calculate the maximum monthly subsidy for families at financially assisted housing.

Table HA-2 shows the maximum rents by household size and AMI based on income limits illustrated in Table HA-1. The rents on Table HA-2 are based on HUD's allocation that monthly rents should not exceed 30% of income. In addition, the table reflects maximum household size based on HUD guidelines of number of persons per unit. For each additional bedroom, the maximum household size increases by two persons.

**TABLE HA-1
HUD INCOME AND RENT LIMITS
WRIGHT COUNTY- 2014**

	Income Limits by Household Size							
	1 pph	2 phh	3 phh	4 phh	5 phh	6 phh	7 phh	8 phh
30% of median	\$12,540	\$15,730	\$19,790	\$23,850	\$27,910	\$31,970	\$36,030	\$40,090
50% of median	\$20,900	\$23,850	\$27,350	\$29,800	\$32,200	\$35,250	\$37,000	\$40,100
60% of median	\$25,080	\$28,620	\$32,220	\$35,760	\$38,640	\$41,520	\$44,400	\$47,220
80% of median	\$33,440	\$38,850	\$43,700	\$48,550	\$52,450	\$56,350	\$60,250	\$64,100
100% of median	\$41,800	\$47,700	\$53,700	\$59,600	\$64,400	\$69,200	\$74,000	\$78,700
120% of median	\$50,160	\$57,240	\$64,440	\$71,520	\$77,280	\$83,040	\$88,800	\$94,440
	Maximum Gross Rent							
	EFF	1BR	2BR	3BR	4BR			
30% of median	\$314	\$393	\$495	\$596	\$698			
50% of median	\$522	\$596	\$671	\$745	\$805			
60% of median	\$627	\$715	\$805	\$894	\$966			
80% of median	\$836	\$954	\$1,074	\$1,192	\$1,288			
100% of median	\$1,045	\$1,192	\$1,342	\$1,490	\$1,610			
120% of median	\$1,254	\$1,431	\$1,611	\$1,788	\$1,932			
	Fair Market Rent							
	EFF	1BR	2BR	3BR	4BR			
Fair Market Rent	\$392	\$456	\$579	\$721	\$774			

Sources: HUD, Novogradac, Maxfield Research Inc.

Sources: HUD, Novogradac, Maxfield Research Inc.

HOUSING AFFORDABILITY

TABLE HA-2
MAXIMUM RENT BASED ON HOUSEHOLD SIZE AND AREA MEDIAN INCOME
WRIGHT COUNTY - 2014

Unit Type ¹	HHD Size		Maximum Rent Based on Household Size (@30% of Income)											
	Min	Max	30%		50%		60%		80%		100%		120%	
			Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.
Studio	1	1	\$314	- \$314	\$523	- \$523	\$627	- \$627	\$836	- \$836	\$1,045	- \$1,045	\$1,254	- \$1,254
1BR	1	2	\$314	- \$393	\$523	- \$596	\$627	- \$716	\$836	- \$971	\$1,045	- \$1,193	\$1,254	- \$1,431
2BR	2	4	\$393	- \$596	\$596	- \$745	\$716	- \$894	\$971	- \$1,214	\$1,193	- \$1,490	\$1,431	- \$1,788
3BR	3	6	\$495	- \$799	\$684	- \$881	\$806	- \$1,038	\$1,093	- \$1,409	\$1,343	- \$1,730	\$1,611	- \$2,076
4BR	4	8	\$596	- \$1,002	\$745	- \$1,003	\$894	- \$1,181	\$1,214	- \$1,603	\$1,490	- \$1,968	\$1,788	- \$2,361
¹ One-bedroom plus den and two-bedroom plus den units are classified as 1BR and 2BR units, respectively. To be classified as a bedroom, a den must have a window and closet. Note: 4-person Wright County AMI is \$59,600 (2014)														
Sources: HUD, Novogradac, Maxfield Research Inc.														

Housing Cost Burden

Table HA-3 shows the number and percentage of owner and renter households in Iowa, Wright County, and the major cities in Wright County that pay 30% or more of their gross income for housing. This information was compiled from the American Community Survey 2012 estimates. This information is different than the 2000 Census which separated households that paid 35% or more in housing costs. As such, the information presented in the tables may be overstated in terms of households that may be “cost burdened.” The Federal standard for affordability is 30% of income for housing costs. Without a separate break out for households that pay 35% or more, there are likely a number of households that elect to pay slightly more than 30% of their gross income to select the housing that they choose. Moderately cost-burdened is defined as households paying between 30% and 50% of their income to housing; while severely cost-burdened is defined as households paying more than 50% of their income for housing.

Higher-income households that are cost-burdened may have the option of moving to lower priced housing, but lower-income households often do not. The figures focus on owner households with incomes below \$50,000 and renter households with incomes below \$35,000.

Key findings from Table HA-3 follow.

- About 14% of owner households and 37% of renter householders are estimated to be paying more than 30% of their income for housing costs in Wright County. Compared to the Iowa average, the percentage of cost burdened owner and renter households is lower than the state average.
- The number of cost burdened households in Wright County increases proportionally based on lower incomes. About 61% of renters with incomes below \$35,000 are cost burdened and 26% of owners with incomes below \$50,000 are cost burdened.
- The percentage of cost burdened households varies between Wright County submarkets. In Goldfield, only 9% of renter households are cost burdened compared to 61.5% in Clarion. This is in part due to the supply of income-restricted housing in Clarion. Clarion boasts the lowest cost burdened percentage in owner-occupied housing (6%), compared to 16% in Eagle Grove.

HOUSING AFFORDABILITY

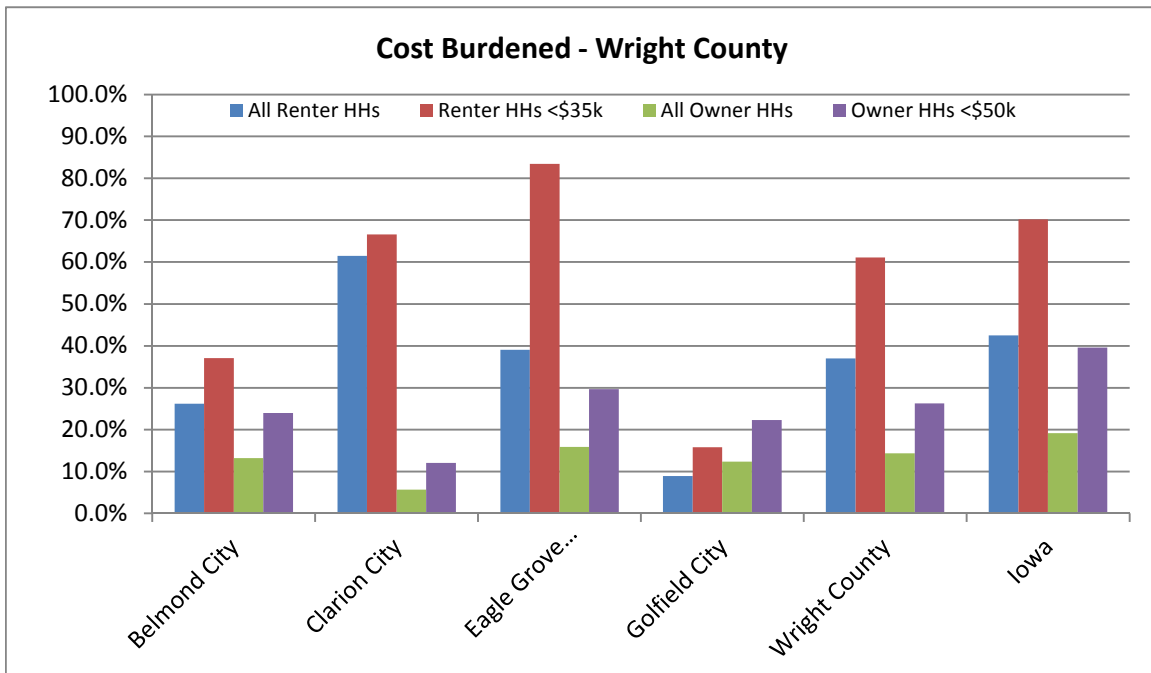
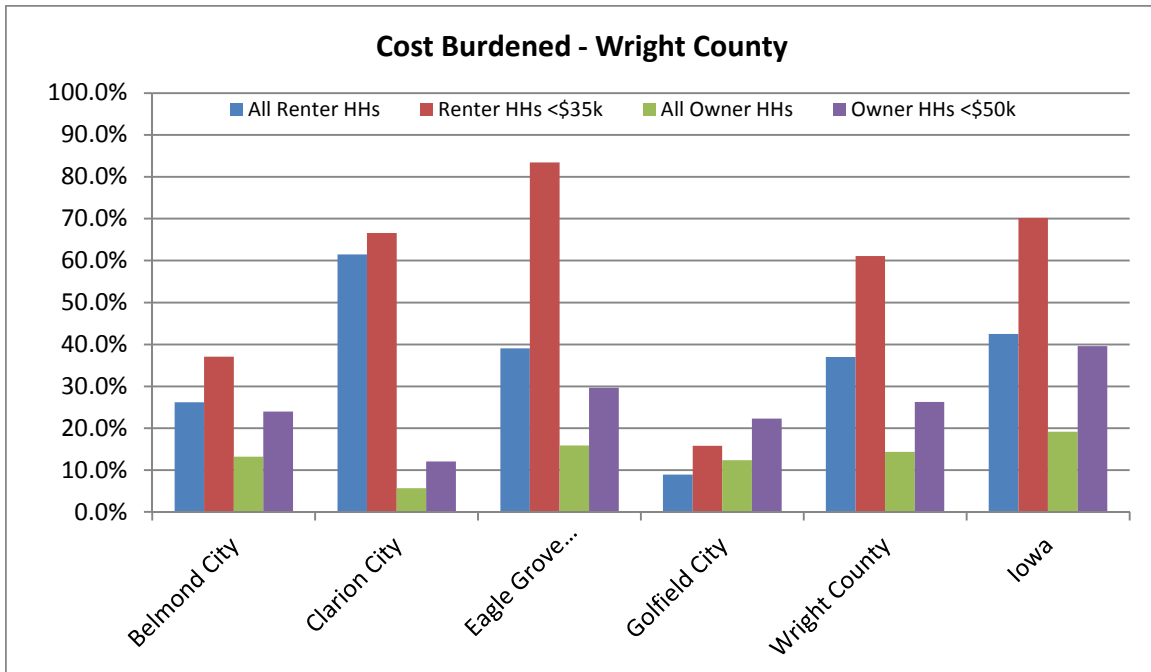
TABLE HA-3
HOUSING COST BURDEN
WRIGHT COUNTY
2012

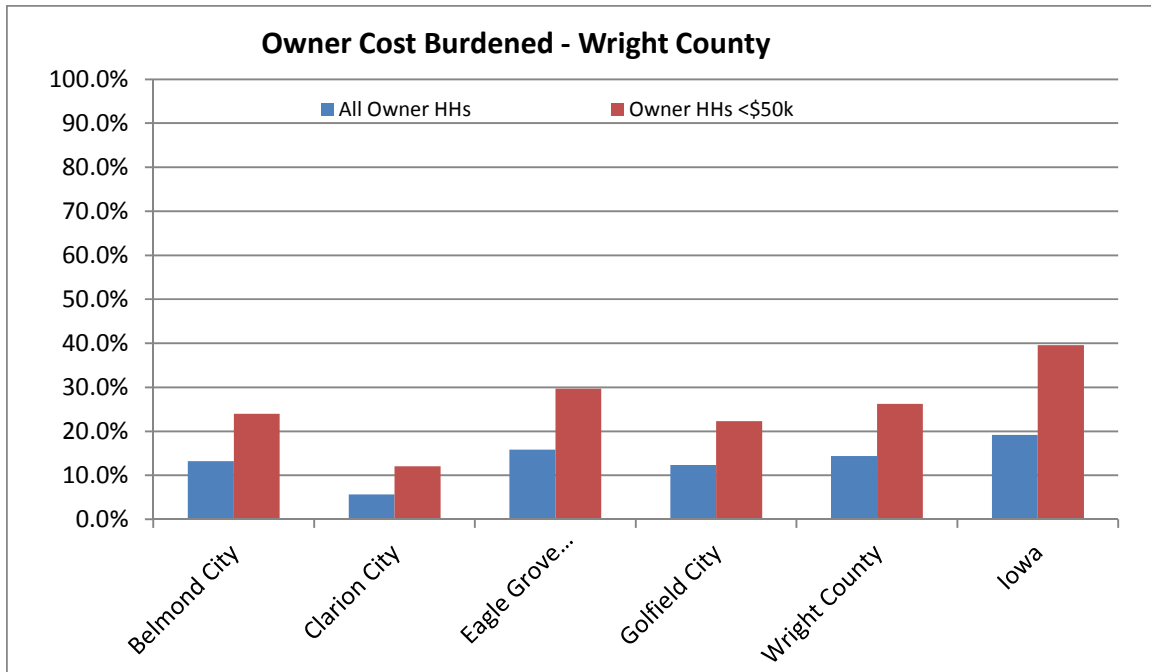
	Belmond City		Clarion City		Eagle Grove City		Goldfield City		Wright County		Iowa	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Owner Households												
All Owner Households	821		797		1,059		210		4,176		888,331	
Cost Burden 30% or greater	108	13.2%	44	5.7%	168	15.9%	26	12.4%	590	14.4%	169,575	19.2%
Owner Households w/ incomes <\$50,000	438		332		566		103		1,941		341,004	
Cost Burden 30% or greater	104	24.0%	37	12.1%	168	29.7%	23	22.3%	492	26.2%	133,659	39.6%
Renter Households												
All Renter Households	219		331		320		79		1,311		355,178	
Cost Burden 30% or greater	56	26.2%	201	61.5%	116	39.1%	6	9.0%	426	37.0%	138,994	42.5%
Renter Households w/ incomes <\$35,000	156		306		162		50		798		203,543	
Cost Burden 30% or greater	56	37.1%	201	66.6%	116	83.5%	6	15.8%	426	61.1%	130,739	70.2%
Median Contract Rent ¹	\$297		\$361		\$392		\$303		\$348			

¹ Median Contract Rent 2012

Note: Calculations exclude households not computed.

Sources: American Community Survey, 2008-2012 estimates; Maxfield Research Inc.





Housing Vouchers

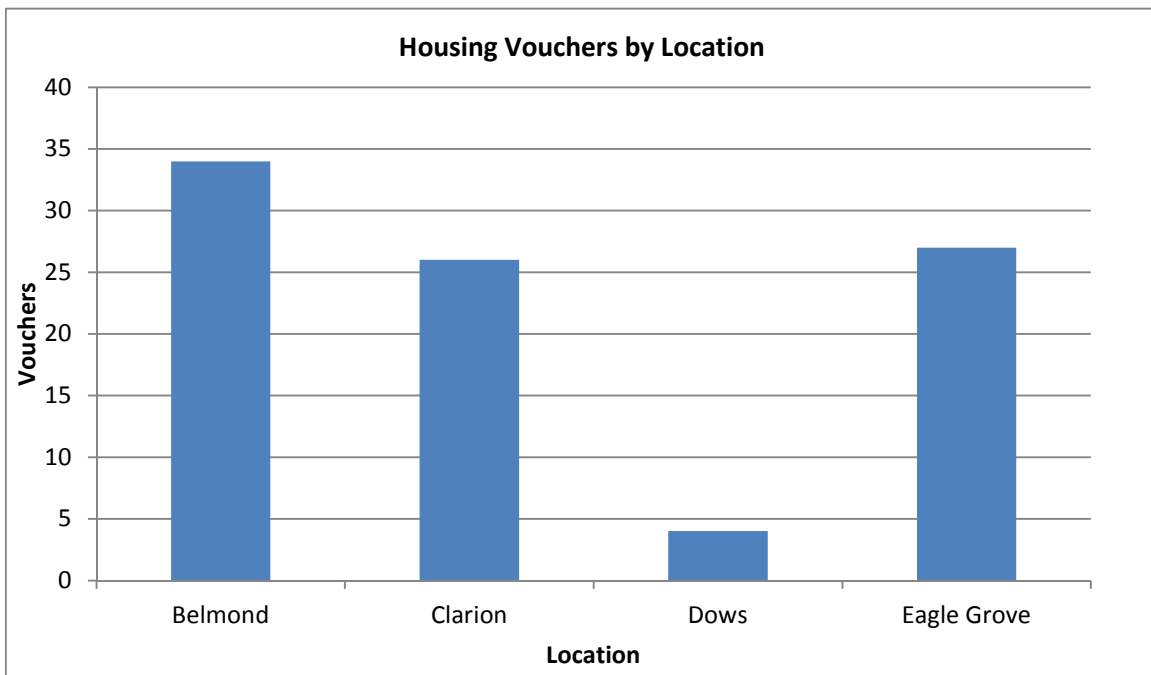
In addition to subsidized apartments, “tenant-based” subsidies like *Housing Choice Vouchers*, can help lower income households afford market-rate rental housing. The tenant-based subsidy is funded by the Department of Housing and Urban Development (HUD), and is managed by the Fort Dodge Housing Authority (previously managed by the Mid-Iowa Regional Housing Authority). Under the Housing Choice Voucher program (also referred to as Section 8) qualified households are issued a voucher that the household can take to an apartment that has rent levels with Payment Standards. The household then pays approximately 30% of their adjusted gross income for rent and utilities, and the Federal government pays the remainder of the rent to the landlord. The maximum income limit to be eligible for a Housing Choice Voucher is 50% AMI based on household size, as shown in Table HA-1.

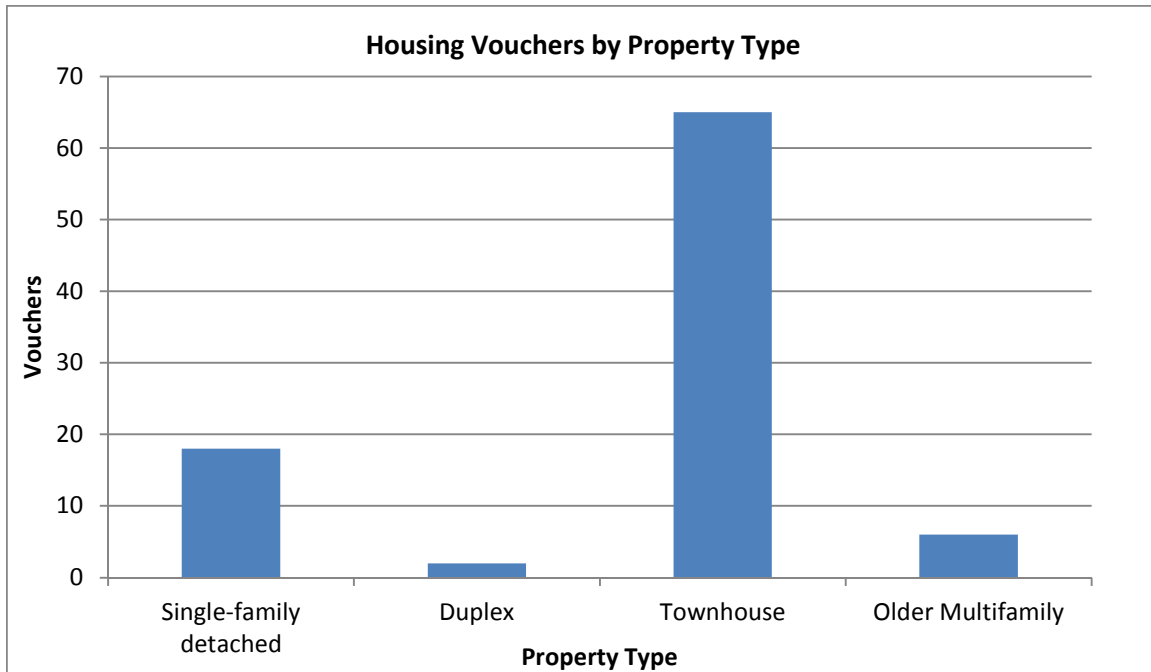
Wright County has a total of 91 authorized vouchers under contract with HUD. Table HA-4 presents information on the numbers of vouchers administered throughout Wright County by location and property type.

**TABLE HA-4
HOUSING VOUCHERS
WRIGHT COMPANY**

City	Single-family Detached	Duplex	Townhouse	Older Multifamily	Total
Belmond	2	1	28	3	34
Clarion	3		22	1	26
Dows			4		4
Eagle Grove	13	1	11	2	27
Total	18	2	65	6	91

Source: Maxfield Research Inc.





Housing Costs as Percentage of Household Income

Housing costs are generally considered affordable at 30% of a households' adjusted gross income. Table HA-5 on the following page illustrates key housing metrics based on housing costs and household incomes in Wright County. The table estimates the percentage of Wright County householders that can afford rental and for-sale housing based on a 30% allocation of income to housing. Housing costs are based on the Wright County average.

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 4.125% interest rate
- Private mortgage insurance (equity of less than 20%)
- Homeowners insurance for single-family homes and association dues for townhomes
- Owner household income per 2012 ACS

Rental Housing

- Background check on tenant to ensure credit history
- 30% allocation of income
- Renter household income per 2012 ACS

HOUSING AFFORDABILITY

Because of the down payment requirement and strict underwriting criteria for a mortgage, not all households will meet the income qualifications as outlined above.

- The median income of all Wright County households in 2014 was about \$50,250. However, the median income varies by tenure. According to the 2012 American Community Survey, the median income of a homeowner is \$53,938 compared to \$27,412 for renters.
- Approximately 86% of all households and 89% of owner households could afford to purchase an entry-level home in Wright County (\$65,000). When adjusting for move-up buyers (\$100,000) about 74% of all households and 79% of owner households would income qualify.
- About 67% of existing renter households can afford to rent a one-bedroom unit in Wright County Rapids (\$350/month). The percentage of renter income-qualified households decreases to 53% that can afford an existing three-bedroom unit (\$500/month). After adjusting for new construction rental housing, the percentage of renters that are income-qualified decreases significantly. About 39% of renters can afford a new market rate one-bedroom unit while only 22% can afford a new three-bedroom unit.

HOUSING AFFORDABILITY

TABLE HA-6 WRIGHT COUNTY MARKET AREA HOUSING AFFORDABILITY - BASED ON HOUSEHOLD INCOME						
For-Sale (Assumes 10% down payment and good credit)						
	Single-Family			New Townhome/Twinhome		
	Entry-Level	Move-Up	Executive	Entry-Level	Move-Up	Executive
Price of House	\$60,000	\$100,000	\$225,000	\$100,000	\$140,000	\$200,000
Pct. Down Payment	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Total Down Payment Amt.	\$6,000	\$10,000	\$22,500	\$10,000	\$14,000	\$20,000
Estimated Closing Costs (rolled into mortgage)	\$1,800	\$3,000	\$6,750	\$3,000	\$4,200	\$6,000
Cost of Loan	\$55,800	\$93,000	\$209,250	\$93,000	\$130,200	\$186,000
Interest Rate	4.125%	4.125%	4.125%	4.125%	4.125%	4.125%
Number of Pmts.	360	360	360	360	360	360
Monthly Payment (P & I)	-\$270	-\$451	-\$1,014	-\$451	-\$631	-\$901
(plus) Prop. Tax	-\$75	-\$125	-\$281	-\$125	-\$175	-\$250
(plus) HO Insurance/Assoc. Fee for TH	-\$20	-\$33	-\$75	-\$100	-\$100	-\$100
(plus) PMI/MIP (less than 20%)	-\$24	-\$40	-\$91	-\$40	-\$56	-\$81
Subtotal monthly costs	-\$390	-\$649	-\$1,461	-\$716	-\$962	-\$1,332
Housing Costs as % of Income	30%	30%	30%	30%	30%	30%
Minimum Income Required	\$15,585	\$25,974	\$58,442	\$28,641	\$38,497	\$53,282
Pct. of ALL Wright County HHDS who can afford ¹	85.7%	73.7%	42.8%	71.4%	60.9%	47.6%
No. of Wright County MA HHDS who can afford ¹	4,670	4,013	2,333	3,890	3,315	2,590
Pct. of Wright County MA owner HHDS who can afford ²	89.4%	78.5%	46.6%	76.4%	65.7%	50.9%
No. of Wright County MA owner HHDS who can afford ²	3,734	3,280	1,947	3,189	2,745	2,127
No. of Wright County MA owner HHDS who cannot afford ²	442	896	2,229	987	1,431	2,049
Rental (Market Rate)						
	Existing Rental			New Rental		
	1BR	2BR	3BR	1BR	2BR	3BR
Monthly Rent	\$350	\$460	\$500	\$650	\$800	\$950
Annual Rent	\$4,200	\$5,520	\$6,000	\$7,800	\$9,600	\$11,400
Housing Costs as % of Income	30%	30%	30%	30%	30%	30%
Minimum Income Required	\$14,000	\$18,400	\$20,000	\$26,000	\$32,000	\$38,000
Pct. of ALL Wright County MA HHDS who can afford ¹	87.1%	82.9%	80.6%	73.7%	66.9%	60.9%
No. of Wright County MA HHDS who can afford ¹	4,746	4,513	4,388	4,013	3,643	3,315
Pct. of Wright County MA renter HHDS who can afford ²	66.8%	57.4%	52.5%	38.9%	29.9%	22.4%
No. of Wright County MA renter HHDS who can afford ²	849	729	668	494	380	284
No. of Wright County MA. renter HHDS who cannot afford ²	422	542	604	777	891	987

¹ Based on 2014 household income for ALL households

² Based on 2012 ACS household income by tenure (i.e. owner and renter incomes. Owner incomes = \$53,938 vs. renter incomes = \$27,412)

Source: Maxfield Research Inc.

Introduction

Previous sections of this study analyzed the existing housing supply and the growth and demographic characteristics of the population and household base in Wright County. This section of the report presents our estimates of housing demand in the County from 2014 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.

The following graphic 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 Wright County. In this section, we utilize findings from the economic and demographic analysis to calculate demand for new general occupancy housing units in the County. In addition, we present housing demand for each submarket in the County.

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

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/ Downsizer	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							55+ & 65+
75-79							
80-84							
85+							

Source: Maxfield Research Inc.

HOUSING DEMAND ANALYSIS

TYPICAL HOUSING TYPE CHARACTERISTICS				
	Housing Types	Target Market/ Demographic	Unit/Home Characteristics	Lot Sizes/ Units Per Acre ¹
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

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

Source: Maxfield Research Inc.

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.

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.

Mobility

It is important to note that demand is somewhat fluid between submarkets and will be impacted by development activity in nearby areas, including other communities outside Wright

County. Demand given for each submarket may be lower or higher if proposed and/or planned developments move forward.

For-Sale Housing Market Demand Analysis

Tables DMD-1 and DMD-2 present our demand calculations for general occupancy for-sale housing in Wright County between 2014 and 2020 and between 2020 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.

- Because the 65 and older cohort is typically not a target market for new general occupancy for-sale housing, we limit demand from household growth to only those households under the age of 65. According to our projections, Wright County is expected to decline by 242 households under age 65 between 2014 and 2020.
- Based on household tenure data from the US Census, we expect that between 67.6% of the demand (Eagle Grove Submarket) to 76.7% of the demand (Goldfield Submarket) will be for owner-occupied housing units. Because there is no household growth from households under the age of 65, there is no demand from true household formations.
- As of 2014, there are approximately 2,621 owner households under the age of 65 in the County. Based on household turnover data from the 2012 American Community Survey, we estimate that between 17.7% and 24.6% of these under-65 owner households will experience turnover between 2014 and 2020 (turnover rate varies by submarket). This estimate results in anticipated turnover of approximately 551 existing households by 2020.
- We then estimate the percent of existing owner households turning over that would prefer to purchase new housing. Throughout the United States, approximately 8% of all home sales were for new homes over the past three years while slightly over 5% of Midwest sales were for new homes. Considering the age of the County's housing stock, we estimate that 10% of the households turning over will desire new housing. This estimate results in demand from existing households for 55 new residential units in the County between 2014 and 2020.

HOUSING DEMAND ANALYSIS

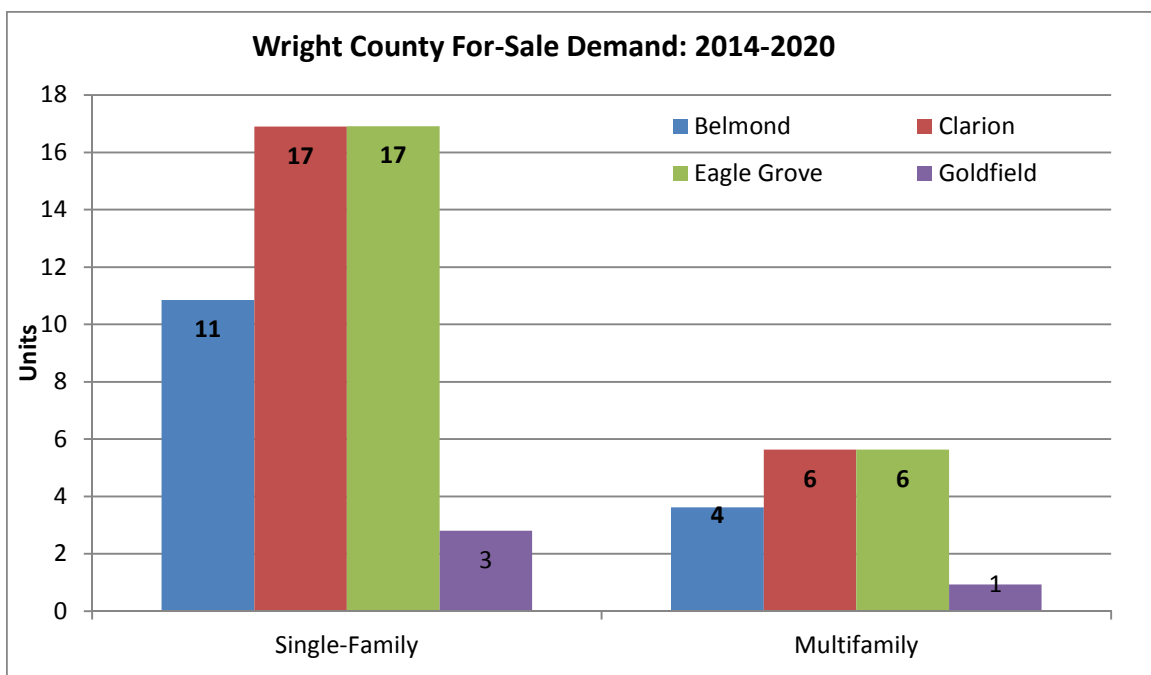
TABLE DMD-1 DEMAND FOR ADDITONAL FOR-SALE HOUSING WRIGHT COUNTY 2014 to 2020															
	Belmond Submarket		Clarion Submarket		Eagle Grove Submarket		Goldfield Submarket		Wright County						
DEMAND FROM NEW HOUSEHOLD GROWTH															
Household growth under age 65, 2014 to 2020	-56		-88		-72		-26		-242						
(times) % propensity to own ¹	76.2%		72.3%		67.6%		76.7%		72.0%						
(Equals) Number of pentential owner hhds from new HH growth	0		0		0		0		0						
DEMAND FROM EXISTING HOUSEHOLDS															
Total owner households under age 65, 2014	695		921		825		180		2,621						
(times) % of owner turnover 2014-2020 ²	17.7%		20.8%		24.6%		18.7%								
(times) % desiring new owner housing	10.0%		10.0%		10.0%		10.0%								
(Equals) Demand from existing households	12		19		20		3		55						
TOTAL MARKET DEMAND															
Total demand from new HH growth and turnover	12		19		20		3		55						
(Plus) Demand from outside Submarket	15.0%		15.0%		10.0%		10.0%								
(Equals) Total demand potential for ownership housing	14		23		23		4		63						
Proportion Single-family vs. Multifamily	75%		25%		75%		25%		75%		25%				
No. of Single-family vs. Multifamily Units	11		4		17		6		17		6	3	1	47	16
¹ Based on percent owner households under age 65 in 2010															
² Based on household turnover and mobility data (2012 American Community Survey, Five Year Estimates)															
³ Includes twinhomes, townhomes, condos, etc.															
Source: Maxfield Research Inc.															

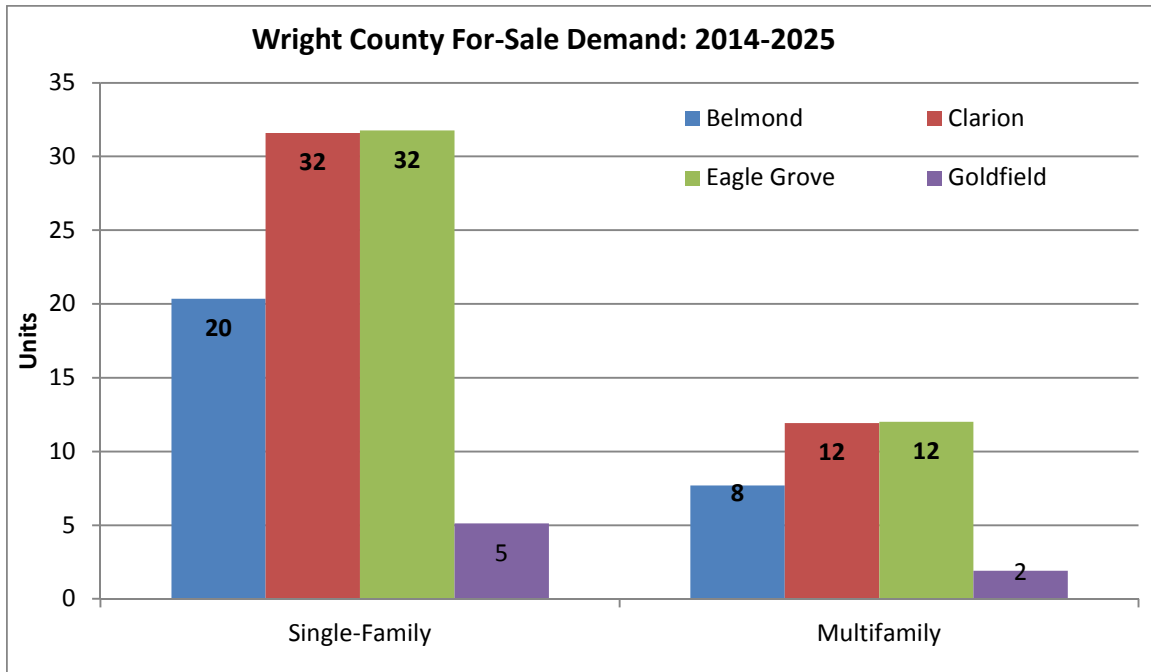
HOUSING DEMAND ANALYSIS

TABLE DMD-2 DEMAND FOR ADDITIONAL FOR-SALE HOUSING WRIGHT COUNTY 2020 to 2025															
	Belmond Submarket		Clarion Submarket		Eagle Grove Submarket		Goldfield Submarket		Wright County						
DEMAND FROM NEW HOUSEHOLD GROWTH															
Household growth under age 65, 2020 to 2025	-9		-10		-10		-3		-32						
(times) % propensity to own ¹	76.2%		72.3%		67.6%		76.7%		72.0%						
(Equals) Number of pentential owner hhds from new HH growth	0		0		0		0		0						
DEMAND FROM EXISTING HOUSEHOLDS															
Total owner households under age 65, 2020	652		858		776		159		2,445						
(times) % of owner turnover 2020-2025 ²	17.7%		20.8%		24.6%		18.7%								
(times) % desiring new owner housing	10.0%		10.0%		10.0%		10.0%								
(Equals) Demand from existing households	12		18		19		3		51						
TOTAL MARKET DEMAND															
Total demand from new HH growth and turnover	12		18		19		3		51						
(Plus) Demand from outside Submarket	15.0%		15.0%		10.0%		10.0%								
(Equals) Total demand potential for ownership housing	14		21		21		3		59						
Proportion Single-family vs. Multifamily	70%		30%		70%		30%		70%		30%				
No. of Single-family vs. Multifamily Units	10		4		15		6		15		6	2	1	41	18
¹ Based on percent owner households under age 65 in 2010															
² Based on household turnover and mobility data (2012 American Community Survey, Five Year Estimates)															
³ Includes twinhomes, townhomes, condos, etc.															
Source: Maxfield Research Inc.															

HOUSING DEMAND ANALYSIS

- Total demand from household growth and existing household turnover between 2014 and 2020 equates to 55 new for-sale housing units.
- Next, we estimate that a portion of the total demand for new for-sale units in Wright County will come from people currently living outside of the four submarkets. A portion of this market will be former residents of the area, such as “snow-birds” heading south for the winters. Adding demand from outside Wright County to the existing demand potential, results in a total estimated demand for 63 for-sale housing units by 2020.
- Based on land available, building trends, the existing housing stock, and demographic shifts (increasing older adult population), we project 75% of the for-sale owners in Wright County will prefer traditional single-family product types while the remaining 25% will prefer a maintenance-free multi-family product (i.e. twin homes, townhomes, or condominiums). This results in demand for 47 single-family units and 16 multifamily units in Wright County through 2020.
- Between 2020 and 2025 demand was found for another 41 single-family units and 18 multifamily units. Between 2014 and 2025 demand resulted for 122 new for-sale units in Wright County.





Rental Housing Demand Analysis

Tables DMD-2 and DMD-3 present our calculation of market rate general-occupancy rental housing demand for Wright County. This analysis identifies potential demand for rental housing that is generated from both new households and turnover households.

- According to our projections, Wright County is expected to decrease by 242 households between 2014 and 2020. Because the 65 and older cohort is typically not a target market for new general-occupancy market rate rental housing, we limit demand from household growth to only those households under the age of 65.
- We identify the percentage of households that are likely to rent their housing based on 2010 tenure data. The propensity to rent ranges from 23.3% to 32.4% based on the submarket. After adjusting household growth by renters, there is no growth through 2020 for renter households in Wright County.
- Secondly, we calculate demand from existing households under the age of 65 in Wright County that could be expected to turnover between 2014 and 2020. As of 2014, there are 1,020 renter households under the age of 65 in the County. Based on household turnover data from the 2012 American Community Survey, we estimate that between 31% (Eagle Grove Submarket) and 66% (Clarion Submarket) of these under-65 owner households will experience turnover between 2014 and 2020 (turnover rate varies by submarket). This estimate results in anticipated turnover of approximately 504 existing households by 2020.

- 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 County's housing stock, we estimate that 20% of the households turning over in Wright County will desire new rental housing. This estimate results in demand from existing households for 101 new residential rental units between 2014 and 2020.
- Combining demand from household growth plus turnover results in total demand in the County for 101 rental units between 2014 and 2020.
- Like for-sale housing, we estimate that 10% to 15% of the total demand for new rental housing units in Wright County will come from people currently living outside of one of the four submarkets. As a result, we find demand for 117 renter households based on household growth and existing households alone between 2014 and 2020.

HOUSING DEMAND ANALYSIS

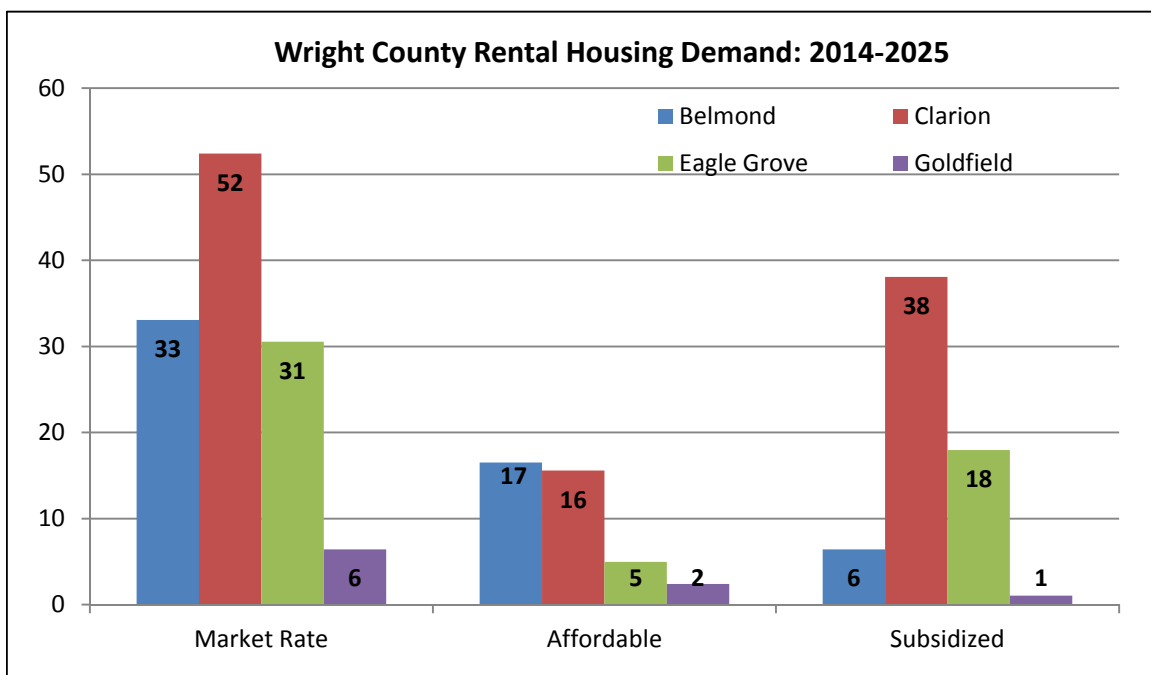
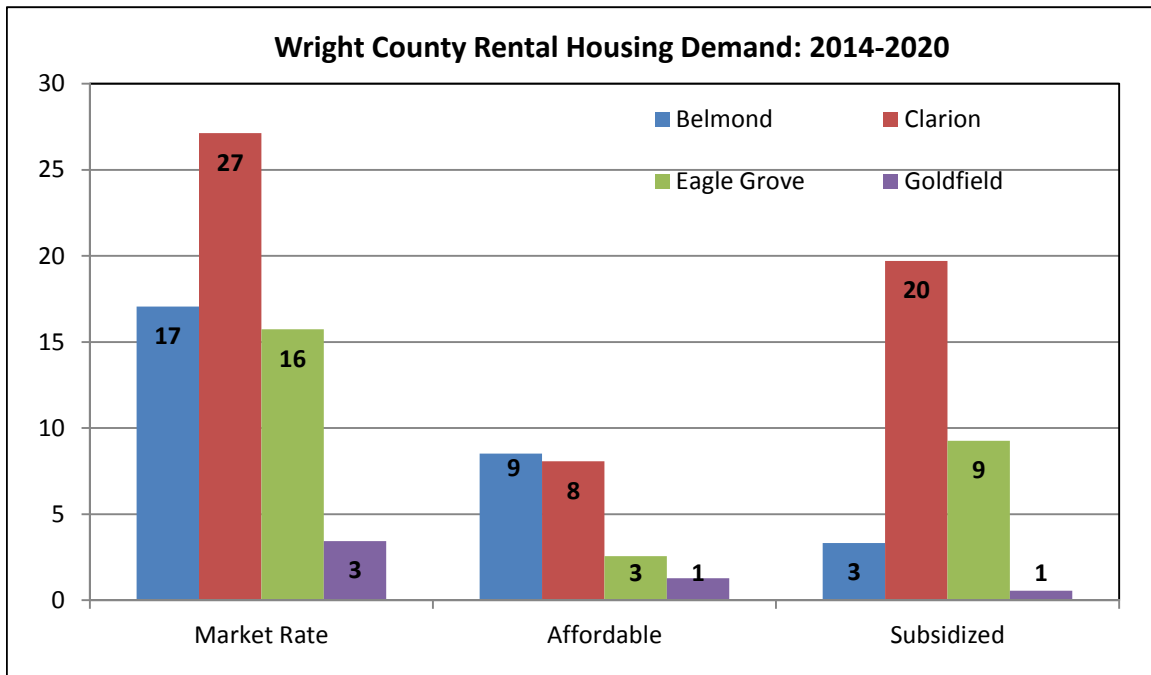
TABLE DMD-3 DEMAND FOR ADDITIONAL RENTAL HOUSING WRIGHT COUNTY 2014 to 2020					
	Belmond Submarket	Clarion Submarket	Eagle Grove Submarket	Goldfield Submarket	Wright County
DEMAND FROM NEW HOUSEHOLD GROWTH					
Household growth under age 65, 2014 to 2020	-56	-88	-72	-26	-242
(times) % propensity to rent ¹	23.8%	27.7%	32.4%	23.3%	28.0%
(Equals) Number of potential renter HHs from new HH growth	0	0	0	0	0
DEMAND FROM EXISTING HOUSEHOLDS					
Total renter households under age 65, 2014	217	353	395	55	1,020
(times) % of renter turnover 2014-2020 ²	56.6%	66.1%	31.4%	43.4%	
(times) % desiring new rental housing	20.0%	20.0%	20.0%	20.0%	
(Equals) Demand from existing households	25	47	25	5	101
TOTAL MARKET DEMAND					
Total demand from new HH growth and turnover	25	47	25	5	101
(Plus) Demand from outside Submarket	15.0%	15.0%	10.0%	10.0%	
(Equals) Total demand potential for rental housing	29	55	28	5	117
Percent Market Rate ³	59%	49%	57%	65%	54%
Number	17	27	16	3	63
Percent Affordable ³	30%	15%	9%	24%	18%
Number	9	8	3	1	20
Percent Subsidized ³	12%	36%	34%	11%	28%
Number	3	20	9	1	33
¹ Based on percent renter households under age 65 in 2010 ² Based on household turnover and mobility data (2012 American Community Survey, Five Year Estimates) ³ Based on the pricing of current rental product and household incomes of area renters (i.e. excludes owner incomes)					
Source: Maxfield Research Inc.					

HOUSING DEMAND ANALYSIS

TABLE DMD-4 DEMAND FOR ADDITIONAL RENTAL HOUSING WRIGHT COUNTY 2020 to 2025					
	Belmond Submarket	Clarion Submarket	Eagle Grove Submarket	Goldfield Submarket	Wright County
DEMAND FROM NEW HOUSEHOLD GROWTH					
Household growth under age 65, 2020 to 2025	-9	-10	-10	-3	-32
(times) % propensity to rent ¹	23.8%	27.7%	32.4%	23.3%	28.0%
(Equals) Number of potential renter HHs from new HH growth	0	0	0	0	0
DEMAND FROM EXISTING HOUSEHOLDS					
Total renter households under age 65, 2020	204	329	372	48	953
(times) % of renter turnover 2020-2025 ²	56.6%	66.1%	31.4%	43.4%	
(times) % desiring new rental housing	20.0%	20.0%	20.0%	20.0%	
(Equals) Demand from existing households	23	43	23	4	94
TOTAL MARKET DEMAND					
Total demand from new HH growth and turnover	23	43	23	4	94
(Plus) Demand from outside Submarket	15.0%	15.0%	15.0%	15.0%	
(Equals) Total demand potential for rental housing	27	51	26	5	109
Percent Market Rate ³	59%	49%	57%	65%	54%
Number	16	25	15	3	59
Percent Affordable ³	30%	15%	9%	24%	18%
Number	8	8	2	1	19
Percent Subsidized ³	12%	36%	34%	11%	28%
Number	3	18	9	0	31
¹ Based on percent renter households under age 65 in 2010 ² Based on household turnover and mobility data (2012 American Community Survey, Five Year Estimates) ³ Based on the pricing of current rental product and household incomes of area renters (i.e. excludes owner incomes)					
Source: Maxfield Research Inc.					

HOUSING DEMAND ANALYSIS

- Based on a review of renter household incomes and sizes and monthly rents at existing properties, we estimate that 49% to 65% of the total demand will be for market rate housing. Through 2020, demand exists for 59 market rate rental units in Wright County.
- We estimate that 9% to 30% of the total demand in Wright County will be for affordable housing and 11% to 36% will be for subsidized housing. The percentage breakdown varies by submarket.



Senior Housing Demand Analysis

Tables DMD-5 and DMD-9 shows demand calculations for senior housing in Wright County by submarket from 2014, 2020, and 2025. Demand methodology employed by Maxfield Research Inc. 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 \$35,000 or more and senior homeowners with incomes between \$25,000 and \$34,999.

Affordable/Subsidized Independent Housing: Target market based includes age 55+ older adult and senior households with incomes of \$35,000 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).

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.

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

HOUSING DEMAND ANALYSIS

TABLE DMD-5
DEMAND FOR MARKET RATE ACTIVE ADULT RENTAL HOUSING
WRIGHT COUNTY
2014 to 2025

	Belmond Submarket	Clarion Submarket	Eagle Grove Submarket	Goldfield Submarket	Wright County
2014					
Households age 55-64	295	391	352	75	1,113
(times) % income qualified ¹	78.3%	70.0%	73.1%	84.0%	
(plus) % Homeowners w/incomes \$25k-35k ²	5.8%	4.8%	7.6%	4.0%	
(times) potential capture rate	0.5%	0.5%	0.5%	0.5%	
(equals) demand potential	1	1	1	0	4
Households age 65-74	211	282	270	51	814
(times) % income qualified ¹	62.6%	57.7%	51.1%	64.7%	
(plus) % Homeowners w/incomes \$25k-35k ²	17.5%	21.5%	24.1%	23.5%	
(times) potential capture rate	5.5%	5.5%	5.5%	5.5%	
(equals) demand potential	9	12	11	2	35
Households age 75+	307	369	325	59	1,060
(times) % income qualified ¹	21.8%	27.5%	33.0%	20.3%	
(plus) % Homeowners w/incomes \$25k-35k ²	22.1%	22.1%	24.8%	35.6%	
(times) potential capture rate	16.5%	16.5%	16.5%	16.5%	
(equals) demand potential	22	30	31	5	89
(Equals) Demand potential	33	44	44	8	129
Percent Owner-Occupied	35%	35%	35%	35%	
Number	11	15	15	3	45
(minus) Existing and Pending Units ³	0	0	0	0	0
(equals) Total Owner-Occupied Demand	11	15	15	3	45
Percent Renter-Occupied	65%	65%	65%	65%	
Number	21	29	28	5	84
(minus) Existing and Pending Units ³	103	59	0	0	162
(equals) Total Renter-Occupied Demand	0	0	28	5	34
CONTINUED					

HOUSING DEMAND ANALYSIS

TABLE DMD-5 (Con't) DEMAND FOR MARKET RATE ACTIVE ADULT RENTAL HOUSING WRIGHT COUNTY 2014 to 2025					
	Belmond Submarket	Clarion Submarket	Eagle Grove Submarket	Goldfield Submarket	Wright County
2020					
Households age 55-64	284	365	347	67	1,063
(times) % income qualified ¹	84.1%	75.3%	79.4%	87.9%	
(plus) % Homeowners w/incomes \$25k-35k ²	3.5%	3.3%	5.4%	1.5%	
(times) potential capture rate	0.5%	0.5%	0.5%	0.5%	
(equals) demand potential	1	1	1	0	4
Households age 65-74	238	337	300	65	940
(times) % income qualified ¹	71.7%	65.3%	58.5%	70.3%	
(plus) % Homeowners w/incomes \$25k-35k ²	13.1%	16.8%	19.6%	18.8%	
(times) potential capture rate	5.5%	5.5%	5.5%	5.5%	
(equals) demand potential	11	15	13	3	42
Households age 75+	321	377	342	58	1,098
(times) % income qualified ¹	29.4%	36.1%	43.0%	26.3%	
(plus) % Homeowners w/incomes \$25k-35k ²	20.0%	18.4%	20.6%	33.3%	
(times) potential capture rate	16.5%	16.5%	16.5%	16.5%	
(equals) demand potential	26	34	36	6	102
(Equals) Demand potential	39	51	50	9	148
Percent Owner-Occupied	35%	35%	35%	35%	
Number	13	18	18	3	52
(minus) Existing and Pending Units ³	0	0	0	0	0
(equals) Total Owner-Occupied Demand	13	18	18	3	52
Percent Renter-Occupied	65%	65%	65%	65%	
Number	25	33	33	6	97
(minus) Existing and Pending Units ³	103	59	0	0	162
(equals) Total Renter-Occupied Demand	0	0	33	6	39
CONTINUED					

HOUSING DEMAND ANALYSIS

TABLE DMD-5 (Con't) DEMAND FOR MARKET RATE ACTIVE ADULT RENTAL HOUSING WRIGHT COUNTY 2014 to 2025					
	Belmond Submarket	Clarion Submarket	Eagle Grove Submarket	Goldfield Submarket	Wright County
2025					
Households age 55-64	281	362	344	66	1,053
(times) % income qualified ¹	84.4%	75.3%	79.4%	87.9%	
(plus) % Homeowners w/incomes \$25k-35k ²	3.5%	3.3%	5.4%	1.5%	
(times) potential capture rate	0.5%	0.5%	0.5%	0.5%	
(equals) demand potential	1	1	1	0	4
Households age 65-74	235	334	297	64	930
(times) % income qualified ¹	71.7%	65.3%	58.5%	70.3%	
(plus) % Homeowners w/incomes \$25k-35k ²	10.0%	16.8%	19.6%	18.8%	
(times) potential capture rate	5.5%	5.5%	5.5%	5.5%	
(equals) demand potential	11	15	13	3	42
Households age 75+	317	374	339	57	1,087
(times) % income qualified ¹	29.4%	36.1%	43.0%	26.3%	
(plus) % Homeowners w/incomes \$25k-35k ²	20.0%	18.4%	20.6%	33.3%	
(times) potential capture rate	16.5%	16.5%	16.5%	16.5%	
(equals) demand potential	26	34	36	6	101
(Equals) Demand potential	38	50	50	9	147
Percent Owner-Occupied	35%	35%	35%	35%	
Number	13	18	17	3	51
(minus) Existing and Pending Units ³	0	0	0	0	0
(equals) Total Owner-Occupied Demand	13	18	17	3	51
Percent Renter-Occupied	65%	65%	65%	65%	
Number	24	33	32	6	95
(minus) Existing and Pending Units ³	103	59	0	0	162
(equals) Total Renter-Occupied Demand	0	0	32	6	38
¹ Based on households earning \$35,000+ in 2014					
² Estimated homeowners with incomes between \$25,000 and \$34,999 in 2014					
³ Existing and pending units are deducted at market equilibrium (95% occupancy)					
Source: Maxfield Research Inc.					

HOUSING DEMAND ANALYSIS

TABLE DMD-6 DEMAND FOR SUBSIDIZED/AFFORDABLE SENIOR HOUSING WRIGHT COUNTY 2014 to 2025					
	Belmond Submarket	Clarion Submarket	Eagle Grove Submarket	Goldfield Submarket	Wright County
2014					
Households age 55-64	295	391	352	75	1,113
(times) % income qualified ¹	21.7%	30.0%	26.9%	16.0%	
(times) potential capture rate	2.0%	2.0%	2.0%	2.0%	
Households age 65-74	211	282	270	51	814
(times) % income qualified ¹	37.4%	42.3%	48.9%	35.3%	
(times) potential capture rate	10.0%	10.0%	10.0%	10.0%	
Households age 75+	307	369	325	59	1,060
(times) % income qualified ¹	78.2%	72.5%	67.0%	79.7%	
(times) potential capture rate	20.0%	20.0%	20.0%	20.0%	
(Equals) Demand potential	57	68	59	11	195
Percent Subsidized ²	30%	37%	31%	20%	
Number	17	25	18	2	63
(minus) Existing and Pending Units	0	0	0	16	16
(equals) Total Subsidized Demand	17	25	18	0	60
Percent Affordable ²	70%	63%	69%	80%	
Number	40	43	40	9	132
(minus) Existing and Pending Units	0	0	0	0	0
(equals) Total Affordable Demand	40	43	40	9	132
CONTINUED					

HOUSING DEMAND ANALYSIS

TABLE DMD-6 (Con't) DEMAND FOR SUBSIDIZED/AFFORDABLE SENIOR HOUSING WRIGHT COUNTY 2014 to 2025					
	Belmond Submarket	Clarion Submarket	Eagle Grove Submarket	Goldfield Submarket	Wright County
2020					
Households age 55-64	284	365	347	67	1,063
(times) % income qualified ¹	15.9%	24.7%	20.6%	12.1%	
(times) potential capture rate	2.0%	2.0%	2.0%	2.0%	
Households age 65-74	238	337	300	65	940
(times) % income qualified ¹	28.3%	34.7%	41.5%	29.7%	
(times) potential capture rate	10.0%	10.0%	10.0%	10.0%	
Households age 75+	321	377	342	58	1,098
(times) % income qualified ¹	70.6%	63.9%	57.0%	73.7%	
(times) potential capture rate	20.0%	20.0%	20.0%	20.0%	
(Equals) Demand potential	53	62	53	11	178
Percent Subsidized ²	30%	37%	31%	20%	
Number	16	23	16	2	57
(minus) Existing and Pending Units	0	0	0	16	16
(equals) Total Subsidized Demand	16	23	16	0	55
Percent Affordable ²	70%	63%	69%	80%	
Number	37	39	36	9	121
(minus) Existing and Pending Units	0	0	0	0	0
(equals) Total Affordable Demand	37	39	36	9	121
CONTINUED					

HOUSING DEMAND ANALYSIS

TABLE DMD-6 (Con't) DEMAND FOR SUBSIDIZED/AFFORDABLE SENIOR HOUSING WRIGHT COUNTY 2014 to 2025					
	Belmond Submarket	Clarion Submarket	Eagle Grove Submarket	Goldfield Submarket	Wright County
2025					
Households age 55-64	281	362	344	66	1,053
(times) % income qualified ¹	15.9%	24.7%	20.6%	12.1%	
(times) potential capture rate	2.0%	2.0%	2.0%	2.0%	
Households age 65-74	235	334	297	64	930
(times) % income qualified ¹	28.3%	34.7%	41.5%	29.7%	
(times) potential capture rate	10.0%	10.0%	10.0%	10.0%	
Households age 75+	317	374	339	57	1,087
(times) % income qualified ¹	70.6%	63.9%	57.0%	73.7%	
(times) potential capture rate	20.0%	20.0%	20.0%	20.0%	
(Equals) Demand potential	52	61	52	10	176
Percent Subsidized ²	30%	37%	31%	20%	
Number	16	23	16	2	57
(minus) Existing and Pending Units	0	0	0	16	16
(equals) Total Subsidized Demand	16	23	16	0	55
Percent Affordable ²	70%	63%	69%	80%	
Number	37	39	36	8	120
(minus) Existing and Pending Units	0	0	0	0	0
(equals) Total Affordable Demand	37	39	36	8	120
¹ Based on households earning \$35,000 and under in 2014					
² Based on Pct. of households earning less than \$35,000					
Source: Maxfield Research Inc.					

TABLE DMD-7 DEMAND FOR CONGREGATE RENTAL HOUSING WRIGHT COUNTY 2014 to 2025					
	Belmond Submarket	Clarion Submarket	Eagle Grove Submarket	Goldfield Submarket	Wright County
2014					
Households age 65-74	211	282	270	51	814
(times) % income qualified ¹	62.6%	57.7%	51.1%	64.7%	
(plus) % Homeowners w/incomes \$25k-35k ²	17.5%	21.5%	24.1%	23.5%	
(times) potential capture rate	1.5%	1.5%	1.5%	1.5%	1.5%
(equals) demand potential	3	3	3	1	10
Households age 75+	307	369	325	59	1,060
(times) % income qualified ¹	21.8%	27.5%	33.0%	20.3%	
(plus) Homeowners w/incomes \$25k-35k ²	22.1%	22.1%	24.8%	35.6%	
(times) potential capture rate	11.0%	11.0%	11.0%	11.0%	
(equals) demand potential	15	20	21	4	59
(Equals) Demand potential	17	23	24	4	69
(minus) Existing and Pending Units ³	0	43	0	0	43
(Equals) Total Congregate Demand	17	0	24	4	45
CONTINUED					

TABLE DMD-7 CONT. DEMAND FOR CONGREGATE RENTAL HOUSING WRIGHT COUNTY 2014 to 2025					
	Belmond Submarket	Clarion Submarket	Eagle Grove Submarket	Goldfield Submarket	Wright County
2020					
Households age 65-74	238	337	300	65	940
(times) % income qualified ¹	71.7%	65.3%	58.5%	70.3%	
(plus) % Homeowners w/incomes \$25k-35k ²	13.1%	16.8%	19.6%	18.8%	
(times) potential capture rate	1.5%	1.5%	1.5%	1.5%	1.5%
(equals) demand potential	3	4	4	1	12
Households age 75+	321	377	342	58	1,098
(times) % income qualified ¹	29.4%	36.1%	43.0%	26.3%	
(plus) Homeowners w/incomes \$25k-35k ²	20.0%	18.4%	20.6%	33.3%	
(times) potential capture rate	11.0%	11.0%	11.0%	11.0%	
(equals) demand potential	17	23	24	4	68
(Equals) Demand potential	20	27	27	5	79
(minus) Existing and Pending Units ³	0	43	0	0	43
(Equals) Total Congregate Demand	20	0	27	5	53
CONTINUED					

HOUSING DEMAND ANALYSIS

TABLE DMD-7 CONT. DEMAND FOR CONGREGATE RENTAL HOUSING WRIGHT COUNTY 2014 to 2025					
	Belmond Submarket	Clarion Submarket	Eagle Grove Submarket	Goldfield Submarket	Wright County
2025					
Households age 65-74	235	334	297	64	930
(times) % income qualified ¹	71.7%	65.3%	58.5%	70.3%	
(plus) % Homeowners w/incomes \$25k-35k ²	10.0%	16.8%	19.6%	18.8%	
(times) potential capture rate	1.5%	1.5%	1.5%	1.5%	1.5%
(equals) demand potential	3	4	3	1	11
Households age 75+	317	374	339	57	1,087
(times) % income qualified ¹	29.4%	36.1%	43.0%	26.3%	
(plus) Homeowners w/incomes \$25k-35k ²	20.0%	18.4%	20.6%	33.3%	
(times) potential capture rate	11.0%	11.0%	11.0%	11.0%	
(equals) demand potential	17	22	24	4	67
(Equals) Demand potential	20	27	27	5	78
(minus) Existing and Pending Units ³	0	43	0	0	43
(Equals) Total Congregate Demand	20	0	27	5	52
¹ Based on households earning \$35,000+ in 2013 ² Estimated homeowners with incomes between \$25,000 and \$34,000 in 2013 ³ Existing and pending units are deducted at market equilibrium (95% occupancy)					
Source: Maxfield Research Inc.					

HOUSING DEMAND ANALYSIS

TABLE DMD-8 DEMAND FOR ASSISTED LIVING RENTAL HOUSING WRIGHT COUNTY 2014 to 2025					
	Belmond Submarket	Clarion Submarket	Eagle Grove Submarket	Goldfield Submarket	Wright County
2014					
People age 75-79	140	166	175	26	507
(times) % needing assistance ¹	25.5%	25.5%	25.5%	25.5%	25.5%
People age 80-84	128	170	147	36	481
(times) % needing assistance ¹	33.6%	33.6%	33.6%	33.6%	33.6%
People age 85+	200	187	162	18	567
(times) % needing assistance ¹	51.6%	51.6%	51.6%	51.6%	51.6%
(Equals) Number needing assistance	182	196	178	28	583
(times) Percent Income-Qualified ²	41.0%	45.0%	50.0%	44.0%	
(times) Percent Living Alone	57.0%	56.0%	56.0%	43.0%	
(plus) Proportion of demand from couples (12%) ³	6	7	7	1	20
(times) Potential penetration rate ⁴	40.0%	40.0%	40.0%	40.0%	
(Equals) Demand Potential	75	81	74	11	241
(minus) Existing and Pending Units ⁵	13	15	28	0	56
(Equals) Total Assisted Living Demand	62	66	46	11	185
CONTINUED					

HOUSING DEMAND ANALYSIS

TABLE DMD-8 (CONT.) DEMAND FOR ASSISTED LIVING RENTAL HOUSING WRIGHT COUNTY 2014 to 2025					
	Belmond Submarket	Clarion Submarket	Eagle Grove Submarket	Goldfield Submarket	Wright County
2020					
People age 75-79	163	187	208	30	588
(times) % needing assistance ¹	25.5%	25.5%	25.5%	25.5%	25.5%
People age 80-84	133	167	151	20	471
(times) % needing assistance ¹	33.6%	33.6%	33.6%	33.6%	33.6%
People age 85+	206	195	165	26	592
(times) % needing assistance ¹	51.6%	51.6%	51.6%	51.6%	51.6%
(Equals) Number needing assistance	193	204	189	28	614
(times) Percent Income-Qualified ²	41.0%	45.0%	50.0%	44.0%	
(times) Percent Living Alone	57.0%	56.0%	56.0%	43.0%	
(plus) Proportion of demand from couples (12%) ³	6	7	7	1	21
(times) Potential penetration rate ⁴	40.0%	40.0%	40.0%	40.0%	
(Equals) Demand Potential	79	85	78	11	254
(minus) Existing and Pending Units ⁵	13	15	28	0	56
(Equals) Total Assisted Living Demand	66	70	50	11	198
CONTINUED					

HOUSING DEMAND ANALYSIS

TABLE DMD-8 (CONT.) DEMAND FOR ASSISTED LIVING RENTAL HOUSING WRIGHT COUNTY 2014 to 2025					
	Belmond Submarket	Clarion Submarket	Eagle Grove Submarket	Goldfield Submarket	Wright County
2025					
People age 75-79	161	184	205	30	580
(times) % needing assistance ¹	25.5%	25.5%	25.5%	25.5%	25.5%
People age 80-84	131	165	149	20	465
(times) % needing assistance ¹	33.6%	33.6%	33.6%	33.6%	33.6%
People age 85+	203	192	163	26	584
(times) % needing assistance ¹	51.6%	51.6%	51.6%	51.6%	51.6%
(Equals) Number needing assistance	190	201	186	28	605
(times) Percent Income-Qualified ²	41.0%	45.0%	50.0%	44.0%	
(times) Percent Living Alone	57.0%	56.0%	56.0%	43.0%	
(plus) Proportion of demand from couples (12%) ³	6	7	7	1	21
(times) Potential penetration rate ⁴	40.0%	40.0%	40.0%	40.0%	
(Equals) Demand Potential	78	83	77	11	251
(minus) Existing and Pending Units ⁵	13	15	28	0	56
(Equals) Total Assisted Living Demand	65	68	49	11	195
¹ 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. ² 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). ³ The 2009 Overview of Assisted Living (a collaborative project of AAHSA, ASHA, ALFA, NCAL & NIC) found that 12% of assisted living residents are couples. ⁴ We estimate that 60% of the qualified market needing assistance with ADLs could either remain in their homes or reside at less advanced senior ⁵ Existing and pending units at 95% occupancy. We exclude 15% of units to be Elderly Waiver.					
Source: Maxfield Research Inc.					

TABLE DMD-9 DEMAND FOR MEMORY CARE RENTAL HOUSING WRIGHT COUNTY 2014 to 2025					
	Belmond Submarket	Clarion Submarket	Eagle Grove Submarket	Goldfield Submarket	Wright County
2014					
People age 65-74	346	457	429	84	1,316
(times) Dementia incident rate ¹	2.0%	2.0%	2.0%	2.0%	2.0%
People age 75-84	267	333	317	62	979
(times) Dementia incident rate ¹	19.0%	19.0%	19.0%	19.0%	19.0%
People age 85+	199	185	160	18	562
(times) Dementia incident rate ¹	42.0%	42.0%	42.0%	42.0%	42.0%
(Equals) Total senior population with dementia	141	150	136	21	448
(times) Percent Income-Qualified ²	34.0%	38.0%	44.0%	37.0%	
(times) Potential penetration rate	25.0%	25.0%	25.0%	25.0%	25.0%
(Equals) Demand Potential	12	14	15	2	43
(minus) Existing and Pending Units ³	0	0	0	0	0
(Equals) Total Memory Care Demand	12	14	15	2	43
CONTINUED					

TABLE DMD-9 (CONT.) DEMAND FOR MEMORY CARE RENTAL HOUSING WRIGHT COUNTY 2014 to 2025					
	Belmond Submarket	Clarion Submarket	Eagle Grove Submarket	Goldfield Submarket	Wright County
2020					
People age 65-74	404	557	483	105	1,549
(times) Dementia incident rate ¹	2.0%	2.0%	2.0%	2.0%	2.0%
People age 75-84	295	348	351	50	1,044
(times) Dementia incident rate ¹	19.0%	19.0%	19.0%	19.0%	19.0%
People age 85+	206	192	161	26	585
(times) Dementia incident rate ¹	42.0%	42.0%	42.0%	42.0%	42.0%
(Equals) Total senior population with dementia	151	158	144	23	475
(times) Percent Income-Qualified ²	34.0%	38.0%	44.0%	37.0%	
(times) Potential penetration rate	25.0%	25.0%	25.0%	25.0%	25.0%
(Equals) Demand Potential	13	15	16	2	46
(minus) Existing and Pending Units ³	0	0	0	0	0
(Equals) Total Memory Care Demand	13	15	16	2	46
CONTINUED					

TABLE DMD-9 (CONT.) DEMAND FOR MEMORY CARE RENTAL HOUSING WRIGHT COUNTY 2014 to 2025					
	Belmond Submarket	Clarion Submarket	Eagle Grove Submarket	Goldfield Submarket	Wright County
2025					
People age 65-74	399	552	479	104	1,534
(times) Dementia incident rate ¹	2.0%	2.0%	2.0%	2.0%	2.0%
People age 75-84	292	346	348	50	1,036
(times) Dementia incident rate ¹	19.0%	19.0%	19.0%	19.0%	19.0%
People age 85+	203	190	160	26	579
(times) Dementia incident rate ¹	42.0%	42.0%	42.0%	42.0%	42.0%
(Equals) Total senior population with dementia	149	157	143	23	471
(times) Percent Income-Qualified ²	34.0%	38.0%	44.0%	37.0%	
(times) Potential penetration rate	25.0%	25.0%	25.0%	25.0%	25.0%
(Equals) Demand Potential	13	15	16	2	45
(minus) Existing and Pending Units ³	0	0	0	0	0
(Equals) Total Memory Care Demand	13	15	16	2	45
¹ Alzheimer's Association: Alzheimer's Disease Facts & Figures (2007) ² Includes seniors with income at \$60,000 or above plus 25% of homeowners with incomes below this threshold (who will spend down assets, including home-equity, in order to live in memory care housing). ³ Existing and pending units at 93% occupancy. We exclude 15% of the units to be Elderly Waiver.					
Source: Maxfield Research Inc.					

Wright County Demand Summary

The housing demand calculations in Tables DMD-1 through DMD-9 indicate that between 2014 and 2020, 65 for-sale housing units, 117 rental units, and 542 senior units will be needed in Wright County to satisfy the housing demand for current and future residents. Summary demand tables for general occupancy and senior housing are broken down by submarket in Tables DMD-10 and DMD-11.

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 14 new housing units built annually between 2000 and 2014 (see *Table HC-1*), this equates to a lot supply of about 125 lots needed through 2025. Currently, Wright County has about 55 vacant developed lots in subdivisions, excluding infill lots and agricultural properties that could be subdivided. This equates to an adequate lot supply in the short term but new lots will need to be platted in the future.

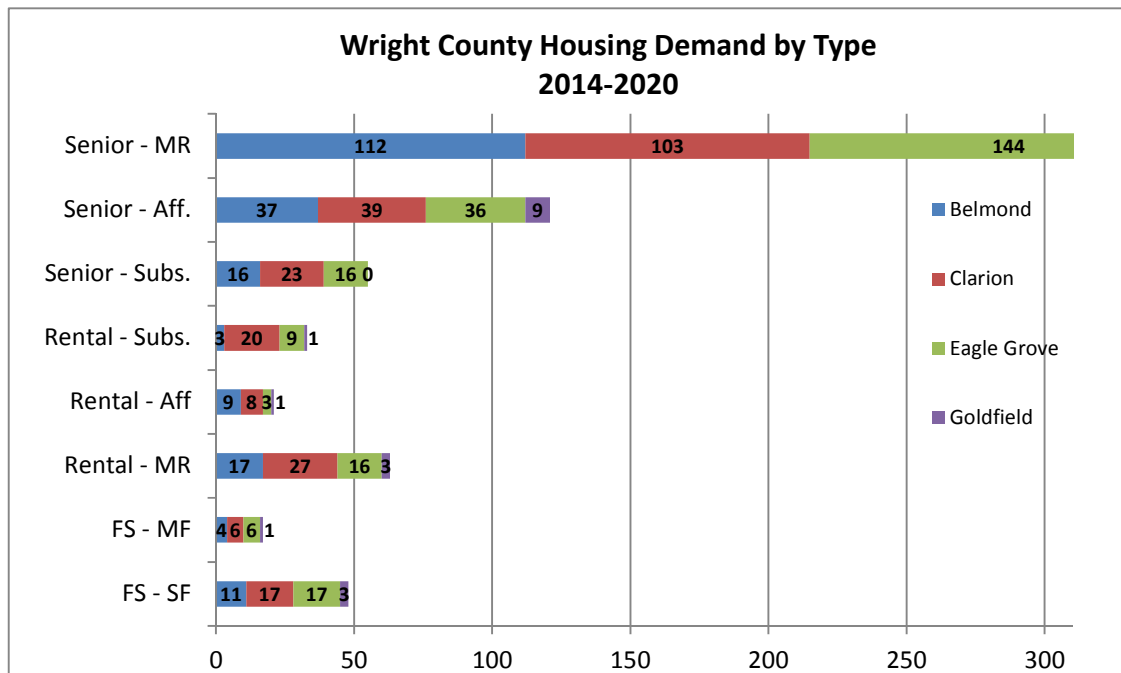


Table R-2 showed that there are no vacancies in the general-occupancy rental market. There are no newer apartment products in Wright County and the existing rental stock is older and lacks features and amenities today's renters seek. With a strong rental market, we find that new rental units should be added in the short-term to satisfy potential household growth and accommodate employees working at local businesses. We found demand for nearly 120 general-occupancy rental units in Wright County through 2020, most of which are market rate units.

TABLE DMD-10
GENERAL OCCUPANCY EXCESS DEMAND SUMMARY
WRIGHT COUNTY
2014 to 2025

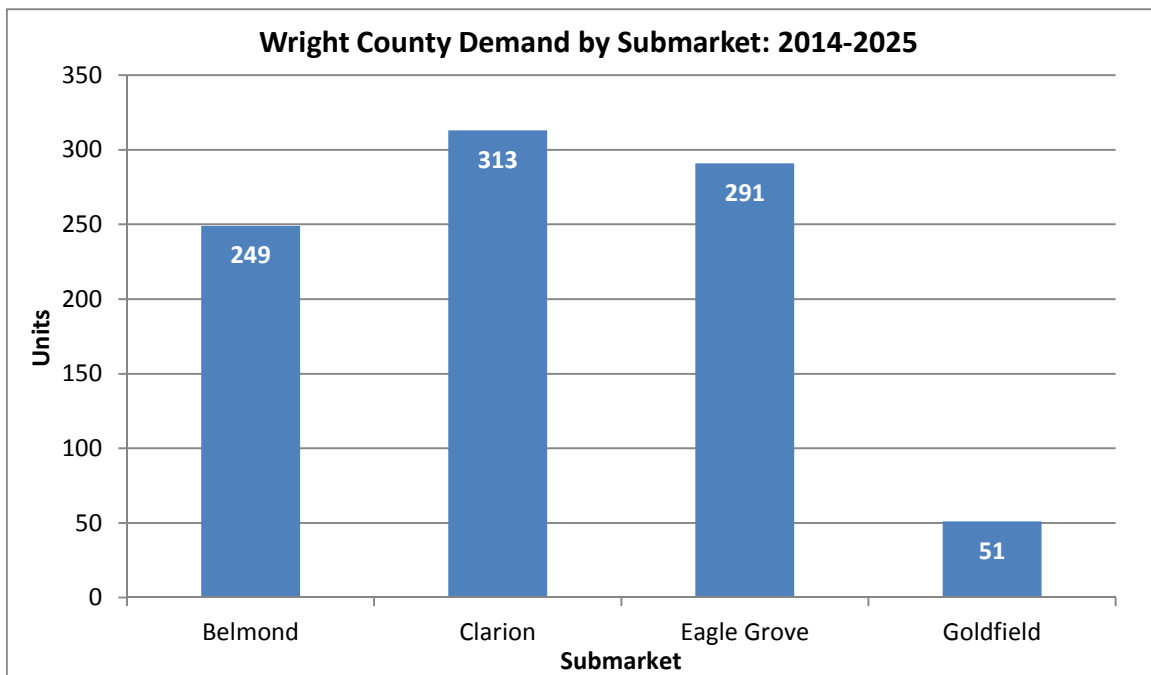
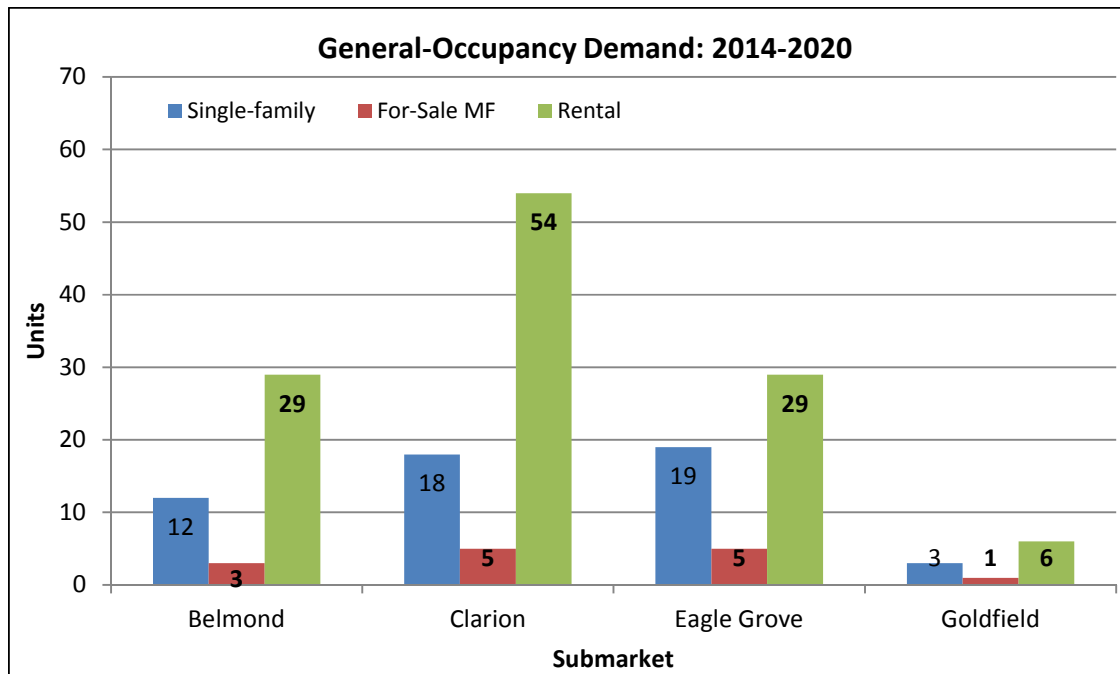
2014 to 2020							
Submarket	FOR-SALE			RENTAL			
	Single-family	Multifamily	Total	Market Rate	Affordable	Subsidized	Total
Belmond	11	4	15	17	9	3	29
Clarion	17	6	23	27	8	20	55
Eagle Grove	17	6	23	16	3	9	28
Goldfield	3	1	4	3	1	1	5
WRIGHT COUNTY	48	17	65	63	21	33	117
2020 to 2025							
Submarket	FOR-SALE			Rental			
	Single-family	Multifamily	Total	Market Rate	Affordable	Subsidized	Total
Belmond	10	4	14	16	8	3	27
Clarion	15	6	21	25	8	18	51
Eagle Grove	15	6	21	15	2	9	26
Goldfield	2	1	3	3	1	0	4
WRIGHT COUNTY	42	17	59	59	19	30	108
2014 to 2025							
Submarket	FOR-SALE			Rental			
	Single-family	Multifamily	Total	Market Rate	Affordable	Subsidized	Total
Belmond	21	8	29	33	17	6	56
Clarion	32	12	44	52	16	38	106
Eagle Grove	32	12	44	31	5	18	54
Goldfield	5	2	7	6	2	1	9
WRIGHT COUNTY	90	34	124	122	40	63	225

Source: Maxfield Research Inc.

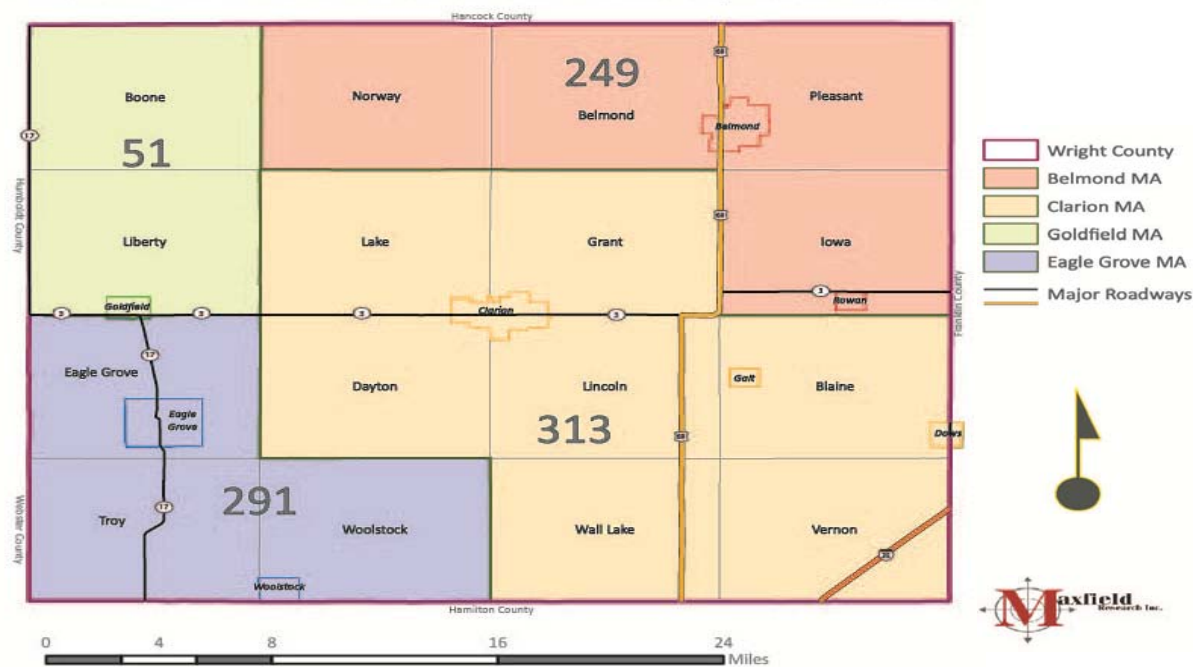
HOUSING DEMAND ANALYSIS

TABLE DMD-11 SENIOR HOUSING EXCESS DEMAND SUMMARY WRIGHT COUNTY 2014 to 2025									
2014									
Submarket	ACTIVE ADULT					SERVICE-ENHANCED**			
	Subsidized Rental	Affordable Rental	MR Owner	MR Rental	Total	Congregate	Assisted Living	Memory Care	Total
Belmond	17	40	11	0	68	17	62	12	91
Clarion	25	43	15	0	83	0	66	14	80
Eagle Grove	18	40	15	28	101	24	46	15	85
Goldfield	0	9	3	5	17	4	11	2	17
WRIGHT COUNTY	60	132	44	33	269	45	185	43	273
2020									
Submarket	ACTIVE ADULT					SERVICE-ENHANCED**			
	Subsidized Rental	Affordable Rental	MR Owner	MR Rental	Total	Congregate	Assisted Living	Memory Care	Total
Belmond	16	37	13	0	66	20	66	13	99
Clarion	23	39	18	0	80	0	70	15	85
Eagle Grove	16	36	18	33	103	27	50	16	93
Goldfield	0	9	3	6	18	5	11	2	18
WRIGHT COUNTY	55	121	52	39	267	52	197	46	295
2025									
Submarket	ACTIVE ADULT					SERVICE-ENHANCED**			
	Subsidized Rental	Affordable Rental	MR Owner	MR Rental	Total	Congregate	Assisted Living	Memory Care	Total
Belmond	16	37	13	0	66	20	65	13	98
Clarion	23	39	18	0	80	0	68	15	83
Eagle Grove	16	36	17	32	101	27	49	16	92
Goldfield	0	8	3	6	17	5	11	2	18
WRIGHT COUNTY	55	120	51	38	264	52	193	46	291
** Service-enhanced demand is calculated for private pay seniors only; additional demand could be captured if Elderly Waiver and other sources of non-private payment sources are permitted.									
Sources: Maxfield Research Inc.									

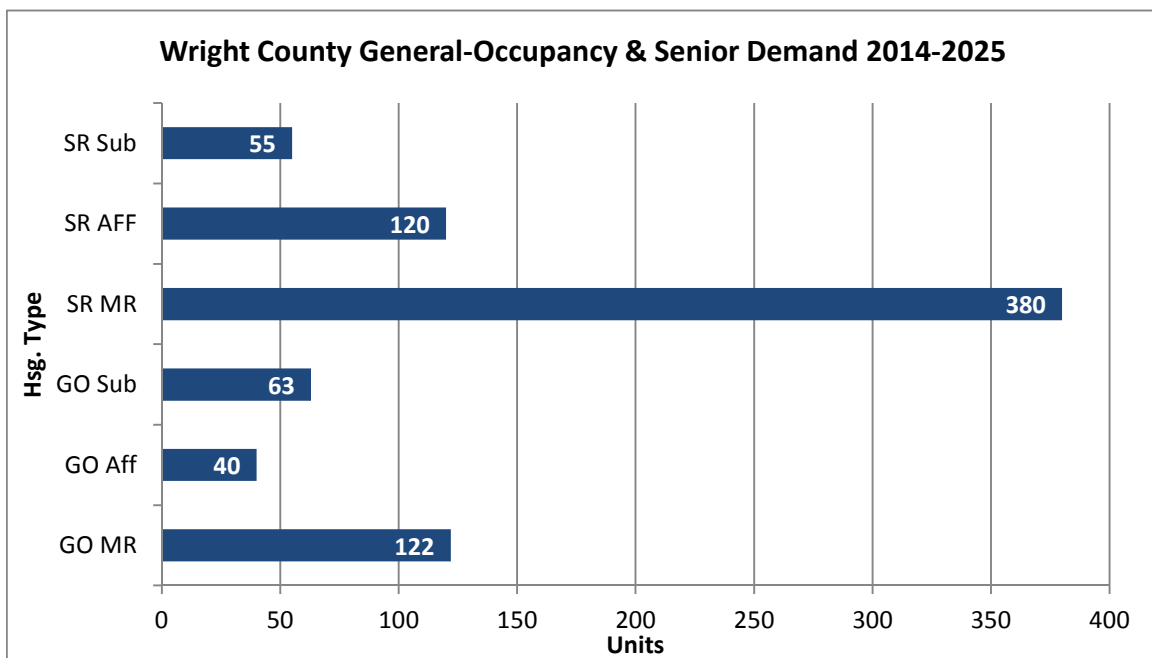
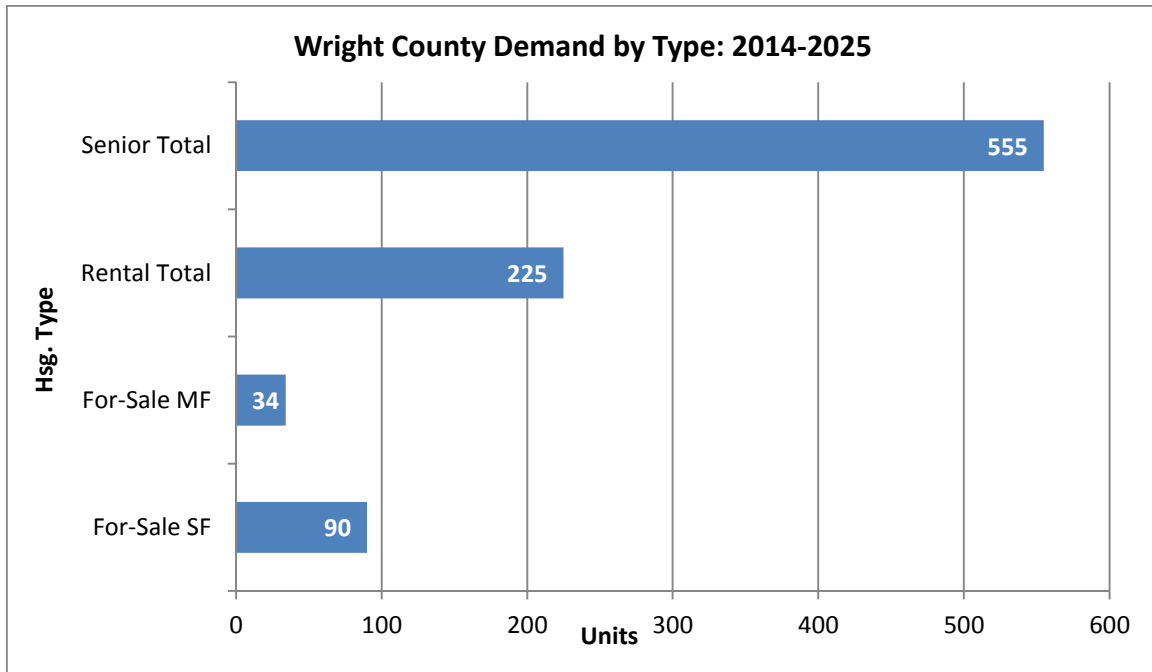
RECOMMENDATIONS AND CONCLUSIONS



2014 - 2025 Demand-Total Units by Submarket



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Finally, senior housing demand is significant across Wright County due to the aging of the population and growing baby boom generation. County-wide, demand exists for about 269 active adult units and 273 service-intensive units in 2014. However, due to economies of scale, it could be difficult to develop stand-alone facilities for the various service levels in each county submarket that would be financially feasible.

Introduction

Based on the finding of our analysis and demand calculations, Tables DMD-10 and DMD-11 provided a summary of housing demand county and submarket through 2025. Demand exists in Wright County 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 will be supportable in all communities and that the demand illustrated in Tables DMD-10 and DMD-11 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 strong demand in low-maintenance and association-maintained housing products; both for-sale and rental. Although population in Wright County continues to slowly decline; housing demand is generated though replacement need and the need for newer product with modern amenities. The figure on page 108 summarizes housing product types and preferences that may be incorporated in the following recommendations.

Recommended Housing Product Types

Owner Occupied

Single-Family Housing

Table DMD-10 identified demand for 90 single-family housing units in Wright County through 2025. Table FS-5 indicated there are 55 vacant lots located within existing and planned subdivisions. As a result, new platted lots will be needed over the course of the decade to accommodate demand. Based on historic construction activity since 2000, there has been an average of 14 new residential units per year in Wright County.

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 Wright County and the number of homes constructed annually, the current lot supply is able to meet historical demand in the short-term. Although there are a number of scattered, infill lots in all of the Wright County Submarkets, many of these lots are undesirable to today's buyers as they are unable to accommodate specific product types (i.e. ranch-style homes with large main-levels).

The Belmond, Clarion, and Eagle Grove Submarkets seem to have enough vacant lots in the short-term to meet demand. However, the Goldfield Submarket has mostly infill lots available and lacks newer, larger lots for new construction. Although demand was lowest in the Gold-

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field Submarket, additional lots may be needed to accommodate single-family construction over the next decade.

Nearly all of the new single-family construction in Wright County has targeted executive buyers; in part because of the high infrastructure costs in developing new subdivisions and increasing construction and labor costs. However, through our research and interviews we find demand for a variety of price points of new single-family homes.

Due to the age and price of the existing housing stock in Wright County, most of the existing housing stock appeals to entry-level buyers. Entry-level homes, which we generally classify as homes priced under \$65,000 will be mainly satisfied by existing single-family homes as residents of existing homes move into newer housing products built in Wright County communities, such as move-up single-family homes, twinhomes, rental housing and senior housing. Although there would be substantial demand for a new single-family housing product priced from \$80,000 to \$100,000, financially it will be extremely difficult to develop even with public assistance due to infrastructure costs and rising labor and material costs. Based on land and building costs, it is very difficult to build new single-family homes for less than \$150,000 (i.e. split-level with unfinished basement - according to Realtors there is little demand for this product).

According to our research and interviews, there is high-demand from “move-up or step-up” buyers, or those seeking homes generally priced from \$80,000 to \$140,000. 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 and employers, this demographic is underserved throughout the Wright County Submarkets and is seeking move-in ready homes with modern updates. Realtors commented on the high demand for a new single-family product targeting move-up buyers priced under \$150,000. Again, this product will be difficult to develop financially without public assistance.

For-Sale Multifamily Housing

A growing number of households desire alternative housing types such as townhouses, twinhomes and condominiums. Typically, the target market for for-sale multifamily housing is empty-nesters and retirees seeking to downsize from their single-family homes. In addition, professionals, particularly singles and couples without children, also will 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.

Our review of the Wright County for-sale housing stock found very few maintenance-free products as historically buyers have preferred the single-family house. However, given the aging of the population and the high growth rate in the 55+ population, Wright County would benefit from a more diversified housing stock. Based on the changing demographics, demand

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was calculated for 34 new multifamily for-sale units in Wright County through 2025. 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 twin home is basically 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 these aging Wright County 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.

Because the demand for 34 units is spread across Wright County, twinhomes will be the preferred multifamily product type as units can be constructed 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. We recommend a broad range of pricing for twinhomes; however pricing should start at around \$140,000. 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. The twinhomes should be association-maintained with 40'- to 50'-wide lots on average.

Twinhome Examples



Twinhome with alternate garages



Standard Twinhome – front garages

- *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. We recommend lot widths ranging from 45 to 55 feet with main-level living areas between 1,600 and 1,800 square feet. The main level living area usually features a master bedroom, great room, dining room, kitchen, and laundry room while offering a “flex room” that could be another bedroom, office, media room, or exercise room. However, owners should also be able to purchase the home with the option to finish the lower level (i.e. additional bedrooms, game room, storage, den/study, etc.) and some owners may want a slab-on-grade product for affordability reasons. Finally, builders could also provide the option to build a two-story detached product that could be mixed with the villa product.

Pricing for a detached townhome/villa will vary based on a slab-on-grade home versus a home with a basement. Base pricing should start at \$150,000 and will fluctuate based on custom finishes, upgrades, etc.

Detached Townhome/Villa Examples



Cottage-style (alley-loaded garage)



Executive-style



Villa – Garage in front



2-story tuck-under

- *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.

Because multifamily for-sale housing is still untested in Wright County, we recommend a four-plexes that could be back-to-back with main-level master bedrooms that would cater to empty-nesters. If the product is successful, future phases could include rowhomes that would increase density and cater to a broader market. Units should be priced from \$125,000 to \$150,000.

Townhome Examples



3-Plex



Tuck-under garage



Row-house style



Back-to-back style (6-Plex)

General Occupancy Rental Housing

Maxfield Research Inc. calculated demand for 225 general-occupancy rental units in Wright County through 2025 (122 market rate, 40 affordable, and 63 subsidized units). The Clarion Submarket accounted for nearly half of the demand (106 units), followed by the Belmond Submarket (56 units), Eagle Grove Submarket (54 units), and the Goldfield Submarket (9 units). Because of this demand, we recommend a variety of rental housing product types to meet this demand.

Our competitive inventory identified no vacancies among the general occupancy rental product as of September 2014. Due to the age and positioning of most 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. However, the renter base is seeking newer rental properties with additional and updated amenities that are not offered in older developments.

Because of the economies of scale when constructing multifamily rental housing, new construction requires density that will be difficult to achieve in the smaller Wright County 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 Wright County. The following rental product types are recommended through 2025:

- **Market Rate Rental** - As illustrated in Table R-2, there are few traditional multifamily rental projects in Wright County. The existing rental housing stock is older and located in mainly smaller structures (4 units or less). In addition, the single-family housing stock also plays a significant role in the overall rental housing market sector. Due to the lack of rental supply throughout the County, we recommend new market rate rental product in the Belmond, Clarion, and Eagle Grove Submarkets. We recommend new market rental project(s) that will attract a diverse resident profile; including young to mid-age professionals as well as singles and couples across all ages. To appeal to a wide target market, we suggest a market rate apartment project(s) with a unit mix consisting of one-bedroom units, one-bedroom plus den units or two-bedroom units, and two-bedroom plus den or three-bedroom units. Larger three-bedroom units would be attractive to households with children.

Monthly rents (in 2014 dollars) should range from \$600 for a one-bedroom unit to \$975 for a three-bedroom unit. Average rents in Wright County are approximately \$0.60 per square foot, however monthly rents should range from about \$0.90 to \$1.10 per square foot to be financially feasible. Monthly rents can be trended up by 2.0% annually prior to occupancy to account for inflation depending on overall market conditions. Because of construction and development costs, it may be difficult for a market rate apartment to be financially feasible with rents lower than the suggested per square foot price. Thus, for this type of project to become a reality, there may need to be a public – private partnership to reduce development costs and bring down the rents or the developer will need to provide smaller unit sizes.

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New market rate rental units 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 traditional multi-family structures, we find that demand exists for some larger townhome units for families – including those who are new to the community and want to rent until they find a home for purchase. A portion of the overall market rate demand could be a townhome style development versus traditional multifamily design. We recommend a project with rents of approximately \$850 for two-bedroom units to \$1,050 for three-bedroom units. Units should feature contemporary amenities (i.e. in-unit washer/dryer, high ceilings, etc.) and an attached two car garage. Again, like traditional multifamily development, these rents are significantly higher than then existing rental product and a public-private partnership may be needed to bring down development and monthly rental costs.
- *Affordable General Occupancy Rental Townhomes*– Rental townhomes affordable to moderate-income households would also be in demand throughout Wright County. Demand was calculated for 40 units through 2025. These projects would have income-restrictions established by HUD and the Iowa Housing Finance Agency. However, this product type could be difficult to develop should income-restricted rents be higher than market rate rental developments. We recommend a project with two- and three-bedroom units. Units should feature central air conditioning, full appliance package, in-unit washer/dryer, an attached one/two car garage. Affordable rental townhomes have been found to be very popular throughout many mid-western rural communities and have been attractive for a variety of household types (i.e. living alone, couples, families, etc.).
- *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 60 subsidized rental housing units through 2025, this housing is very difficult to develop financially as federal funding has shifted to tax credit rentals. A new subsidized or public housing development would have pent-up demand.

Senior Housing

As illustrated in Table DMD-11, demand exists for all types of senior housing product types in Wright County. Due to the aging of the County's population, senior housing product types show the highest demand among all product types in the short-term. In fact, senior housing accounts for about 550 units and makes up 61% of the total demand for housing in Wright County.

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

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housing serves a two-fold purpose in meeting the housing needs in Wright County: older adult and senior residents are able to relocate to new age-restricted housing in Wright County, 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 Senior Cooperative – There are no senior age-restricted for-sale developments in Wright County at this time. Maxfield Research projected demand for 51 active adult ownership units through 2025. Because demand is spread across all four submarkets, a new for-sale development could likely only be constructed in one of the submarkets and would attract residents from other neighboring communities. Maxfield Research recommends a cooperative development with a mix of two- and three-bedroom units with share costs starting around \$25,000. 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.
- Active Adult Rental – Because of the existing active adult product in Clarion and Belmond Submarkets (170 units), demand was calculated for only 38 active adult rentals in Wright County through 2025. However, demand could be higher given the existing projects are older and are former income-restricted properties that lack updated amenities today's newer senior projects offer. Therefore, Maxfield Research believes this market is somewhat deeper than what the demand estimates indicate.

However, because active adult senior housing is not need-driven, the demand for this product type may experience delays in realizing demand if seniors decide to choose not to sell their homes. Therefore, we would cautiously recommend pursuing market rate active adult rentals. Furthermore, this demand could also be captured by new general-occupancy rental housing development in Wright County.

- Affordable and Subsidized Rental – Wright County demand for affordable senior housing is 120 units through 2025, while subsidized senior housing is 55 units. 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. The Belmond, Clarion, and Eagle Grove Submarkets could also support an affordable senior housing development. Financing subsidized senior housing is difficult as federal funds have been shrinking. Therefore, a new subsidized development would likely rely on a number of funding sources; from low-income tax credits (LIHTC), tax-exempt bonds, Section 202 program, USDA 515 program, among others.

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- *Independent Living/Congregate* – Demand was calculated for about 50 congregate units through 2025 in Wright County. There is only one congregate project in Wright County located in Clarion, boasting 45 units. Both the Belmond Submarket and Eagle Grove Submarket have demand for 20 units or more of senior congregate housing. We recommend new congregate projects have a mix of one-bedroom, one-bedroom plus den, and two-bedroom units. Base monthly rents should range from \$1,250 for one-bedroom units to \$1,500 for two-bedroom units. The monthly fees should include all utilities (except telephone and basic cable/satellite television) and the following services:
 - I'm OK program;
 - Daily noon meal;
 - Regularly scheduled van transportation;
 - Social, health, wellness and educational programs;
 - 24-hour emergency call system; and
 - Complimentary use of laundry facilities.

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.

Due to economies of scale needed for congregate housing, other service levels may have to be combined to the project to increase density to be financial feasible. Alternatively, the concept called "Catered Living" may be viable as it combines independent and assisted living residents and allows them to age in place in their unit versus moving to a separate assisted living facility. (See below for definition of Catered Living)

- *Assisted Living and Memory Care Senior Housing* – Based on our analysis, we project demand to support an additional 193 assisted living units and 46 memory care units in Wright County through 2025. Assisted living demand is strong in the Belmond, Clarion, and Eagle Grove submarkets, ranging from 49 units in the Eagle Grove Submarket to 68 units in the Clarion Submarket. Although the Goldfield Submarket identifies 11 units of assisted living demand, a new assisted living project would not be economically feasible given the lack of density.

We recommend assisted living units include a mix of studio, and one-bedroom, and a few two-bedroom units with base monthly rents ranging from \$2,700 to \$3,500. Memory care unit mix should be studios and one-bedroom units with base monthly rents ranging from \$3,900 to \$5,000. Memory care units should be located in a secured, self-contained wing located on the first floor of a building and should feature its own dining and common area amenities including a secured outdoor patio and wandering area.

The base monthly fees should include all utilities (except telephone and basic cable/satellite television) and the following services:

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- Three meals per day;
 - Weekly housekeeping and linen service;
 - Two loads of laundry per week;
 - Weekly health and wellness clinics;
 - Meal assistance;
 - Regularly scheduled transportation;
 - Professional activity programs and scheduled outings;
 - Nursing care management;
 - I'm OK program;
 - 24-hour on site staffing;
 - Personal alert pendant with emergency response; and
 - Nurse visit every other month.

Additional personal care packages should also be available for an extra monthly charge above the required base care package. A care needs assessment is recommended to be conducted to determine the appropriate level of services for prospective residents.

Given the service-intensive nature of memory care housing and staffing ratios, typically most memory care facilities are attached to either an assisted living development or are a component of a skilled nursing facility. As a result, it will be very difficult to build a stand-alone memory care facility that can be financially feasible on its own. Therefore, new memory care units would be best suited if they were attached to an assisted living complex. Alternatively, memory care could also be associated with a skilled nursing facility; however we stress the residential approach to memory care versus the institutional feel from a nursing home.

- Service-Enhanced Senior Housing or “Catered Living” – As Table DMD-11 showcased, demand exists for most senior products in each Wright County Submarket. Due to economies of scale, it will be difficult to develop stand-alone facilities in the smaller communities for each of these service levels that are financially feasible. Therefore, we recommend senior facilities that allow seniors to “age in place” and remain in the same facility in the stages of later life. Catered living is a “hybrid” senior housing concept where demand will come from independent seniors interested in congregate housing as well as seniors in need of a higher level of care (assisted living). In essence, catered living provides a permeable boundary between congregate and assisted living care. The units and spatial allocations are undistinguishable between the two senior housing products, but residents will be able to select an appropriate service level upon entry to the facility and subsequently increase service levels over time. Additionally, catered living not only appeals to single seniors but also to couples; each resident is able to select a service level appropriate for his or her level of need, while still continuing to reside together. In addition, memory care can be incorporated into the facility in a separate secured wing.

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The catered living concept is a newer concept but tends to be developed in more rural communities that cannot support stand-alone facilities for each product type. Monthly rents should include a base rent and service package with additional services provided either a la carte or within care packages. Monthly rents should start at about \$1,500 for congregate care and \$2,800 for assisted living care.

Summary by Submarket

Although there is demand for a variety of housing product types in each of the submarkets, it will be difficult to develop certain housing products due to the density and economies of scale needed to be financially viable. Therefore, the lesser populated communities will experience additional challenges due density requirements. In addition, there is likely to be cross-over demand and mobility between submarkets as new housing product is developed. Table R-1 outlines the submarkets most likely to experience new housing based on housing demand and the number of units needed to be supportable.

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TABLE R-1
HOUSING RECOMMENDATIONS BY SUBMARKET
2014 to 2025

Housing Type/Program	Belmond Submarket		Clarion Submarket		Eagle Grove Submarket		Goldfield Submarket	
	2014-2020	2020-2025	2014-2020	2020-2025	2014-2020	2020-2025	2014-2020	2020-2025
For-Sale Housing								
Single-family (new lots needed)		x		x		x	x	x
Twinhomes/Townhomes	x	x	x	x	x	x	x	x
General Occupancy Rental Housing								
Market Rate	x	x	x	x	x	x		
Affordable/Subsidized	x		x	x	x			
Senior Housing								
Market Rate								
Active Adult					x			
Congregate	x	x			x	x		
Assisted Living	x	x	x	x	x	x		
Memory Care	x	x	x	x	x	x		
Affordable/Subsidized	x	x	x	x	x	x	x	x

Note: Although all of the submarkets show housing demand for a variety of housing types; it will not be feasible due to the economies of scale needed. Therefore, recommendations are based on the need and density needed to be feasible. In addition, please note that new senior housing supply developed this decade will decrease the demand for units after 2020 proportionally.

Source: Maxfield Research Inc.

Challenges and Opportunities

The following were identified as the greatest challenges and opportunities for developing the recommended housing types (in no particular order – sorted alphabetically).

- **Affordable Housing.** Tables HA-1 and HA-2 identified Wright County Area Median Incomes (“AMI”) and the fair market rents by bedroom type. The average market rate rent averages less than \$500/month and the established rents for affordable housing are higher than most market rate rental developments in Wright County. As a result, the majority of rental housing units in the County are considered affordable and are mostly fulfilled by existing, older rental product in the marketplace. Furthermore, first-time homebuyers with good credit and a down payment can purchase an entry-level single-family home that would have housing costs on-par with rental housing. As a result, it may be difficult to develop affordable housing that would be financially viable.
- **Aging Population.** As illustrated in Table D-6, there is significant growth in the Wright County senior population, especially among seniors ages 65 to 74 (+18% growth through 2020). In addition, Table D-7 shows market area homeownership rates among seniors 65+ is approximately 77%. 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 the rising population of older adults, demand for alternative maintenance-free housing products should be rising. In addition, demand for home health care services and home remodeling programs to assist seniors with retrofitting their existing homes should also increase.
- **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 Wright County communities take a more 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. Maxfield Research recommends exploring a county-wide code enforcement staff person that would be more economical and spread across all Wright County communities and townships. Finally, we also recommend exploring a rental ordinance that could also be implemented with code enforcement.

Communities may also want to consider property acquisition within redevelopment areas in the jurisdictions where dilapidated housing units exist. Many cities acquire abandoned, tax delinquent, and vacant problem properties and make them available to not-for-profit and for profit developers. Through this effort properties are returned to tax producing properties while improving neighborhood aesthetics and assisting in community economic development efforts.

- **Declining Population.** Tables D-1 through D-3 show slow declines in Wright County's population from 1990 to 2025. The 2000s witnessed a decrease of population of over 1,100 persons; however the decline is projected to slow this decade and through 2025. However, because of declining household sizes the number of households is projected to decrease at a slower pace. Hence, all housing demand is being generated by replacement need and the lack of housing that meet's today's consumers.
- **Developers Carrying Costs.** Due to historic lot absorption trends throughout Wright County, 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. 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.

As a result, the newer subdivisions in Wright County have been developed with public assistance. Given the slow lot absorptions and cost to plat lots, future lot subdivisions will also likely require some financial assistance and a private-public partnership.

- **Financing Barriers/Infrastructure Costs and Private/Public Partnerships.** One of the key challenges facing housing development in rural communities is financing. Finding banks to finance projects is difficult as most lenders require substantial equity contributions from the developer. As discussed in the previous bullet (*Developers' Carrying Costs*), developers are typically required to upfront residential subdivisions and pay for the cost of water, sewer, curb and gutter, utilities, etc. Because of the substantial cost to fund improvements, most builders/developers do not have the assets or equity to fund the project and lenders have conservative underwriting standards. Furthermore, private investors seek targeted returns on investment and liquidity that cannot be guaranteed as lot absorption/takedowns is an

unknown factor. Many local jurisdictions do not have the necessary tools today to fund infrastructure costs.

Because of this barrier, we recommend exploring other private/public partnerships to entice housing development. Private/public partnerships are a creative alliance formed to achieve a mutual purpose and goal. Partnerships between local jurisdictions, the private sector, and nonprofit groups can help communities develop housing products through collaboration that otherwise may not materialize. Private sector developers can benefit through greater access to sites, financial support, and relaxed regulatory processes. Public sectors have increased control over the development process, maximize public benefits, and can benefit from an increased tax base.

A number of communities have solved housing challenges through creative partnerships in a variety of formats. Many of these partnerships involve numerous funding sources and stakeholders. Because of the difficulty financing infrastructure costs in Wright County, it will likely require innovative partnerships to stimulate housing development. The White Fox Drive subdivision in Clarion is an excellent example of numerous parties coming together to stimulate housing development. We also recommend exploring partnerships with major employers in Wright County that could assist housing product by donating into a housing trust fund that would be designated for housing projects that would best serve workers in Wright County.

- **Land Banking/Land Acquisition.** Land Banking is a program of acquiring land with the purpose of developing at a later date. After a holding period, the land can be sold to a developer (often at a price lower than market) with the purpose of developing housing. Wright County municipalities should consider establishing a land bank to which private land may be donated and public property may be held for future housing development.

Similarly, land acquisition is a tool used by many governmental authorities to set aside land for a variety of public purposes; including new development/redevelopment, infrastructure projects, recreation, conservation, etc. Many local governments consider land acquisition and land banking as a strategy for stimulating private sector development.

- **Housing Resources & Programs.** Many communities and local Housing and Redevelopment Authorities (HRAs) offer programs to promote and preserve the existing housing stock. In addition, there are various regional and state organizations that assist local communities enhance their housing stock. The following bullet points outline a variety of resources available:

State/National Resources:

Iowa Finance Authority (“IFA”) – The Iowa Finance Authority is a housing finance agency designed to assist low-to-moderate income households in the State of Iowa. The organization provides numerous programs for both the single-family and multifamily sectors, financing

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assistance, energy efficiency programs, fix-up funds, and other research to support the production of affordable housing across Iowa.

<http://www.iowafinanceauthority.gov/>

USDA Rural Development – Housing support is available through the “Housing and Community Assistance” program that is part of USDA Rural Development. The program is designed to improve housing options in rural communities and operates a variety of programs including: homeownership assistance, housing rehabilitation and preservation, rental assistance, loan administration, energy efficiency, etc.

http://www.rurdev.usda.gov/IA_Home.html

Local/Regional Resources:

Fort Dodge Housing Agency– the Fort Dodge Housing Agency administers housing vouchers for Wright County. In addition, the organization administers public housing, section 8 housing, homeownership programs, among various other programs.

<http://www.fd-housing.org/>

Mid-Iowa Development Association Council of Governments (“MIDAS”) – In addition to Wright County, MIDAS covers the north central Iowa counties of Calhoun, Hamilton, Humboldt, Pocahontas, and Webster. The purpose of the organization is to assist local governments by providing efficiencies in services while addressing regional issues. MIDAS offers a variety of housing programs that can assist homeowners, developers, non-profits, and local development organizations.

<http://www.midascog.net/services/regional-initiatives/rlf/housing>

Wright County Economic Development “WCED” – Wright County Economic Development offers housing programs to assist buyers with the purchase of single-family and multi-family housing and offers programs to assist with the rehabilitation of existing housing stock. Information on these programs is outlined on the website.

http://www.wrightcounty.org/departments/economic_development/first_time_homeowners_program.php

In addition to the resources available at the state and regional-level, communities in Wright County can explore a toolbox of housing programs that would aid in the enhancement of the county’s housing stock. The following is a sampling of potential programs that could be explored (other examples located under the *Renovation of Housing Stock* bullet point):

- Density Bonuses – Since the cost of land can be a significant barrier to housing affordability, increasing densities can result in lower housing costs by reducing the land costs per unit. Communities can offer density bonuses as a way to encourage higher-density residential development while also promoting an affordable housing component.
- Home-Building Trades Partnerships – Partnership between local Technical Colleges or High Schools that offer building trades programs. Affordability is gained through re-

duced labor costs provided by the school. New housing production serves as the “classroom” for future trades people to gain experience in the construction industry. This program is contingent on proximity to these programs.

- Home Sale Point of Sale - City ordinance requiring an inspection prior to the sale or transfer of residential real estate. The inspection is intended to prevent adverse conditions and meet minimum building codes. Sellers are responsible for incurring any costs for the inspection. Depending on the community, evaluations are completed by city inspectors or 3rd party licensed inspectors.
- Home Energy Loans – Offer low interest home energy loans to make energy improvements in their homes.
- Household and Outside Maintenance for the Elderly (H.O.M.E.) Program – Persons 60 and over receive homemaker and maintenance services. Typical services include house cleaning, grocery shopping, yard work/lawn care, and other miscellaneous maintenance requests.
- Land Banking – Land Banking is a program of acquiring land with the purpose of developing at a later date. After a holding period, the land can be sold to a developer (often at a price lower than market) with the purpose of developing affordable housing.
- Land Trust - Utilizing a long-term 99-year ground lease, housing is affordable as the land is owned by a non-profit organization. Subject to income limits and targeted to workforce families with low-to-moderate incomes. If the family chooses to sell their home, the selling price is lower as land is excluded.
- Mobile Home Improvements – Offer low or no-interest loans to mobile home owners for rehabilitation. Establish income-guidelines based on family size and annual gross incomes.
- Realtor Forum - Typically administered by local governments with partnership by local school board. Inform local Realtors about school district news, current development projects, and other marketing factors related to real estate in the community. In addition, Realtors usually receive CE credits.
- Rental Collaboration – Local government organizes regular meetings with owners, property managers, and other stakeholders operating in the rental housing industry. Collaborative, informational meetings that includes city staff, updates on economic development and real estate development, and updates from the local police, fire department, and building inspection departments.
- Rental License – Licensing rental properties in the communities. Designed to ensure all rental properties meet local building and safety codes. Typically enforced by the fire marshal or building inspection department. Should require annual license renewal.
- Rent to Own - Income-eligible families rent for a specified length of time with the end-goal of buying a home. The HRA saves a portion of the monthly rent that will be allocated for a down payment on a future house.
- Senior Housing Regeneration Program - Partnership between multiple organizations that assists seniors transitioning to alternative housing options such as senior housing, condominiums, townhomes, etc.
- Tax Increment Financing (TIF): Program that offers communities a flexible financing tool to assist housing projects and related infrastructure. TIF enables communities to dedi-

cate the incremental tax revenues from new housing development to help make the housing more affordable or pay for related costs. TIF funds can be used to provide a direct subsidy to a particular housing project or they can also be used to promote affordable housing by setting aside a portion of TIF proceeds into a dedicated fund from other developments receiving TIF.

- Waiver or Reduction of Development Fees – There are several fees developers must pay including impact fees, utility and connection fees, park land dedication fees, etc. To help facilitate affordable housing, some fees could be waived or reduced to pass the cost savings onto the housing consumer.
- **Job Growth/Employment.** 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. Table E-1 showed Wright County has an unemployment rate on-par with the State of Iowa in 2013. Today's unemployment rate of around 4.5% has come down from the high of 7.4% in 2010. Generally, a 4% to 5% unemployment rate is considered full employment. However, Wright County's labor force peaked in 2002 and is down by about 4%. Additional job creation in Wright County will result in household growth that could exceed projections in Table D-3. At the same time, however, the housing stock must be able to meet householders need in order to capture this growth.
- **Multifamily Development Costs.** It will be challenging to construct new market rate multifamily product given achievable rents and development costs. According to RS Means construction costs data, construction costs in Wright County (utilizing construction averages in the Fort Dodge area) will likely average about \$115 per square foot (gross), or upwards to \$130,000 per unit to develop based on a 20-unit multifamily concept. Development costs of this scale will likely require rents per square foot significantly higher than the existing product in Wright County. Based on these costs, it will be 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 35% of the housing stock in Wright county was built pre-1940, with the next highest decade in the 1950s (14.5%). Only 4% of Wright County's housing stock was built since 2000. Because of the older housing stock, many housing units in throughout Wright County become affordable through a combination of factors such 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. Realtors and other interviewees commented that although the housing stock is affordable, many homes need updating and haven't been

maintained. Move-up buyers are also challenged as many homes in the \$80,000 price range also need updating. As a result, the demand for new construction is very high as buyers are seeking more amenitized homes; however builders cannot deliver an entry-level new home that is affordable. Because builders are unable to bring more affordable new homes to the market, Maxfield Research recommends encouraging housing programs that will enhance the existing housing stock.

Numerous home improvement programs are initiated by local HRAs and local governmental agencies across the country to preserve the existing housing stock. Wright County communities should explore various programs that would aid the improvement of the county's housing stock. A variety of programs are available, including:

- Redevelopment Credit – remove a substandard home with new construction
 - Remodeling Advisor – Partner with local architects and/or builders to provide ideas and general cost estimates for property owners
 - Construction Management Services – Assist homeowners regarding local building codes, reviewing contractor bids, etc.
 - Historic Preservation – Encourage residents to preserve historic housing stock in neighborhoods with turn-of-the-century character through restoring and preserving architectural and building characteristics. Typically funded with low interest rates on loans for preservation construction costs.
 - Mobile Home Improvements – Offer low or no-interest loans to mobile home owners for rehabilitation. Establish income-guidelines based on family size and annual gross incomes.
 - Rent to Own - Income-eligible families rent for a specified length of time with the end-goal of buying a home. The local government agency saves a portion of the monthly rent that will be allocated for a down payment on a future house.
 - Home Fair – Provide residents with information and resources to promote improvements to the housing stock. Typically offered on a weekend in early spring where home owners can meet and ask questions to architects, landscapers, building contractors, lenders, building inspectors, Realtors, etc.
- **Shadow Rental Inventory (i.e. Single Family Rentals).** Shadow rentals are generally considered nontraditional rentals that were previously owner-occupied single-family homes, townhomes, etc. Based on interviews with Realtors and property managers, the demand for single family rentals is very high throughout Wright County. A large percentage of renters have sought out single-family homes versus traditional multifamily rental developments. Based on housing unit data outlined in Table HC-5, about 47% of single-family rental units in Wright County are located in single-family homes.

According to interviewees, many of the single family rentals are unregulated and deferred maintenance is evident in some properties. We recommend local municipalities have a policy to license single family rental units to keep track of rental properties and help maintain and preserve the market value of the property and neighborhood. We recommend requir-

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ing 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, local municipalities should more actively follow-up with those single-family rental properties with nuisance and code compliance issues.

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.

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 ser-

vices 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.

Density – Number of units in a given area. Density is typically measured in dwelling units (DU) per acre – the larger the number of units permitted per acre the higher the density; the fewer units permitted results in lower density. Density is often presented in a gross and net format:

- **Gross Density** – The number of dwelling units per acre based on the gross site acreage.
Gross Density = Total residential units/total development area
- **Net Density** - The number of dwelling units per acre located on the site, but excludes public right-of-ways (ROW) such as streets, alleys, easements, open spaces, etc.
Net Density = Total residential units/total residential land area (excluding ROWs)

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 Wright County – 2014					
Fair Market Rent					
	EFF	1BR	2BR	3BR	4BR
Fair Market Rent	\$392	\$456	\$579	\$721	\$774

Floor Area Ratio (FAR) Ratio of the floor area of a building to area of the lot on which the building is located.

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.

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. Maximum Gross Rents for Wright County can be shown on the following page.

**Gross Rent
Wright County – 2014**

	Maximum Gross Rent				
	EFF	1BR	2BR	3BR	4BR
30% of median	\$314	\$393	\$495	\$596	\$698
50% of median	\$522	\$596	\$671	\$745	\$805
60% of median	\$627	\$715	\$805	\$894	\$966
80% of median	\$836	\$954	\$1,074	\$1,192	\$1,288
100% of median	\$1,045	\$1,192	\$1,342	\$1,490	\$1,610
120% of median	\$1,254	\$1,431	\$1,611	\$1,788	\$1,932

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 or 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.

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. Mobility rate is often illustrated over a one-year time frame.

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.