



**2007**  
**Iowa City**  
**Area**  
**Apartment**  
**Rent Survey**

**Cook**  
**Appraisal LLC.**  
valuationresearch  
group

**Sponsors of the Apartment  
Rent Survey**

**Hills Bank  
and Trust Company**

**W West Bank**



**UNIVERSITY OF IOWA  
COMMUNITY  
CREDIT UNION**

**usbank**  
Five Star Service Guaranteed

**EQUAL HOUSING  
LENDERS**

©2007 Cook Appraisal, LLC.

## Iowa City Area Apartment Rent Survey

**PURPOSE** – This survey was created in 1992 to provide valuable information on the rental market in Johnson County. We greatly appreciate all the owners and managers who have contributed to the survey over the years. It is your assistance that makes this possible. We Thank You.

**OVERVIEW-** For the past fifteen years, we have been compiling statistics regarding trends in the local multi-family housing markets in an effort to help gauge supply and demand. This year's survey returned rent information from 5,199 units. The population covers the entire Iowa City Metropolitan Area and is focused on professionally managed buildings typically consisting of at least eight units. Units are generally leased on an annual basis beginning in August. New leasing for August typically begins in March although some landlords have been attempting to lease units earlier than this to gain a competitive advantage. Similarly, some managers have also offered new lease terms such as semiannual or even month-to-month

In order to get a consistent comparison, we selected a core group of apartments where we have been able to get information for at least a two-year period. In this years report, the core group consists of 4,124 units (79% of the total survey result,) located throughout Iowa City, Coralville, and North Liberty.

We have segregated the data by unit-type (1, 2, 3, or 4-bedroom) and location. We have identified four distinct zones. Zone 1 is the "Pentacrest Mile". It has historically been within one mile of the Pentacrest though it has expanded with the growing influence of the west campus. Refer to the included map for the exact boundaries of this zone.. The second zone is the rest of Iowa City. The third zone is Coralville and the fourth is North Liberty.



### Boundaries for definition of "Pentacrest mile" area.

The red line shows the boundaries used to define the "Pentacrest Mile" area. Bordered on the north by the Iowa River and south by Highway 6. The western border lines up with Sunset St while the eastern border lines up with Governor St and Summit St.



**VACANCIES** - The highest vacancies were found in North Liberty, Zone 4. Even this higher level (5.58%) is an improvement over the 7.25% seen here in 2005. The most significant change is in Coralville. For the past several years Coralville has had the highest vacancy rate in our survey but this year Coralville vacancies have improved dramatically.

#### Average Vacancy by Zone and Bedroom

	2005	2007	% change
Pentacrest (Zone 1)	1.21%	1.66%	0.45%
Non-Pentacrest (Zone 2)	3.70%	2.56%	-1.14%
Coralville (Zone 3)	4.07%	0.14%	-3.93%
North Liberty (Zone 4)	7.25%	5.58%	-1.67%
1 Bedroom	0.34%	0.98%	0.64%
2 Bedroom	3.96%	1.78%	-2.18%
3 Bedroom	6.16%	4.47%	-1.69%
4+ Bedroom	0.00%	0.00%	0.00%

**RENTS** - In general, rents have increased across the board. The market overall increased by 4.35%, and there were similar increases in Zones 1, 2, and 3. The biggest increase occurred in North Liberty. This year we are seeing an upswing in 3 bedroom rents whereas 4 bedroom rents have decreased slightly.

#### Average Rent by Zone and Bedroom

	2005	2007	% change
Pentacrest (Zone 1)	\$799	\$827	3.54%
Non-Pentacrest (Zone 2)	\$488	\$511	4.71%
Coralville (Zone 3)	\$564	\$584	3.47%
North Liberty (Zone 4)	\$547	\$625	14.26%
1 Bedroom	\$439	\$463	5.47%
2 Bedroom	\$578	\$600	3.81%
3 Bedroom	\$909	\$971	6.82%
4+ Bedroom	\$1,567	\$1,513	-3.45%

**BUILDING PERMITS** - We have researched building permits in Iowa City, Coralville, and North Liberty to get an accurate assessment of how much building there has actually been. Overall, building has substantially decreased from earlier peaks both in number of buildings and units. Iowa City has remained the strongest of the three areas, due to the student market. Coralville has had little construction activity in the past four years and North Liberty has dropped off sharply from 160 units in 2006 to 12 through September 2007. While a significant number of new units are still being built in the downtown area, this has come down considerably as well.

<b>Multi-Family Building Permits</b>						
	<b>Iowa City</b>		<b>Coralville</b>		<b>North Liberty</b>	
	Buildings	Units	Buildings	Units	Buildings	Units
2000	22	267	22	164	0	0
2001	24	310	20	185	4	25
2002	38	402	20	133	15	88
2003	31	486	7	52	10	84
2004	24	220	3	8	17	188
2005	19	141	4	18	10	113
2006	13	138	1	4	16	160
YTD 9-07	5	75	3	8	1	12

**SUMMARY** - In general, the rental market has begun to show signs of recovery following several years of somewhat stagnant rents and higher vacancies. There are still problematic areas and projects, but the market as a whole appears healthy. Enrollment at the University of Iowa has grown by 2.43% or 769 students since 2005. Altogether the outlook for the rental market is on an upswing from the past several years.



**We would like to thank our sponsors for their continued support.**



**UNIVERSITY OF IOWA  
COMMUNITY  
CREDIT UNION**



**Cook Appraisal LLC.**  
valuationresearch group

Sponsors of the Apartment Rent Survey  
©2007 Cook Appraisal, LLC



# Cook Appraisal LLC.

valuationresearch  
group

is a real estate appraising firm serving Johnson and Linn counties with clients and experience throughout the State of Iowa. Kyran J. Cook is the founder of Cook Appraisal LLC. We now have five appraisers engaged primarily in commercial work. We currently appraise over 300 properties per year. The firm offers a broad range of appraisal service, which include development land and subdivisions. We also appraise agricultural properties as well as recreational land and wildlife habitat. Our clients include banks, attorneys, municipalities, Federal, State and Government agencies, The Iowa Natural Heritage Foundation, private developers and land owners. All of the appraisers in the firm have experience as expert witnesses giving testimony in both local condemnation hearings and district court.

## Mission Statement

Our purpose in business is to earn customer loyalty by producing consistently reliable reports and consultations delivered on time at a competitive price. We expect to exceed our clients expectations in a manner which fosters professional credibility. We will be clear and friendly in all our communications.

**1580 Mall Drive  
Iowa City, Iowa  
52240-4443**

**319/351-2044**

**Fax 351-0563**

**cookappr@cook-appraisal.com**

**www.cook-appraisal.com**



UNIVERSITY OF IOWA  
COMMUNITY  
CREDIT UNION



Sponsors of the Apartment Rent Survey

©2007 Cook Appraisal, LLC.