



2013

Multi-Family Housing Survey

Cook
Appraisal
COMMERCIAL VALUATION
RESEARCH GROUP

For more than 20 years we have been gathering information on the local rental market in order to assess its strengths and weaknesses. This year we gathered information on 4,595 apartment units throughout the Greater Iowa City area, including Coralville and North Liberty. We have focused on professionally managed apartment buildings with four or more units.

Our study splits the data into four geographic zones. Zone 1 or the “Pentacrest Mile” is displayed graphically on the map below and defined to encompass those areas with the greatest appeal to the student population. The balance of the Greater Iowa City area comprises zone 2, Coralville is zone 3 and North Liberty is zone 4. Due to the increased demand of zone 1 caused primarily by the student market, zone 1 continues to earn the highest rental rates and experience the lowest vacancies. Also, the growth in rent continues to be the strongest within zone 1.

Boundaries for definition of “Pentacrest Mile” area



The red line shows the boundaries used to define the “Pentacrest mile” area. The “Pentacrest Mile” is bordered on the north by the Iowa River and Highway 6 to the south. The western border lines up with Sunset Street while the eastern border lines up with Governor Street and Summit Street.

The three tables on this page summarize the results of our survey. Rent figures were calculated from the “core”. The “core” represents units for which we had two consecutive surveys of data and is comprised of developments with ten or more units, excluding University of Iowa owned apartments. Vacancies are representative of our “total” sample.

| AVERAGE RENT BY UNIT TYPE AND ZONE - Core '13 | | | | | |
|--|-----------|-----------|-----------|-----------|-----------------|
| | 1-Bedroom | 2-Bedroom | 3-Bedroom | 4-Bedroom | Overall Average |
| Zone 1 | \$ 705 | \$ 935 | \$ 1,117 | \$ 2,050 | \$ 1,202 |
| Zone 2 | \$ 569 | \$ 673 | \$ 915 | - | \$ 719 |
| Zone 3 | \$ 630 | \$ 756 | - | - | \$ 693 |
| Zone 4 | - | \$ 690 | - | - | \$ 690 |
| Overall | \$ 635 | \$ 764 | \$ 1,016 | \$ 2,050 | \$ 971 |

| AVERAGE RENT COMPARISON – Core '11-'13 | | | | | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 1-Bedroom | 2-Bedroom | 3-Bedroom | 4-Bedroom | Overall Average |
| | % Change 2011-2013 | % Change 2011-2013 | % Change 2011-2013 | % Change 2011-2013 | % Change 2011-2013 |
| Zone 1 | 5.39 % | 6.24 % | 10.36 % | 1.98 % | 5.99 % |
| Zone 2 | 8.54 % | 1.47 % | 2.75 % | - | 4.25 % |
| Zone 3 | 4.65 % | 4.59 % | 0.74 % | - | 3.33 % |
| Zone 4 | - | 2.22 % | - | - | 2.22 % |
| Overall | 6.20 % | 3.63 % | 4.62 % | 1.98 % | 4.03 % |

| AVERAGE VACANCY BY UNIT TYPE AND ZONE – Total '13 | | | | | |
|--|-----------|-----------|-----------|-----------|-----------------|
| | 1-Bedroom | 2-Bedroom | 3-Bedroom | 4-Bedroom | Overall Average |
| Zone 1 | 0.19 % | 0.92 % | 3.62 % | 0.00 % | 1.18 % |
| Zone 2 | 0.61 % | 0.60 % | 0.00 % | 0.00 % | 0.30 % |
| Zone 3 | 0.00 % | 1.31 % | 0.00 % | - | 0.33 % |
| Zone 4 | - | 2.68 % | 0.00 % | - | 0.67 % |
| Overall | 0.27 % | 1.38 % | 0.90 % | 0.00 % | 0.62 % |

Cook Appraisal LLC, Commercial Valuation Research 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 a year. The firm offers a broad range of appraisal service, which includes land development and subdivisions. We also appraise agricultural properties, recreational land and wildlife habitat. Our clients include banks, attorneys, municipalities, Federal, State and other Governmental agencies, the Iowa Natural Heritage Foundation, private developers and land owners. Our appraisers also have experience as expert witnesses giving testimony in both condemnation hearings and other district court matters.

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 client's expectations in a manner which fosters professional credibility. We will be clear and friendly in all our communications.

**1580 Mall Drive
Iowa City, Iowa
52240-443**

**319/3561-2044
Fax 351-0563**

cookappr@cook-appraisal.com

www.cook-appraisal.com