An Updated Comprehensive Housing Needs Analysis for Storm Lake, Iowa

Prepared for:

City of Storm Lake

January 2025

Maxfield Research & Consulting
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January 31, 2025

Ms. Mayra Martinez
City Clerk
City of Storm Lake
PO Box 1086
Storm Lake, IA 50588

Dear Ms. Martinez:

Attached is the *Comprehensive Housing Needs Analysis for Storm Lake, Iowa* conducted by Maxfield Research & Consulting. The study projects housing demand from 2024 to 2035, and provides recommendations on the amount and type of housing that could be built in Storm Lake to satisfy demand from current and future residents over the next decade.

The study identifies a potential demand for approximately 1,450 new housing units in Storm Lake through 2035. This demand will be generated by both new households and existing households based on changing demographic trends and housing preferences. Demand was divided between general-occupancy housing (52%) and age-restricted senior housing (48%). We find strong demand for general occupancy rental housing and active adult senior housing, a result of the growing senior population that will begin seeking maintenance-fee housing.

New housing construction in Storm Lake has been very limited; minus new affordable rental housing construction. The rental market is in dire need of new market rate supply as the vacancy rate is only 1.6% and rents for market rate projects are lower than affordable product. There is exceptionally strong growth in the older and senior demographics, resulting in substantially high demand for maintenance-free living options, whether age-restricted or age-targeted. The for-sale market is coming off the high of the pandemic housing boom as housing prices have increased over 40% since 2020. At the same time supply is low and mortgage rates are impacting affordability. The vacant lot supply is extremely low and there are few options for future home buyers to seek out new construction. As such, new lot's need to be platted immediately to meet future housing needs. 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 & CONSULTING

Matt Mullins
Vice President

Max Perrault
Research Analyst

Attachment

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This section highlights the key findings from the Comprehensive Housing Needs Assessment completed for the City of Storm Lake. Calculations of projected housing demand are provided through 2035 and recommendations for housing products to meet demand are found in the *Conclusions and Recommendations* section of the report.

Key Findings

1. Although the population in Storm Lake increased by 6% last decade and is forecasted to grow by 9% this decade, the current "higher for longer" interest rate environment may cause new housing construction growth rates to slow temporarily as sellers do not want to give up their current interest rates and consumers and builders have slowed production due to elevated financing costs. Once mortgage rates stabilize, growth is expected to rebound.

2. Population growth in Storm Lake and the Market Area could also be accelerated from pandemic-related trends that has allowed householders more workforce flexibility and hybrid work options. Across Iowa, many non-urban communities have capitalized since 2020 as householders seek out more affordability priced housing markets and communities with recreational amenities, proximity to lakes, and smaller school districts.

3. Demographically, most of the growth in Storm Lake and the Market Area is within the older adult cohorts (led by Baby Boomers) and from older Millennials and Gen Xs in their 40s and early 50s. Many of these householders will desire alternative housing products not presently offered in the marketplace; especially association-maintained and one-level living options that allow residents to age in place.

4. Storm Lake is a major job importer as there is an inflow of about 5,246 workers. The positive inflow of workers who commute to Storm Lake provides an opportunity to draw new households into the community through relocations. Furthermore, these workers are seeking retail goods and services, health care, and other services as they commute into Storm Lake daily.

5. Storm Lake's housing stock is dominated by the single-family home, representing nearly 87% of all for-sale housing units in the community, however there are few alternative housing products to purchase. The diversification of the housing stock is a high priority to meet the changing needs to householders. In addition, there are few new rental housing options available, especially in the market rate rental space. New rental housing production is needed for both existing householders and for attracting new householders to the community.

6. There are few vacant lots available to accommodate new for-sale housing stock. The benchmark for a growing community is at least a three- to five-year lot supply. Given

the state of the lot inventory in Storm Lake, new lots need to be platted immediately to meet the future needs to accommodate new construction.

7. The aging of the population is driving the need for alternative living options – both maintenance-free and one-level living products and age-restricted senior housing. Senior housing demand accounted for nearly one-half of all housing need in Storm Lake over the next decade. New age-targeted or senior housing options will also free up the existing housing stock to new householders seeking housing opportunities in Storm Lake.

Executive Summary

Purpose and Scope of Study

Maxfield Research and Consulting was engaged by the City of Storm Lake to conduct a *Comprehensive Housing Needs Analysis* for Storm Lake, 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 Storm Lake.

The scope of this study includes: an analysis of the demographic and economic characteristics of the Storm Lake Market Area; 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, senior, and for-sale housing products; and an assessment of the need for housing by product type in the community. Recommendations on the number and types of housing products that should be considered in Storm Lake are also supplied.

Demographic Analysis

- Between 2010 and 2020, the City of Storm Lake's population increased by 669 people (6%), while households increased by 61 households (2%). Growth is forecast through 2030, as Storm Lake is projected to grow by 981 people (9%) and 403 households (11%).

- The largest increases in Storm Lake's population will come from seniors ages 75 to 84, who are projected to grow by 66%, as well as seniors ages 65 to 74, who are projected to grow by 31%.

- Overall, The City of Storm Lake had an estimated median household income of $60,741 in 2024 and is projected to increase by 34% to $81,537 in 2035. Non-senior household median incomes peak in the 45 to 54 age group at $75,372. The median income for seniors age 65+ is $44,391.

- Between 2020 and 2024, the homeownership rate decreased slightly from 60.8% to 59.9% in the Storm Lake. As households progress through their life cycle, housing needs change and the proportion of renter households decrease significantly as households age out of their young adult years. This trend is apparent as 78% of households under the age of 25 rent their housing, while households between the ages of 35 and 64 were overwhelmingly homeowners, as 69% owned their homes.

- Overall, households Living Alone make up the highest percentage of household types in the City of Storm Lake, accounting for 36% of households in 2024.

Housing Characteristics

- The City of Storm Lake issued permits for the construction of 417 new residential units from 2018 to September 2024. That equates to an average of 60 units annually. Single-family units accounted for 12% of the new residential construction, while structures with two or more units accounted for 88% of new units.

- The majority of the homes in Storm Lake and the Market Area are relatively old as 68% of homes in Storm Lake and 73% of the homes in the PMA were built prior to 1980.

- The predominant renter-occupied structure in Storm Lake is 10 to 19 unit structures, which account for 10% of all rental units. Single-unit detached structures account for 7.5% of rental housing in the city.

Employment Trends

- Buena Vista County had an unemployment rate of 2.3% in October 2024 which is slightly lower than the State of Iowa (3.0%). Additionally, the County's unemployment rate has decreased from a peak of 3.6% in 2020, which was a result of the global pandemic COVID-19.

- As of Q2 2024, the average weekly wage in Buena Vista County is 12% lower than the average weekly wages in Iowa ($989 vs. $1,118). Buena Vista County's lower wages are mainly due to the higher percentage of Education & Health Services and Manufacturing occupations that have lower wages than other industry sectors.

- The City of Storm Lake is a job importer as the ratio of people employed in the city (approx. 50%) is higher than those employed outside the city (17%). Additionally, there is an interior flow of 33% that live and work in the City of Storm Lake.

- Of the roughly 8,691 workers who work in Storm Lake, 40% live in the City of Storm Lake. The remaining portion of the workers are commuting from mostly Alta (5%), Lakeside (3%), and Des Moines (1.6%).

Rental Housing Analysis

- In total, Maxfield Research inventoried 17 rental properties in Storm Lake. At the time of the survey, there were 484 units with nine vacant units, resulting in an overall vacancy rate of 1.9%. 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.

Senior Housing Analysis

- In total, Maxfield Research inventoried four senior housing properties in Storm Lake. At the time of the survey, there were 186 units with five vacant units, resulting in an overall vacancy rate of 2.7%. Generally, healthy senior housing vacancy rates range from 5% to 7% depending on service level.

For-Sale Housing Analysis

- The median price of single-family homes in the City of Storm Lake was approximately $195,000 as of 2024. Between 2014 and 2024, the median sales price increased by $104,550 (116%) from $90,450 in 2014 to $195,000 in 2024.

- An average of 133 single-family homes have been sold annually in the City of Storm Lake since 2014.Between 2014 and 2024, the number of sales decreased by 13 sales (10%).

- Based on the median resale price in Storm Lake in 2024 of $195,000, a household would need an income of about $55,700 to $65,000 based on an industry standard of 3.0 to 3.5 times the median income. About 56% of Storm Lake households have annual incomes at or above $55,700.

- As of September 2024, there were 23 active listings in Storm Lake. Additionally, there were 35 residential lots vacant in the City of Storm Lake across six subdivisions. This does not include individual vacant lots that are scattered throughout the city.

Planned & Pending Housing Developments

- Maxfield Research compiled data from the City of Storm Lake in order to identify housing developments under construction, planned, or pending. At the time of this study, there are two projects that include 127 units. These projects include *Sunset Pointe* (76 townhome units) and *Breeze Condominiums* (51 condo units).

Housing Affordability

- About 12% of owner households and 30% of renter householders are estimated to be paying more than 30% of their income for housing costs in Storm Lake. The percentage of cost burdened households is lower in Storm Lake compared to Buena Vista County for owner households but higher for renter.

- The number of cost burdened households in Storm Lake increases proportionally based on lower incomes. About 77% of renters with incomes below $35,000 are cost burdened and 32% of owners with incomes below $50,000 are cost burdened.

Housing Demand Analysis

- Based on our calculations, demand exists in the Market Area for the following general occupancy product types between 2024 and 2035:

    - Market Rate Rental — 226 units
    - Affordable Rental — 92 units
    - Subsidized Rental — 69 units
    - For-Sale Single-Family — 499 units
    - For-Sale Multifamily — 166 units

- In addition, we find demand for multiple senior housing product types. By 2035, demand in the Market Area for senior housing is forecast for the following:

    - Active Adult (Ownership) — 126 units
    - Active Adult (Market Rate Rental) — 234 units
    - Active Adult Subsidized — 26 units
    - Active Adult Affordable — 35 units
    - Independent Living — 181 units
    - Assisted Living — 80 units
    - Memory Care — 98 units

- We estimate that the City of Storm Lake could capture roughly 60% of for-sale single-family demand, 85% of for-sale multifamily demand, 80% to 90% of rental demand, and 90% of senior demand. This equates to 442 for-sale units, 326 rental units, and 702 senior units.

Recommendations and Conclusions

- Based on the finding of our analysis and demand calculations, the following chart provides a summary of the recommended development concepts by product type for the City of Storm Lake through 2035. Detailed findings are described in the *Conclusions and Recommendations* section of the report.

RECOMMENDED HOUSING DEVELOPMENT CITY OF STORM LAKE 2024 to 2035			
	Purchase Price/ Monthly Rent Range[1]	**No. of Units**	**Development Timing**
Owner-Occupied Housing (General-Occupancy)			
Single-Family[2]			
Entry-Level	<$200,000	40 - 50	2025+
Move-up	$200,000 - $350,000	55 - 65	2025+
Executive	$350,000+	45 - 55	2025+
Subtotal		**140 - 170**	
Townhomes/Detached Townhomes/Twin Homes/Condominiums[2]			
Entry-level	<$200,000	25 - 30	2025+
Move-up	$200,000 to $300,000	45 - 50	2025+
Executive	$300,000+	30 - 35	2025+
Subtotal		**100 - 115**	
Total Owner-Occupied		**240 - 285**	
General Occupancy Rental Housing			
Market Rate			
Rental Multifamily	$900/1BR - $1,200/3BR	100 - 120	2025+
Rental Townhomes	$1,050/2BR - $1,400/3BR	40 - 50	2025+
Subtotal		**140 - 170**	
Income Restricted			
Rental Multifamily	Income Guidelines[3]	50 - 60	2025+
Rental Townhomes	Income Guidelines[3]	25 - 35	2025+
Subtotal		**75 - 95**	
Total Renter-Occupied		**215 - 265**	
Senior Housing			
Market Rate			
Active Adult (Rental)	$1,000 - $1,300	80 - 100	2025+
Active Adult (For-Sale)[4]	$100,000+ (plus monthly fee)	40 - 50	2025+
Independent Living	$1,500 - $2,800	60 - 70	2026+
Assisted Living	$3,000 - $5,000	50 - 60	2027+
Memory Care	$4,000 - $6,000	30 - 40	2025+
Subtotal		**260 - 320**	
Income Restricted			
Affordable Active Adult	Income Guidelines[3]	30 - 40	2025+
Subtotal		**30 - 40**	
Total Senior		**290 - 360**	
Total - All Units		***345 - 420***	

[1] Pricing in 2025 dollars. Pricing can be adjusted to account for inflation.
[2] Much of the entry-level demand will be accommodated through the resale market.
[3] Affordability subject to income guidelines per HUD.
[4] A senior cooperative concept assumes costs are based on share cost =40% of its actual value.

Note - Recommended development does not coincide with total demand. Storm Lake may not be able to accommodate all recommended housing types based on a variety of factors (i.e. development constraints, land availability, etc.)

Source: Maxfield Research & Consulting

Demographic Analysis

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

Market Area Definition

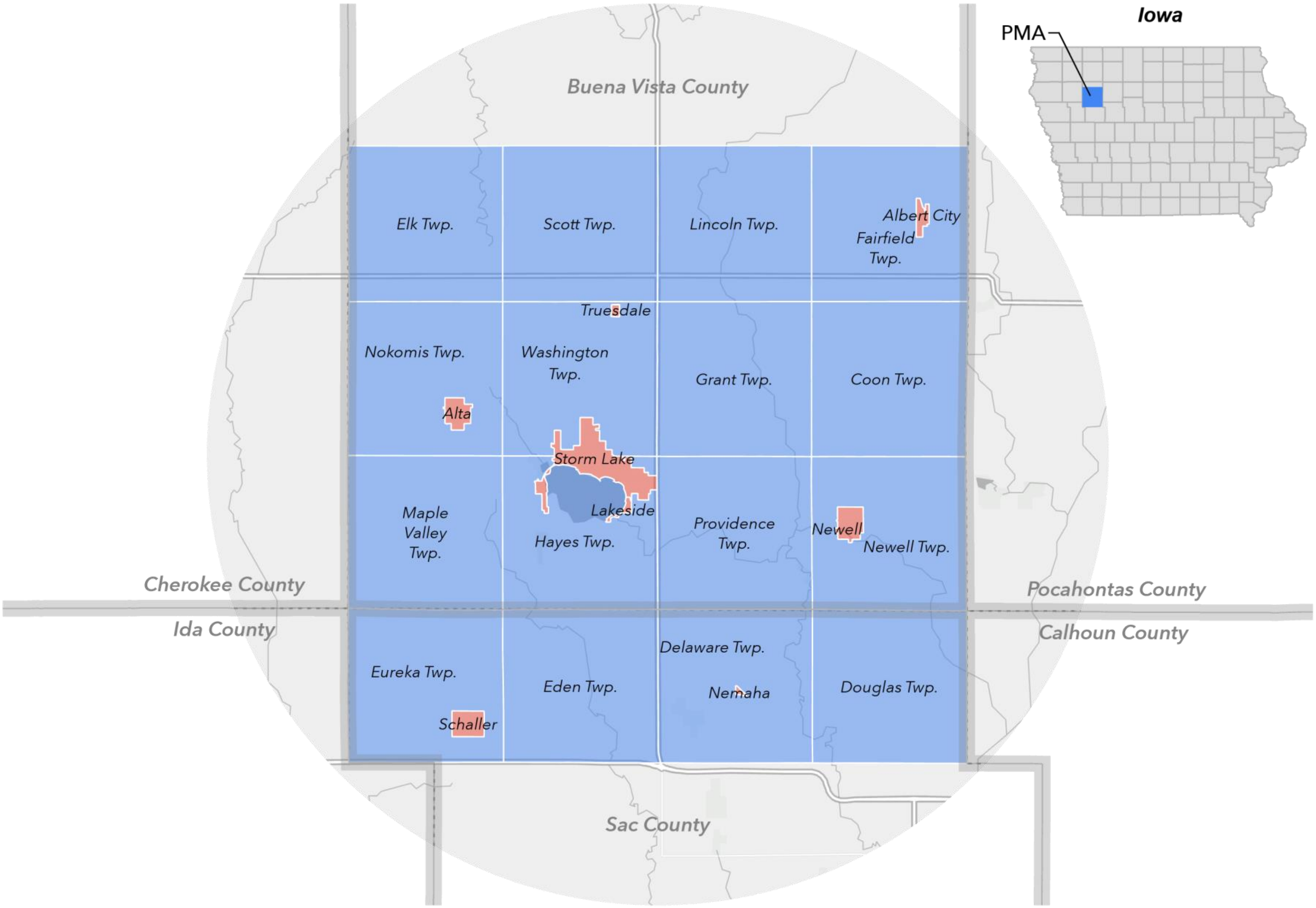
The primary draw area (Market Area) for housing in Storm Lake was defined based on traffic patterns, geographic, community, and school district boundaries, and our general knowledge of the draw area for the housing market. The Market Area includes eight cities and 16 townships from both Buena Vista and Sac counties. This geographic area is defined throughout the report as the Primary Market Area (PMA). See the PMA map on page 8.

Storm Lake - Market Area Definition	
City	**Township**
Buena Vista County	
Albert City	Coon
Alta	Elk
Newell	Fairfield
Lakeside	Grant
Storm Lake	Hayes
Truesdale	Lincoln
	Maple Valley
	Newell
	Nokomis
	Providence
	Scott
	Washington
Sac County	
Nemaha	Delaware
Schaller	Douglas
	Eden
	Eureka
Source: Maxfield Research & Consulting	

Storm Lake is the county seat in Buena Vista County. Buena Vista County is in the northwestern portion of Iowa, just east of Cherokee County. Storm Lake is located about 70 miles northeast of Sioux City, 157 miles northwest of Des Moines, Iowa, 124 miles northeast of Omaha, Nebraska, and about 238 miles southwest from the Twin Cities Metro Area.

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 college degrees or elderly returning from retirement locations), and seniors who move to be near the adult children living in the Market Area. Demand generated from within and outside of the Market Area is considered in the demand calculations presented later in this analysis.

Primary Market Area



Historic Population and Household Trends

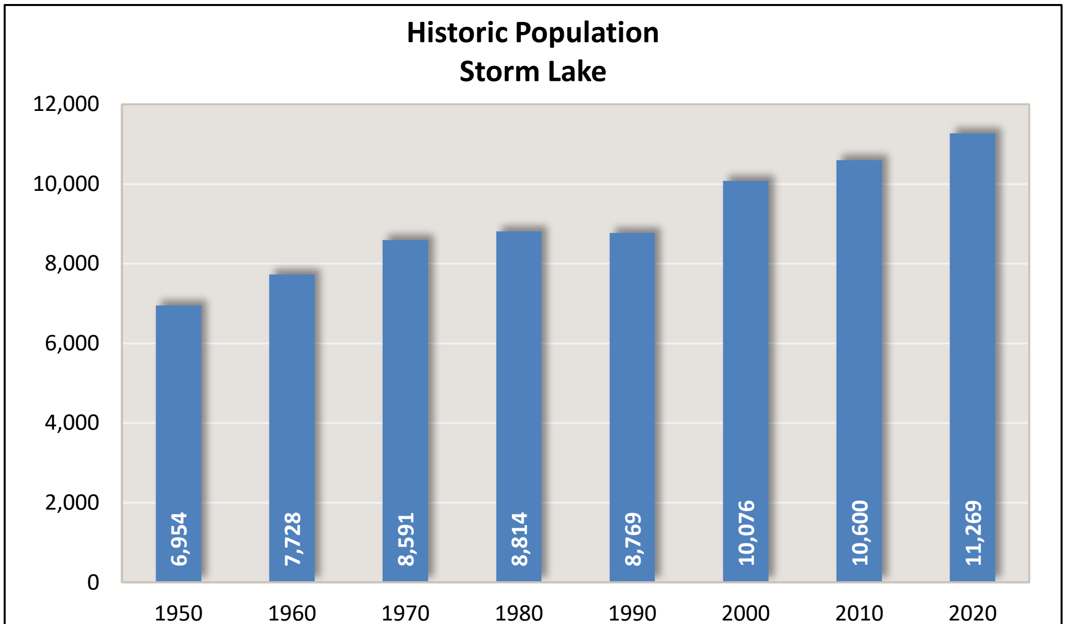
Tables D-1 and D-2 presents the historic population and household growth for 2000, 2010, and 2020. The data is sourced from the U.S. Census.

Population

- The City of Storm Lake's population increased by 524 people (5%) in the 2000s. The PMA, however, decreased by 149 people (0.8%) during this same period, representing a slight contraction in the area's rural population. This decrease was primarily due to the Great Recession and housing and economic downturn.

- Growth was higher between 2010 and 2020, as the PMA increased by 605 people (3.1%). This growth was mainly due to population increases in Storm Lake (669 people | 6.3%), Alta (204 people | 10.8%), and Lakeside (104 people | 17.4%).

- The City of Storm Lake accounted for roughly 56% of the PMA's total population in 2020, which is a 4.7% increase from 2000, when Storm Lake accounted for 50.9% of the PMA.



Source: US Census Bureau

TABLE D-1
HISTORIC POPULATION TRENDS
PRIMARY MARKET AREA
2000 - 2020

	Population			Change			
	Census			2000 - 2010		2010 - 2020	
	2000	2010	2020	No.	Pct.	No.	Pct.
Primary Market Area							
Cities							
Albert City	709	699	677	-10	-1.4%	-22	-3.1%
Alta	1,865	1,883	2,087	18	1.0%	204	10.8%
Lakeside	484	596	700	112	23.1%	104	17.4%
Nemaha	102	85	66	-17	-16.7%	-19	-22.4%
Newell	887	876	906	-11	-1.2%	30	3.4%
Schaller	779	772	729	-7	-0.9%	-43	-5.6%
Storm Lake	10,076	10,600	11,269	524	5.2%	669	6.3%
Truesdale	91	81	69	-10	-11.0%	-12	-14.8%
Townships							
Coon	237	172	167	-65	-27.4%	-5	-2.9%
Delaware	211	190	170	-21	-10.0%	-20	-10.5%
Douglas	166	132	124	-34	-20.5%	-8	-6.1%
Eden	262	188	201	-74	-28.2%	13	6.9%
Elk	223	194	183	-29	-13.0%	-11	-5.7%
Eureka	241	169	152	-72	-29.9%	-17	-10.1%
Fairfield	242	192	146	-50	-20.7%	-46	-24.0%
Grant	297	308	311	11	3.7%	3	1.0%
Hayes	660	603	422	-57	-8.6%	-181	-30.0%
Lincoln	183	159	163	-24	-13.1%	4	2.5%
Maple Valley	259	226	215	-33	-12.7%	-11	-4.9%
Newell	296	249	221	-47	-15.9%	-28	-11.2%
Nokomis	379	326	297	-53	-14.0%	-29	-8.9%
Providence	316	254	270	-62	-19.6%	16	6.3%
Scott	245	246	246	1	0.4%	0	0.0%
Washington	572	433	447	-139	-24.3%	14	3.2%
Total	**19,782**	**19,633**	**20,238**	**-149**	**-0.8%**	**605**	**3.1%**

Sources: US Census Bureau; Maxfield Research & Consulting

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 come from changing demographics of the population base, which results in demand for different housing products.

- Storm Lake gained 70 households during the 2000s (2%), increasing its household base to 3,536 households as of 2010. Due to household decline in many geographies in the PMA, the PMA overall increased by only 37 households during that decade (0.5% increase), growing to 7,228 households.

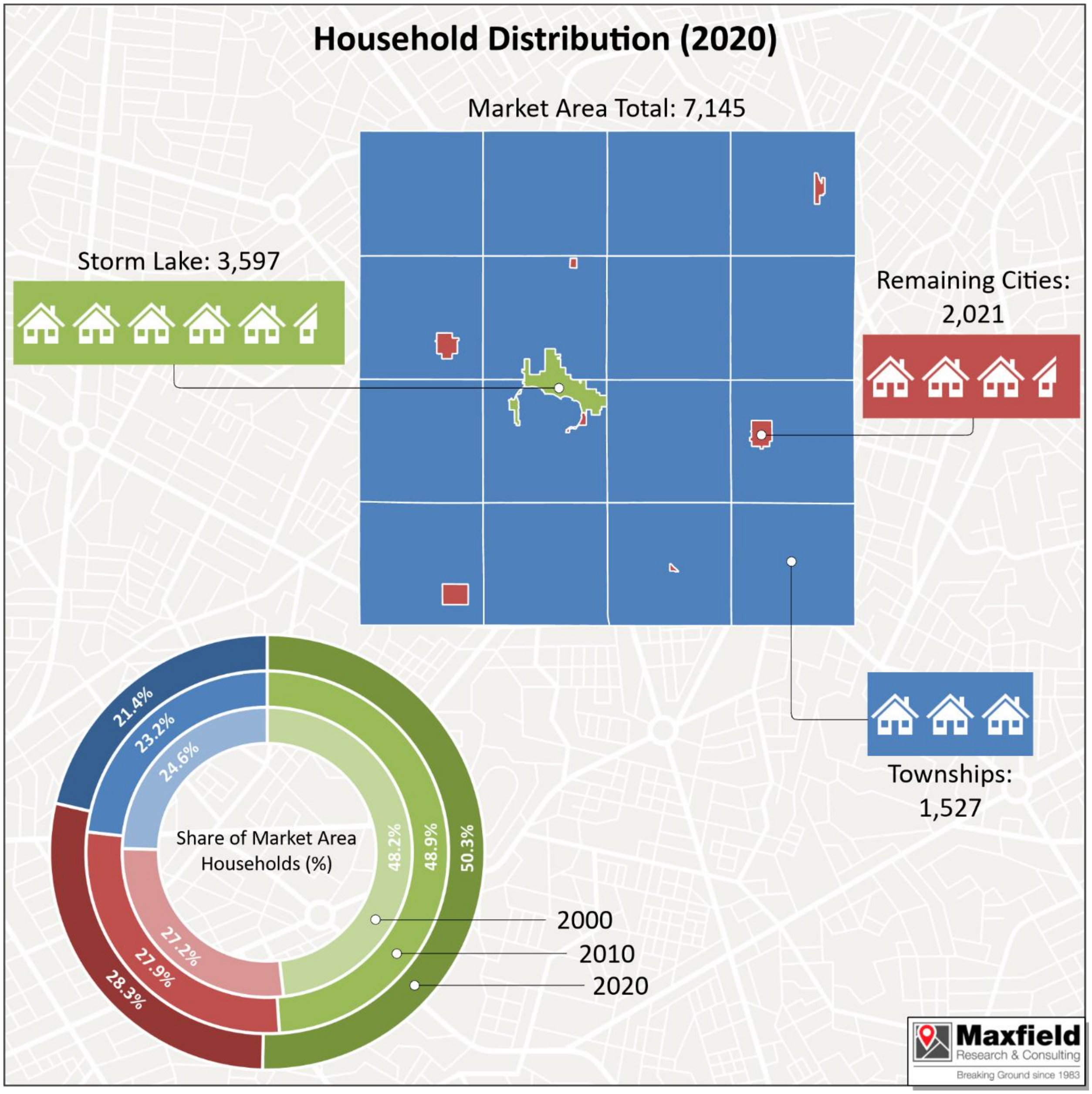
- Growth during the 2010s was slower than in the previous decade as Storm Lake increased by 61 households (1.7%), increasing the household base to 3,597 households in 2020. Similar to the previous decade, many PMA geographies lost households in the 2010s. As a result, the PMA contracted overall by 83 households (1.1%).

- The proportion of households have been concentrated within the cities over the last few decades, as 78.6% of the PMA's households were in the cities that make up the PMA in 2020 and Storm Lake accounts for 50% alone. Additionally, the household base in the townships in the PMA as decreased from 24.6% in 2000 to 21.4% in 2020.

TABLE D-2
HISTORIC HOUSEHOLDS TRENDS
PRIMARY MARKET AREA
2000 - 2020

	Households			Change			
	Census			2000 - 2010		2010 - 2020	
	2000	2010	2020	No.	Pct.	No.	Pct.
Primary Market Area							
Cities							
Albert City	284	297	276	13	4.6%	-21	-7.1%
Alta	726	759	776	33	4.5%	17	2.2%
Lakeside	184	215	253	31	16.8%	38	17.7%
Nemaha	42	33	29	-9	-21.4%	-4	-12.1%
Newell	361	356	359	-5	-1.4%	3	0.8%
Schaller	321	318	297	-3	-0.9%	-21	-6.6%
Storm Lake	3,466	3,536	3,597	70	2.0%	61	1.7%
Truesdale	39	37	31	-2	-5.1%	-6	-16.2%
Townships							
Coon	83	77	77	-6	-7.2%	0	0.0%
Delaware	82	83	85	1	1.2%	2	2.4%
Douglas	67	58	47	-9	-13.4%	-11	-19.0%
Eden	85	76	71	-9	-10.6%	-5	-6.6%
Elk	87	82	76	-5	-5.7%	-6	-7.3%
Eureka	87	73	75	-14	-16.1%	2	2.7%
Fairfield	93	83	80	-10	-10.8%	-3	-3.6%
Grant	117	123	124	6	5.1%	1	0.8%
Hayes	257	260	189	3	1.2%	-71	-27.3%
Lincoln	72	64	55	-8	-11.1%	-9	-14.1%
Maple Valley	93	81	79	-12	-12.9%	-2	-2.5%
Newell	103	97	90	-6	-5.8%	-7	-7.2%
Nokomis	127	125	119	-2	-1.6%	-6	-4.8%
Providence	116	107	91	-9	-7.8%	-16	-15.0%
Scott	91	95	91	4	4.4%	-4	-4.2%
Washington	208	193	178	-15	-7.2%	-15	-7.8%
Total	**7,191**	**7,228**	**7,145**	**37**	**0.5%**	**-83**	**-1.1%**

Sources: US Census Bureau; Maxfield Research & Consulting



Population and Household Estimates and Projections

Table D-3 presents population and household growth estimates and projections for the City of Storm Lake through 2035. Estimates for 2024 and projections through 2030 are based on information from ESRI (a national demographics service provider) with adjustments calculated by Maxfield Research and Consulting. The adjustments are intended to reflect growth from building permit trends in Storm Lake.

- The City of Storm Lake's population is estimated to have grown by 481 people (4.3%), while the PMA's population increased by 2.8% between 2020 and 2024. Buena Vista County is estimated to have grown by 2.9% during that same time period.

- We project that between 2024 and 2030, the City of Storm Lake will increase by approximately 500 people (4.3%), while the PMA is forecast to grow by 2.6%. By 2035, we project the City of Storm Lake will increase by another 430 people (3.5%) between 2030 and 2035, while the PMA is forecast to grow by 1.9%.

- 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 come from changing demographics of the population base, which results in demand for different housing products. Storm Lake gained 203 households (5.6%) between 2020 and 2024, increasing its household base to 3,800 households as of 2024. The PMA's households grew by 4.3%, while Buena Vista's household base increased by 4.5% between 2020 and 2024.

- We project household growth in the City of Storm Lake to increase by 200 households (5.3%) between 2024 and 2030, while households in the PMA are projected to increase by 3.7%. By 2035, households in Storm Lake are forecasted to grow by 160, an increase of 4%.

TABLE D-3
POPULATION AND HOUSEHOLD ESTIMATES AND PROJECTIONS
PRIMARY MARKET AREA
2020 to 2035

	U.S. Census	Estimate	Forecast		Change					
					2020 to 2024		2024 to 2030		2030 to 2035	
	2020	2024	2030	2035	No.	Pct.	No.	Pct.	No.	Pct.
POPULATION										
City of Storm Lake	11,269	11,750	12,250	12,680	481	4.3%	500	4.3%	430	3.5%
Remainder of the PMA	8,969	9,050	9,100	9,070	81	0.9%	50	0.6%	-30	-0.3%
Primary Market Area	**20,238**	**20,800**	**21,350**	**21,750**	**562**	**2.8%**	**550**	**2.6%**	**400**	**1.9%**
Buena Vista County	20,823	21,425	21,900	22,300	602	2.9%	475	2.2%	400	1.8%
State of Iowa	3,190,369	3,245,545	3,328,308	3,407,575	55,176	1.7%	82,763	2.6%	79,267	2.4%
HOUSEHOLDS										
City of Storm Lake	3,597	3,800	4,000	4,160	203	5.6%	200	5.3%	160	4.0%
Remainder of the PMA	3,548	3,650	3,725	3,765	102	2.9%	75	2.1%	40	1.1%
Primary Market Area	**7,145**	**7,450**	**7,725**	**7,925**	**305**	**4.3%**	**275**	**3.7%**	**200**	**2.6%**
Buena Vista County	7,447	7,780	8,060	8,280	333	4.5%	280	3.6%	220	2.7%
State of Iowa	1,288,560	1,313,136	1,350,000	1,380,720	24,576	1.9%	36,864	2.8%	30,720	2.3%
Household Size										
City of Storm Lake	*3.13*	*3.09*	*3.06*	*3.05*						
Remainder of the PMA	*2.53*	*2.48*	*2.44*	*2.41*						
Primary Market Area	***2.83***	***2.79***	***2.76***	***2.74***						
Buena Vista County	*2.80*	*2.75*	*2.72*	*2.69*						
State of Iowa	*2.48*	*2.47*	*2.47*	*2.47*						

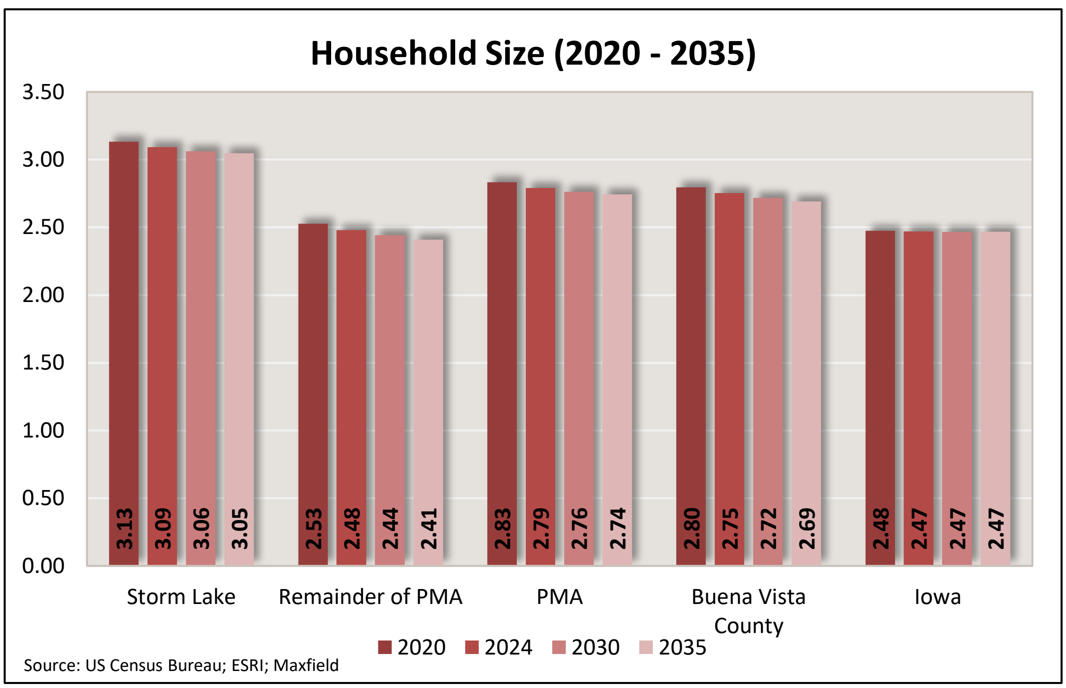
Sources: U.S. Census Bureau; ESRI; Maxfield Research & Consulting

Household Size

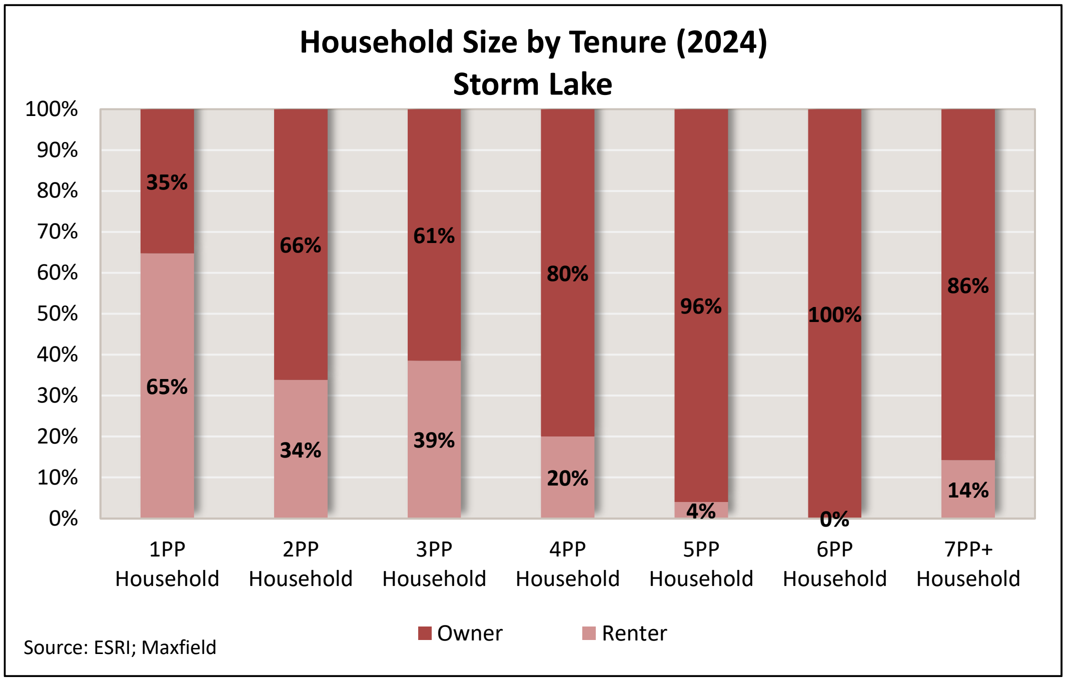
Household size is calculated by dividing the population by the number of households. This data is useful in that it sheds insight into the unit type that may be most needed in the Storm Lake. Declining household sizes have been the trend across the nation and are a result of many factors, including: aging of the population, 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.

- In 2020, the average household size was 3.13 in Storm Lake, 2.53 in the Remainder of the PMA, and 2.83 in the PMA. Larger households are characteristically found in suburban and rural communities.

- By 2035, we believe the household growth rates will be higher than population growth rates over the next decade, thus decreasing the number of persons per households. As a result, we forecast that the average household size in Storm Lake will decrease to 3.05 and 2.74 in the PMA.



The chart below shows the distribution of households by size and tenure in Storm Lake in 2024. Household size for renters tends to be smaller than for owners. This trend is a result of the typical market segments for rental housing, including households that are younger and are less likely to be married with children as well as older adults and seniors who choose to downsize from their single-family homes.



Age Distribution Trends

Age distribution affects demand for different types of housing since needs and desires change at different stages of the life cycle. Table D-4 shows the distribution of persons within nine age cohorts for Storm Lake, the PMA, and Buena Vista County in 2010 and 2020 with estimates for 2024 and projections for 2035. The 2010 and 2020 age distribution is from the U.S. Census Bureau. Maxfield Research and Consulting derived the 2024 and 2035 projections by adjustments made to data obtained from ESRI.

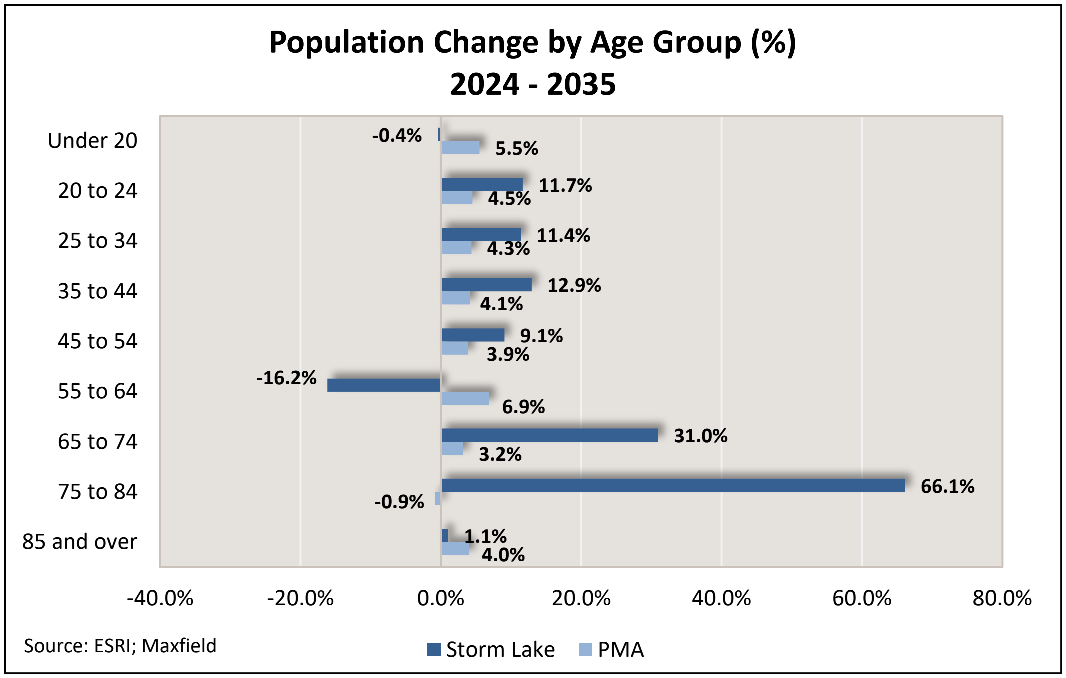
- Between 2010 and 2020, the majority of growth in Storm Lake occurred in those under 20 years-old (431 people) and in the 25 to 34 age cohort (354 people). Between 2024 and 2035, the largest growth is expected in those ages 65 to 74 (280 people) and those ages 75 to 84 (279 people).

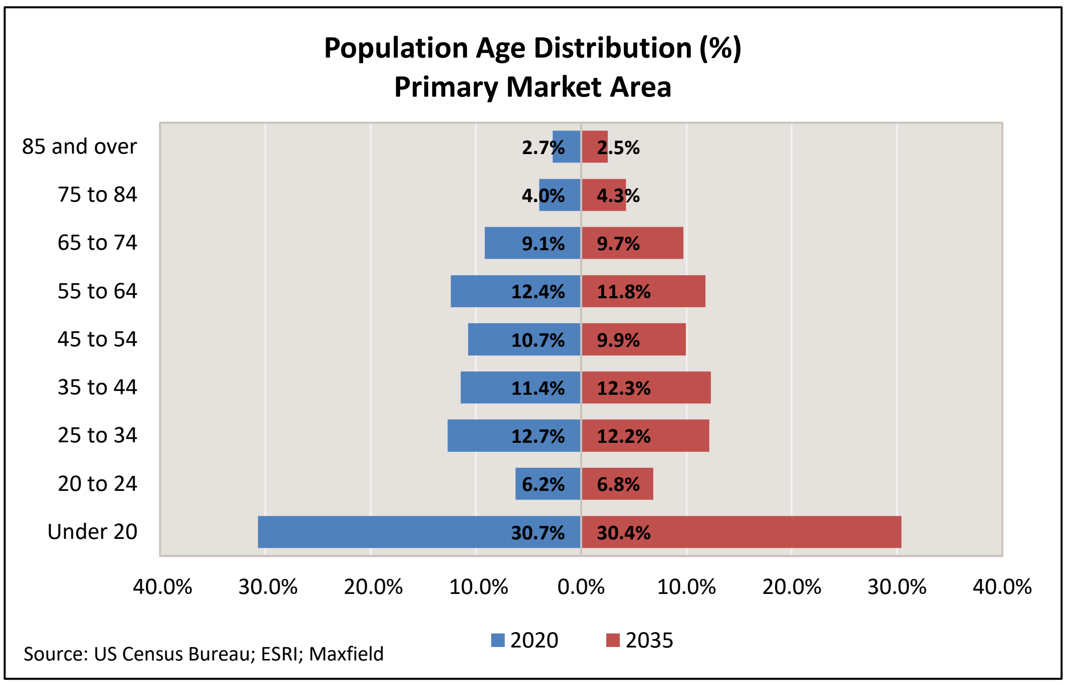
- The social changes that occurred with the aging of the baby boom generation, such as higher divorce rates, higher levels of education, and lower birth rates has led to a greater variety of lifestyles than existed in the past – not only among the baby boomers, but also among their parents and children. 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.

TABLE D-4
POPULATION AGE DISTRIBUTION
PRIMARY MARKET AREA
2000 to 2035

	Census		Estimate	Projection	Change					
	2010	2020	2024	2035	2010-2020		2020-2024		2024-2035	
Age	No.	No.	No.	No.	No.	Pct.	No.	Pct.	No.	Pct.
City of Storm Lake										
Under 20	3,320	3,751	3,750	3,734	431	13.0	-1	0.0	-16	-0.4
20 to 24	1,180	838	920	1,028	-342	-29.0	82	9.8	107	11.7
25 to 34	1,263	1,617	1,554	1,731	354	28.0	-63	-3.9	177	11.4
35 to 44	1,223	1,322	1,489	1,682	99	8.1	167	12.7	193	12.9
45 to 54	1,318	1,240	1,186	1,293	-78	-5.9	-54	-4.4	107	9.1
55 to 64	971	1,112	1,240	1,040	141	14.5	128	11.5	-200	-16.2
65 to 74	469	761	905	1,185	292	62.3	144	18.9	280	31.0
75 to 84	511	340	422	701	-171	-33.5	82	24.1	279	66.1
85 and over	345	288	283	286	-57	-16.5	-5	-1.6	3	1.1
Total	***10,600***	***11,269***	***11,750***	***12,680***	***669***	***6.3***	***481***	***4.1***	***930***	***7.9***
Primary Market Area										
Under 20	5,673	6,214	6,273	6,619	541	9.5	59	0.9	346	5.5
20 to 24	1,582	1,259	1,423	1,487	-323	-20.4	164	13.0	64	4.5
25 to 34	2,191	2,566	2,535	2,645	375	17.1	-31	-1.2	110	4.3
35 to 44	2,152	2,316	2,571	2,677	164	7.6	255	11.0	106	4.1
45 to 54	2,852	2,173	2,083	2,164	-679	-23.8	-90	-4.2	81	3.9
55 to 64	2,234	2,508	2,403	2,568	274	12.3	-105	-4.2	165	6.9
65 to 74	1,224	1,850	2,050	2,114	626	51.1	200	10.8	65	3.2
75 to 84	1,105	805	933	925	-300	-27.1	128	15.9	-8	-0.9
85 and over	620	547	529	550	-73	-11.8	-18	-3.3	21	4.0
Total	***19,633***	***20,238***	***20,800***	***21,750***	***605***	***3.1***	***562***	***2.8***	***950***	***4.6***
Buena Vista County										
Under 20	5,845	6,335	6,390	6,707	490	8.4	55	0.9	318	5.0
20 to 24	1,578	1,257	1,458	1,516	-321	-20.3	201	16.0	59	4.0
25 to 34	2,254	2,611	2,563	2,659	357	15.8	-48	-1.8	95	3.7
35 to 44	2,190	2,411	2,642	2,742	221	10.1	231	9.6	100	3.8
45 to 54	2,964	2,239	2,194	2,271	-725	-24.5	-45	-2.0	77	3.5
55 to 64	2,374	2,602	2,454	2,607	228	9.6	-148	-5.7	153	6.2
65 to 74	1,263	1,958	2,197	2,267	695	55.0	239	12.2	70	3.2
75 to 84	1,133	849	985	968	-284	-25.1	136	16.0	-17	-1.7
85 and over	659	561	543	563	-98	-14.9	-18	-3.2	20	3.6
Total	**20,260**	**20,823**	**21,425**	**22,300**	***563***	***2.8***	***602***	***2.8***	***875***	***4.1***

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


Population Change by Age Group (%)
2024 - 2035
Under 20
20 to 24
25 to 34
35 to 44
45 to 54
55 to 64
65 to 74
75 to 84
85 and over
-0.4%
5.5%
11.7%
4.5%
11.4%
4.3%
12.9%
4.1%
9.1%
3.9%
-16.2%
6.9%
31.0%
3.2%
66.1%
-0.9%
1.1%
4.0%
-40.0%
-20.0%
0.0%
20.0%
40.0%
60.0%
80.0%
Source: ESRI; Maxfield
Storm Lake
PMA


Population Age Distribution (%)
Primary Market Area
85 and over
75 to 84
65 to 74
55 to 64
45 to 54
35 to 44
25 to 34
20 to 24
Under 20
2.7%
2.5%
4.0%
4.3%
9.1%
9.7%
12.4%
11.8%
10.7%
9.9%
11.4%
12.3%
12.7%
12.2%
6.2%
6.8%
30.7%
30.4%
40.0%
30.0%
20.0%
10.0%
0.0%
10.0%
20.0%
30.0%
40.0%
2020
2035
Source: US Census Bureau; ESRI; Maxfield

Household Income by Age of Householder

The estimated distribution of household incomes in the City of Storm Lake for 2024 and 2035 are shown in Tables D-5. The data was estimated by Maxfield Research and Consulting 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 the average income of $50,000 per year would be able to afford a monthly housing cost of about $1,250. Maxfield Research and Consulting uses 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 which would allow them to purchase a higher priced home.

- The City of Storm Lake has an estimated median household income of $60,741 in 2024. It is projected to increase over the next 11 years to $81,537 in 2035 (34%).

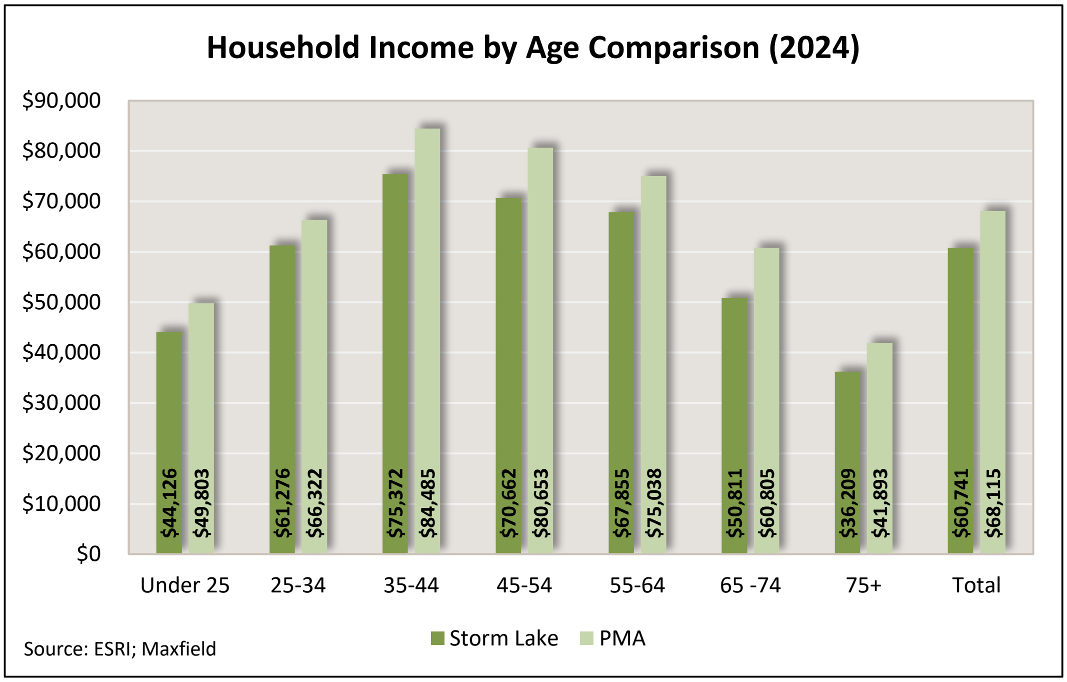
- By comparison, the median income for the City of Storm Lake ($60,741) is 11.4% lower compared to the PMA ($68,115) and a 11.6% lower than Buena Vista County ($68,225).

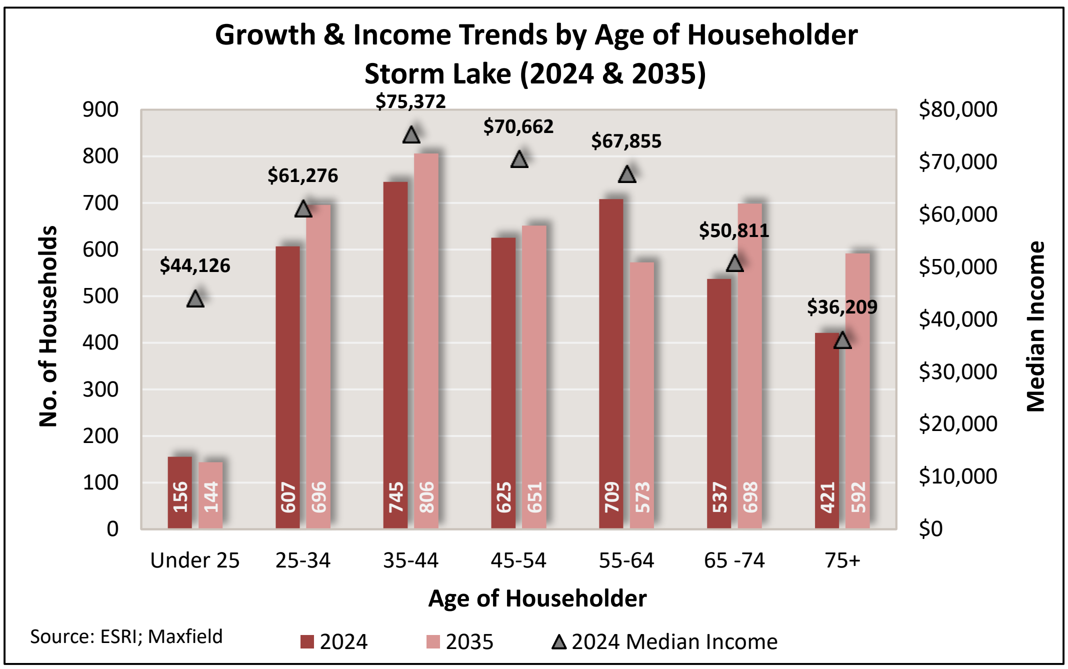
- In most areas, household median incomes peak for those in their late 30s through early 50s, which is usually considered to be peak earning years. Similar to many areas, median incomes for households in Storm Lake peak at $75,372 for the 35 to 44 age group in 2024. The 45 to 54 age group has a median income of $70,662 in 2024. By 2035, the median income for the 35 to 44 and the 45 to 54 age groups are projected to increase to $99,569 (32%) and $93,638 (33%) respectively.

- The oldest householders are likely to have lower incomes. In Storm Lake, 5.6% of households ages 65 to 74 had incomes below $15,000, compared to 6.4% of households ages 75 and over. Many of these low-income older senior households rely solely on social security benefits. Typically, younger seniors have higher incomes due to the fact they are still able to work or are married couples with two pensions or higher social security benefits. The 2024 median income for Storm Lake householders age 65 to 74 and 75+ are $50,811, and $36,209, respectively.

TABLE D-5 HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER CITY OF STORM LAKE 2024 and 2035								
		Age of Householder						
	Total	Under 25	25-34	35-44	45-54	55-64	65 -74	75+
2024								
Less than $15,000	179	15	24	28	19	36	30	27
$15,000 to $24,999	355	21	43	32	25	50	68	117
$25,000 to $34,999	264	17	45	29	31	38	45	57
$35,000 to $49,999	684	36	113	116	110	106	120	83
$50,000 to $74,999	786	36	139	165	145	159	99	43
$75,000 to $99,999	459	13	67	107	81	91	63	38
$100,000 to $149,999	539	14	97	154	105	104	42	23
$150,000 to $199,999	359	4	55	79	75	85	42	18
$200,000+	175	0	23	35	35	41	27	15
Total	**3,800**	**156**	**607**	**745**	**625**	**709**	**537**	**421**
Median Income	*$60,741*	*$44,126*	*$61,276*	*$75,372*	*$70,662*	*$67,855*	*$50,811*	*$36,209*
2035								
Less than $15,000	106	6	15	14	11	4	17	39
$15,000 to $24,999	226	12	19	14	14	18	45	103
$25,000 to $34,999	189	13	27	10	18	15	41	64
$35,000 to $49,999	558	26	91	84	79	52	107	119
$50,000 to $74,999	821	37	147	142	128	129	153	84
$75,000 to $99,999	642	16	86	144	98	94	115	88
$100,000 to $149,999	784	26	176	222	138	110	74	37
$150,000 to $199,999	623	7	95	139	131	113	111	27
$200,000+	211	0	40	37	34	37	34	30
Total	**4,160**	**144**	**696**	**806**	**651**	**573**	**698**	**592**
Median Income	*$81,537*	*$59,144*	*$85,325*	*$99,569*	*$93,638*	*$93,985*	*$71,280*	*$44,561*
Change - 2024 to 2035								
Less than $15,000	-73	-9	-9	-14	-9	-32	-13	12
$15,000 to $24,999	-129	-8	-24	-18	-11	-31	-23	-13
$25,000 to $34,999	-75	-4	-18	-19	-13	-23	-4	6
$35,000 to $49,999	-126	-10	-23	-31	-31	-54	-13	36
$50,000 to $74,999	35	2	8	-24	-17	-29	54	41
$75,000 to $99,999	182	3	19	37	17	4	53	50
$100,000 to $149,999	245	12	79	67	33	6	32	15
$150,000 to $199,999	264	3	40	61	57	27	69	9
$200,000+	36	0	17	2	-1	-4	7	15
Total	**360**	**-12**	**89**	**61**	**26**	**-136**	**162**	**170**
Median Income	*$20,796*	*$15,018*	*$24,049*	*$24,197*	*$22,976*	*$26,130*	*$20,469*	*$8,352*
Sources: ESRI; Maxfield Research & Consulting								

TABLE D-6 HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER PRIMARY MARKET AREA 2024 and 2035		Age of Householder						
	Total	Under 25	25-34	35-44	45-54	55-64	65 -74	75+
2024								
Less than $15,000	299	21	41	37	33	59	51	58
$15,000 to $24,999	526	28	53	38	32	77	101	197
$25,000 to $34,999	492	29	81	47	51	65	86	132
$35,000 to $49,999	1,082	57	178	159	157	160	217	154
$50,000 to $74,999	1,663	76	272	295	256	323	303	138
$75,000 to $99,999	1,101	24	143	223	188	242	194	86
$100,000 to $149,999	1,210	28	201	298	232	232	135	84
$150,000 to $199,999	656	6	91	160	141	129	84	45
$200,000+	420	0	50	98	75	83	68	46
Total	**7,450**	**271**	**1,109**	**1,356**	**1,163**	**1,371**	**1,240**	**941**
Median Income	*$68,115*	*$49,803*	*$66,322*	*$84,485*	*$80,653*	*$75,038*	*$60,805*	*$41,893*
2035								
Less than $15,000	184	19	11	17	14	16	29	77
$15,000 to $24,999	318	14	28	23	16	18	61	159
$25,000 to $34,999	335	19	48	23	21	21	69	135
$35,000 to $49,999	814	36	125	101	97	79	186	190
$50,000 to $74,999	1,518	65	252	230	205	214	340	212
$75,000 to $99,999	1,287	29	164	243	208	202	286	156
$100,000 to $149,999	1,603	44	290	379	323	218	176	173
$150,000 to $199,999	1,258	9	182	290	268	183	195	130
$200,000+	608	0	71	114	113	86	110	114
Total	**7,925**	**236**	**1,171**	**1,419**	**1,264**	**1,038**	**1,452**	**1,345**
Median Income	*$90,499*	*$57,380*	*$91,394*	*$109,676*	*$109,923*	*$94,011*	*$77,872*	*$60,600*
Change - 2024 to 2035								
Less than $15,000	-115	-2	-30	-20	-18	-43	-21	19
$15,000 to $24,999	-207	-15	-25	-15	-16	-59	-40	-38
$25,000 to $34,999	-157	-10	-33	-25	-30	-45	-17	3
$35,000 to $49,999	-268	-20	-53	-59	-60	-81	-31	37
$50,000 to $74,999	-145	-11	-20	-65	-51	-109	37	74
$75,000 to $99,999	186	5	21	19	20	-40	92	69
$100,000 to $149,999	393	16	89	81	91	-14	41	89
$150,000 to $199,999	602	2	91	130	127	55	111	84
$200,000+	187	0	22	16	38	3	41	67
Total	**475**	**-35**	**62**	**63**	**101**	**-332**	**212**	**404**
Median Income	*$22,384*	*$7,577*	*$25,072*	*$25,191*	*$29,270*	*$18,973*	*$17,067*	*$18,707*
Sources: ESRI; Maxfield Research & Consulting								


Household Income by Age Comparison (2024)
$90,000
$80,000
$70,000
$60,000
$50,000
$40,000
$30,000
$20,000
$10,000
$0
$44,126
$49,803
$61,276
$66,322
$75,372
$84,485
$70,662
$80,653
$67,855
$75,038
$50,811
$60,805
$36,209
$41,893
$60,741
$68,115
Under 25
25-34
35-44
45-54
55-64
65 -74
75+
Total
Storm Lake
PMA
Source: ESRI; Maxfield


Growth & Income Trends by Age of Householder
Storm Lake (2024 & 2035)
No. of Households
Median Income
900
800
700
600
500
400
300
200
100
0
$80,000
$70,000
$60,000
$50,000
$40,000
$30,000
$20,000
$10,000
$0
$44,126
$61,276
$75,372
$70,662
$67,855
$50,811
$36,209
156
144
607
696
745
806
625
651
709
573
537
698
421
592
Under 25
25-34
35-44
45-54
55-64
65 -74
75+
Age of Householder
Source: ESRI; Maxfield
2024
2035
2024 Median Income

Tenure by Age of Householder

Table D-7 shows the number of owner and renter households in the City of Storm Lake by age group in 2020 and 2024. This data is useful in determining demand for certain types of housing since housing preferences change throughout an individual's life cycle.

- In 2020, 60.8% of all households in the City of Storm Lake owned their housing. By 2024, that percentage declined slightly to 59.9%. The number of owner households in the PMA decreased by 0.5% between 2020 and 2024.

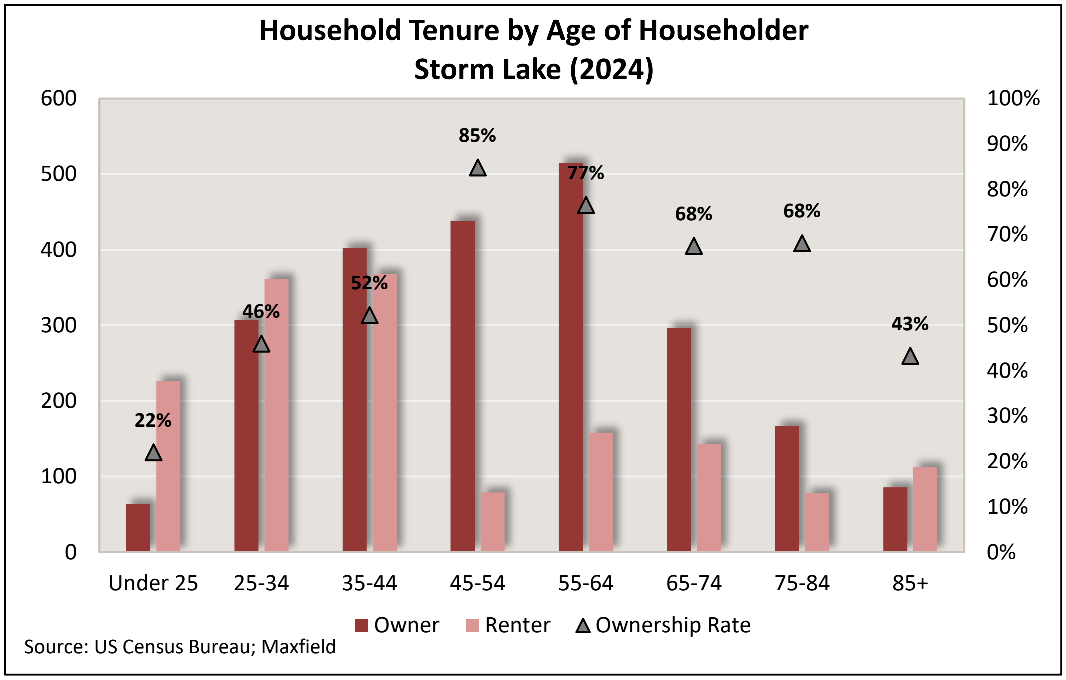
- As households progress through their life cycle, housing needs change. The proportion of renter households decreases significantly as households' age out of their young-adult years. However, by the time households reach their senior years, rental housing often becomes a more viable option than homeownership, reducing the responsibility of maintenance and a financial commitment.

- In 2024, 78% of Storm Lake's households under 25 rented their housing, compared to 54% of households between the ages of 25 and 34. Householders between 35 and 64 were overwhelmingly homeowners, as nearly 70% owned their homes.

TABLE D-7
TENURE BY AGE OF HOUSEHOLDER
PRIMARY MARKET AREA
2020 & 2024

		City of Storm Lake				Primary Market Area				Buena Vista County			
		2020		2024		2020		2024		2020		2024	
Age		No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Under 25	Own	28	19.2	64	22.0	72	28.3	109	27.2	68	25.2	100	24.0
	Rent	118	80.8	226	78.0	182	71.7	291	72.8	202	74.8	318	76.0
	Total	**146**	**100.0**	**290**	**100.0**	**254**	**100.0**	**400**	**100.0**	**270**	**100.0**	**418**	**100.0**
25-34	Own	282	43.3	307	45.9	586	52.3	606	52.1	590	52.3	619	51.1
	Rent	369	56.7	361	54.1	534	47.7	558	47.9	539	47.7	592	48.9
	Total	**651**	**100.0**	**669**	**100.0**	**1,120**	**100.0**	**1,164**	**100.0**	**1,129**	**100.0**	**1,212**	**100.0**
35-44	Own	359	54.2	402	52.2	782	65.0	961	66.5	805	64.6	944	65.7
	Rent	303	45.8	368	47.8	421	35.0	483	33.5	441	35.4	493	34.3
	Total	**662**	**100.0**	**770**	**100.0**	**1,203**	**100.0**	**1,444**	**100.0**	**1,246**	**100.0**	**1,438**	**100.0**
45-54	Own	434	67.1	438	84.7	863	73.0	911	83.2	899	73.3	964	83.8
	Rent	213	32.9	79	15.3	319	27.0	184	16.8	327	26.7	187	16.2
	Total	**647**	**100.0**	**517**	**100.0**	**1,182**	**100.0**	**1,096**	**100.0**	**1,226**	**100.0**	**1,151**	**100.0**
55-64	Own	445	69.1	514	76.5	1,133	79.2	1,183	82.6	1,186	78.8	1,234	82.6
	Rent	199	30.9	158	23.5	297	20.8	249	17.4	319	21.2	260	17.4
	Total	**644**	**100.0**	**672**	**100.0**	**1,430**	**100.0**	**1,432**	**100.0**	**1,505**	**100.0**	**1,494**	**100.0**
65-74	Own	351	75.8	297	67.5	917	84.5	801	78.7	998	84.7	910	79.7
	Rent	112	24.2	143	32.5	168	15.5	217	21.3	180	15.3	232	20.3
	Total	**463**	**100.0**	**439**	**100.0**	**1,085**	**100.0**	**1,017**	**100.0**	**1,178**	**100.0**	**1,143**	**100.0**
75-84	Own	184	78.3	166	68.1	454	83.3	443	80.6	474	83.6	461	81.3
	Rent	51	21.7	78	31.9	91	16.7	107	19.4	93	16.4	106	18.7
	Total	**235**	**100.0**	**244**	**100.0**	**545**	**100.0**	**550**	**100.0**	**567**	**100.0**	**568**	**100.0**
85+	Own	105	70.5	86	43.3	243	74.5	212	61.2	243	74.5	216	60.4
	Rent	44	29.5	112	56.7	83	25.5	135	38.8	83	25.5	141	39.6
	Total	**149**	**100.0**	**198**	**100.0**	**326**	**100.0**	**347**	**100.0**	**326**	**100.0**	**357**	**100.0**
TOTAL	Own	2,188	60.8	2,275	59.9	5,050	70.7	5,226	70.2	5,263	70.7	5,450	70.0
	Rent	1,409	39.2	1,525	40.1	2,095	29.3	2,224	29.8	2,184	29.3	2,330	30.0
	Total	**3,597**	**100.0**	**3,800**	**100.0**	**7,145**	**100.0**	**7,450**	**100.0**	**7,447**	**100.0**	**7,780**	**100.0**

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


Household Tenure by Age of Householder
Storm Lake (2024)
600
500
400
300
200
100
0
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
22%
46%
52%
85%
77%
68%
68%
43%
Under 25
25-34
35-44
45-54
55-64
65-74
75-84
85+
Owner
Renter
Ownership Rate
Source: US Census Bureau; Maxfield

Tenure by Household Income

Table D-8 shows household tenure by income for the City of Storm Lake in 2024. Data is an estimate from the American Community Survey. Household tenure information is important to assess the propensity for owner-occupied or renter-occupied housing options based on household affordability. As stated earlier, the Department of Housing and Urban Development determines affordable housing as not exceeding 30% of the household's income. It is important to note that the higher the income, the lower percentage a household typically allocates to housing. Many lower income households, as well as many young and senior households; spend more than 30% of their income, while middle-aged households in their prime earning years typically allocate 20% to 25% of their income.

- Typically, as income increases, so does the rate of homeownership. This can be seen in the City of Storm Lake, where the homeownership rate increases from 15% of households with incomes below $15,000 to 94% of households with incomes above $150,000.

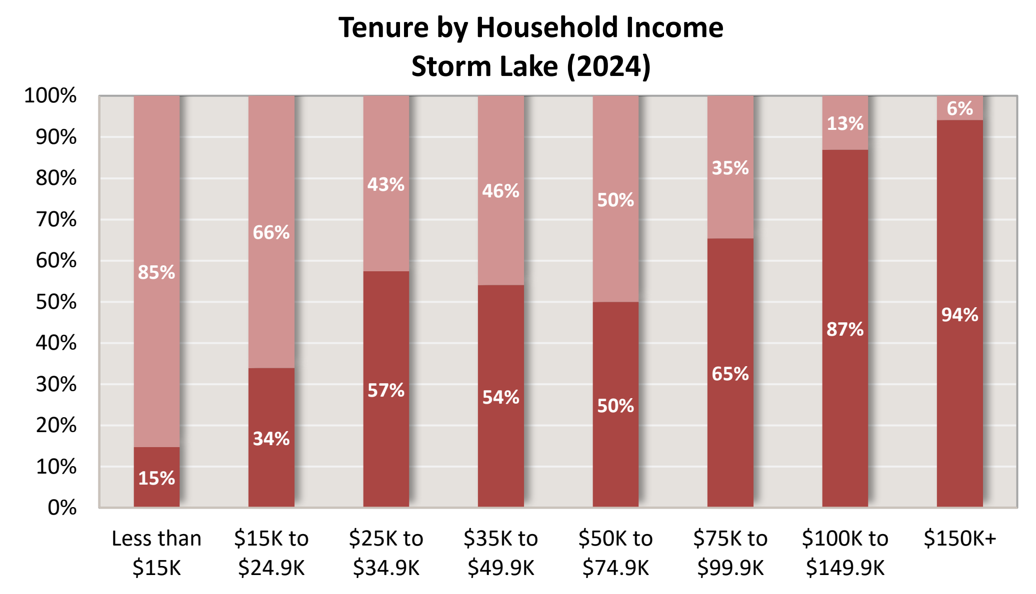
- In 2024, the median incomes of owners was $73,774 while the median incomes of renters was $48,178 in Storm Lake. Owner incomes are an estimated 7.9% lower than owner incomes in Buena Vista County ($79,904), while renter incomes are 5.5% lower when compared to Buena Vista County ($50,894).

- A portion of renter households that are referred to as lifestyle renters, or those who are financially able to own but choose to rent, have household incomes above $50,000, which is about 44% of Storm Lake's renters in 2024). Households with incomes below $15,000 are typically a market for deep subsidy rental housing (about 8% of the Storm Lake's renters in 2024).

TABLE D-8
TENURE BY HOUSEHOLD INCOME
PRIMARY MARKET AREA
2024

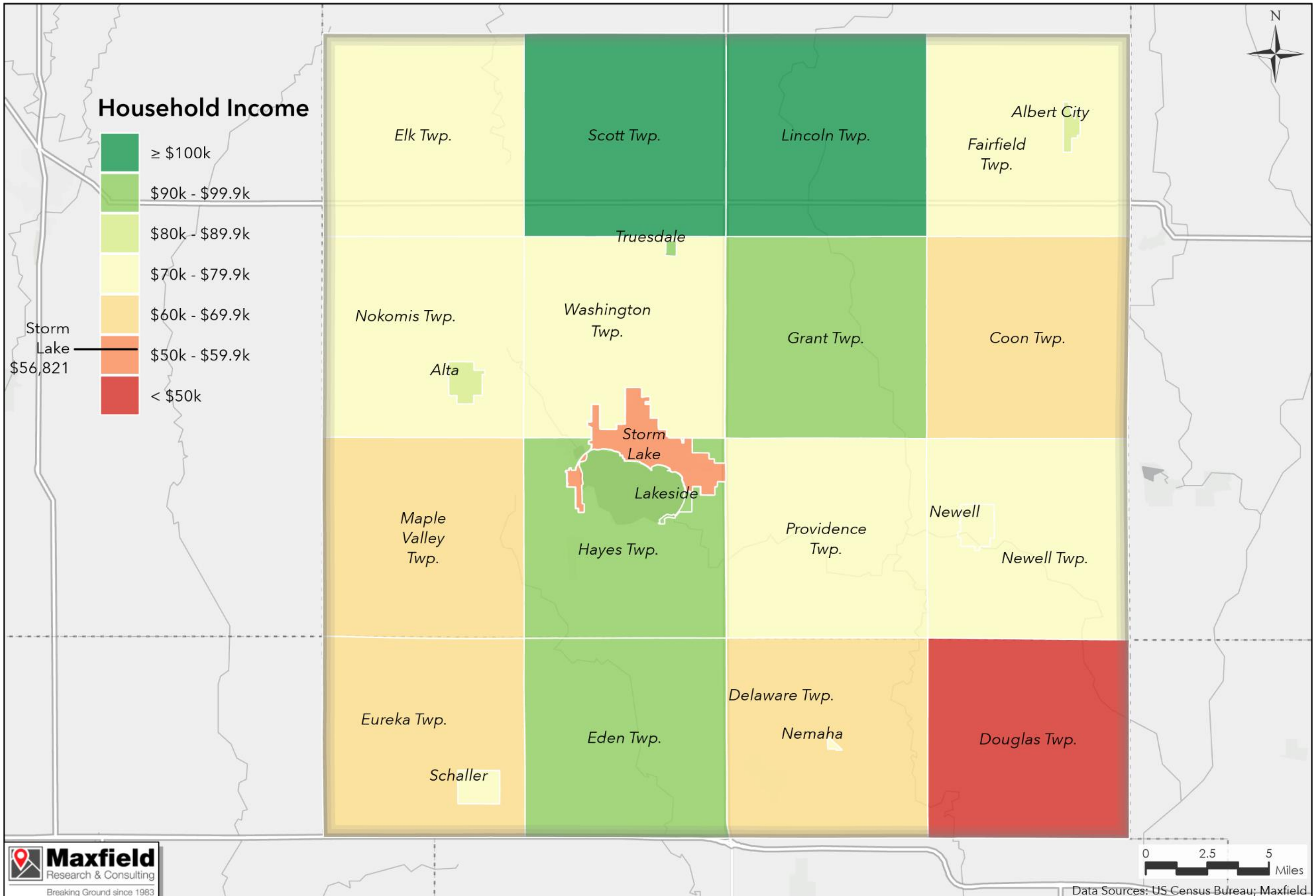
	City of Storm Lake				Primary Market Area				Buena Vista County			
	Owner		Renter		Owner		Renter		Owner		Renter	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Less than $15,000	22	14.7	126	85.3	109	36.7	187	63.3	131	38.7	207	61.3
$15,000 to $24,999	119	34.0	231	66.0	277	46.1	323	53.9	275	45.6	327	54.4
$25,000 to $34,999	181	57.4	134	42.6	386	67.5	185	32.5	415	66.9	205	33.1
$35,000 to $49,999	425	54.1	360	45.9	728	63.2	424	36.8	763	62.6	455	37.4
$50,000 to $74,999	445	49.9	446	50.1	1,108	62.7	660	37.3	1,091	61.9	671	38.1
$75,000 to $99,999	266	65.4	141	34.6	738	73.5	266	26.5	792	74.5	270	25.5
$100,000 to $149,999	405	86.9	61	13.1	1,020	89.5	120	10.5	1,047	88.3	138	11.7
$150,000+	412	94.1	26	5.9	861	93.6	58	6.4	937	94.4	56	5.6
Total	**2,275**	**59.9**	**1,525**	**40.1**	**5,226**	**70.2**	**2,224**	**29.8**	**5,450**	**70.0**	**2,330**	**30.0**
Median Household Income	***$73,774***		***$48,178***		***$55,598***		***$46,911***		***$79,904***		***$50,894***	

Source: U.S. Census Bureau - American Community Service; Maxfield Research & Consulting



Source: US Census Bureau; Maxfield

Median Household Income (2024)



Household Type

Table D-9 shows a breakdown of the type of households present in the City of Storm Lake in 2020 and 2024. The data is useful in assessing housing demand since the household composition often dictates the type of housing needed and preferred.

- Between 2020 and 2024, the City of Storm Lake experienced an increase in all non-family household types but decreased in all family household types. Significant increases occurred among Living Alone households (398 households | 41%) and Other (Roommates) households (218 households | 101%).

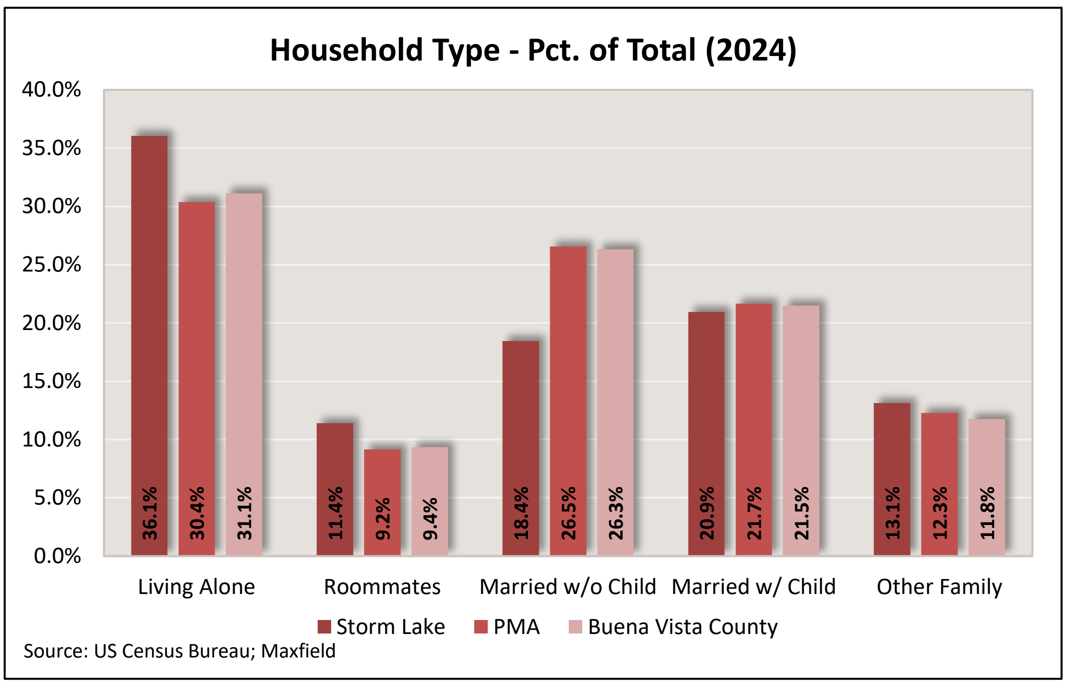
- The City of Storm Lake, the PMA, and Buena Vista County all had the highest proportion of their households in the Living Alone household type. The City of Storm Lake had its second highest proportion of its households in the Married with Children household type (21% of total). By comparison, the PMA had its second highest proportion of its households in the Married without Children household type (26.5% of total).

- The differences in housing types between Storm Lake compared to the PMA, reflect more availability of multifamily rental housing in Storm Lake compared to the prominence of single-family homes in the remainder of the PMA. For example, non-family householders tend to rent their housing more than other categories. This includes elderly widows and young persons. Young people typically do not have sufficient incomes to purchase housing, while single seniors are likely to move to multifamily housing to shed the burden of home maintenance and to have opportunities for socialization.

TABLE D-9
HOUSEHOLD TYPE
PRIMARY MARKET AREA
2020 & 2024

	Storm Lake		Primary Market Area		Buena Vista County	
	2020	2024	2020	2024	2020	2024
Total Households	**3,597**	**3,800**	**7,145**	**7,450**	**7,447**	**7,780**
Non-Family Households	**1,188**	**1,804**	**2,233**	**2,945**	**2,388**	**3,148**
Living Alone	972	1,370	1,881	2,263	2,011	2,420
Other (Roommates)	216	434	352	682	377	728
Family Households	**2,409**	**1,996**	**4,912**	**4,505**	**5,059**	**4,632**
Married w/ Children	848	796	1,552	1,613	1,570	1,671
Married w/o Children	897	701	2,253	1,978	2,322	2,047
Other Family	664	499	1,107	914	1,167	914
Change (2010 - 2023)	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**
Total Households	**203**	**5.6%**	**305**	**4.3%**	**333**	**4.5%**
Non-Family Households	**616**	**51.8%**	**712**	**31.9%**	**760**	**31.8%**
Living Alone	398	41.0%	382	20.3%	409	20.4%
Other (Roommates)	218	100.8%	330	93.7%	351	93.0%
Family Households	**-413**	**-17.1%**	**-407**	**-8.3%**	**-427**	**-8.4%**
Married w/ Children	-52	-6.1%	61	3.9%	101	6.4%
Married w/o Children	-196	-21.9%	-275	-12.2%	-275	-11.9%
Other Family	-165	-24.8%	-193	-17.4%	-253	-21.6%

Sources: U.S. Census; American Community Survey; Maxfield Research & Consulting



Race & Ethnicity

The population distribution by race, Table D-10 presents the diversity of the population in the City of Storm Lake for 2020 and 2024. The data was obtained from the U.S. Census and American Community Survey.

- In 2024, "White Alone" comprised the largest proportion of the population in Storm Lake (39.4%), as well as in the PMA (56.5%) and in Buena Vista County (57.7%). The percentage has decreased since 2020 where "White Alone" was 40.1% in the City of Storm Lake and 60.5% in Buena Vista County.

- U.S. Census respondents that list themselves ethnically as Hispanic or Latino, racially list themselves in various race categories. As of 2024, 40.7% of the City of Storm Lake's population was Hispanic/Latino. The Hispanic/Latino population was 40.8% of Storm Lake's population in 2020.

- The Pacific Islander Alone population experienced the largest growth between 2020 and 2024 in Storm Lake, increasing by 133 people (27.7%).

TABLE 10 POPULATION DISTRIBUTION BY RACE & ETHNICITY PRIMARY MARKET AREA 2020 - 2024						
	2020		2024		Change 2020 - 2024	
Race/Ethnicity	No.	Pct.	No.	Pct.	No.	Pct.
Storm Lake						
White Alone	4,516	40.1%	4,629	39.4%	113	2.5%
Black Alone	522	4.6%	634	5.4%	112	21.4%
American Indian Alone	84	0.7%	81	0.7%	-3	-3.6%
Asian Alone	1,791	15.9%	1,750	14.9%	-41	-2.3%
Pacific Islander Alone	479	4.3%	612	5.2%	133	27.7%
Some Other Race Alone	2,271	20.2%	2,375	20.2%	104	4.6%
Two or More Races	1,606	14.3%	1,669	14.2%	63	4.0%
Total	**11,269**	**100%**	**11,750**	**100%**	**481**	**4.3%**
Hispanic (ethnicity)	4,599	40.8%	4,779	40.7%	180	3.9%
Primary Market Area						
White Alone	12,034	59.5%	11,743	56.5%	-291	-2.4%
Black Alone	588	2.9%	715	3.4%	127	21.6%
American Indian Alone	121	0.6%	131	0.6%	10	8.5%
Asian Alone	1,930	9.5%	1,951	9.4%	21	1.1%
Pacific Islander Alone	622	3.1%	884	4.2%	262	42.1%
Some Other Race Alone	2,786	13.8%	3,026	14.5%	240	8.6%
Two or More Races	2,157	10.7%	2,349	11.3%	192	8.9%
Total	**20,238**	**100%**	**20,800**	**100%**	**562**	**2.8%**
Hispanic (ethnicity)	5,904	29.2%	6,365	30.6%	461	7.8%
Buena Vista County						
White Alone	12,597	60.5%	12,354	57.7%	-243	-1.9%
Black Alone	591	2.8%	721	3.4%	130	22.0%
American Indian Alone	124	0.6%	134	0.6%	10	8.4%
Asian Alone	1,907	9.2%	1,925	9.0%	18	0.9%
Pacific Islander Alone	620	3.0%	861	4.0%	241	38.8%
Some Other Race Alone	2,786	13.4%	3,013	14.1%	227	8.2%
Two or More Races	2,198	10.6%	2,416	11.3%	218	9.9%
Total	**20,823**	**100%**	**21,425**	**100%**	**602**	**2.9%**
Hispanic (ethnicity)	5,925	28.5%	6,398	29.9%	473	8.0%
Sources: U.S. Census; ESRI; Maxfield Research & Consulting						

Population Mobility

Table D-11 shows the mobility patterns of Storm Lake residents within a one-year time frame.

- The majority of residents in the City of Storm Lake (89%) did not move within the last year.

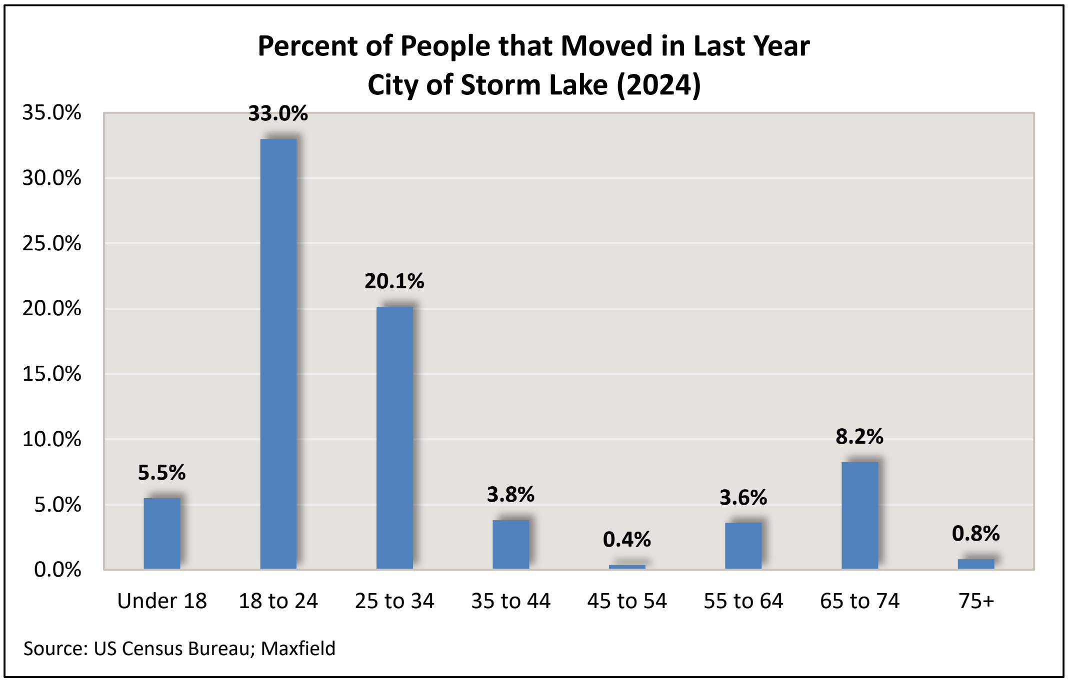
- Of the remaining residents that moved within the last year, approximately 5.3% moved from Storm Lake but remained within the same county and 2.9% moved to a different county but within the same state.

- A greater proportion of younger age cohorts tended to move compared to older age cohorts. In the City of Storm Lake, approximately 33% of those age 18 to 24 moved within the last year compared to 0.8% of those age 75+.

TABLE D-11
MOBILITY IN THE PAST YEAR BY AGE FOR CURRENT RESIDENCE
PRIMARY MARKET AREA
2024

Age	Not Moved		------- Moved ------- Within Same County		Different County, Same State		Different State		Abroad	
Storm Lake	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**
Under 18	2,832	94.5%	144	4.8%	20	0.7%	0	0.0%	0	0.0%
18 to 24	1,159	67.0%	134	7.7%	217	12.6%	208	12.0%	12	0.7%
25 to 34	1,295	79.9%	249	15.4%	50	3.1%	22	1.4%	4	0.3%
35 to 44	1,382	96.2%	55	3.8%	0	0.0%	0	0.0%	0	0.0%
45 to 54	1,115	99.6%	4	0.4%	0	0.0%	0	0.0%	0	0.0%
55 to 64	1,176	96.4%	18	1.5%	0	0.0%	26	2.1%	0	0.0%
65 to 74	774	91.8%	12	1.4%	58	6.9%	0	0.0%	0	0.0%
75+	777	99.2%	6	0.8%	0	0.0%	0	0.0%	0	0.0%
Total	**10,510**	**89.4%**	**623**	**5.3%**	**346**	**2.9%**	**256**	**2.2%**	**16**	**0.1%**
	Not Moved		**Within Same County**		**Different County, Same State**		**Different State**		**Abroad**	
PMA	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**
Under 18	4,811	91.6%	373	7.1%	51	1.0%	18	0.3%	0	0.0%
18 to 24	1,640	70.6%	177	7.6%	252	10.8%	238	10.3%	17	0.7%
25 to 34	2,062	80.3%	344	13.4%	83	3.2%	50	1.9%	28	1.1%
35 to 44	2,335	92.9%	158	6.3%	19	0.7%	3	0.1%	0	0.0%
45 to 54	2,168	95.1%	49	2.1%	32	1.4%	31	1.4%	0	0.0%
55 to 64	2,423	94.3%	95	3.7%	5	0.2%	34	1.3%	12	0.5%
65 to 74	1,717	94.1%	31	1.7%	63	3.5%	9	0.5%	4	0.2%
75+	1,429	97.4%	38	2.6%	0	0.0%	0	0.0%	0	0.0%
Total	**18,584**	**89.3%**	**1,266**	**6.1%**	**505**	**2.4%**	**384**	**1.8%**	**61**	**0.3%**
	Not Moved		**Within Same County**		**Different County, Same State**		**Different State**		**Abroad**	
Buena Vista County	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**
Under 18	4,928	91.4%	363	6.7%	77	1.4%	22	0.4%	0	0.0%
18 to 24	1,617	70.1%	188	8.2%	260	11.3%	218	9.4%	24	1.0%
25 to 34	2,114	80.6%	359	13.7%	96	3.6%	50	1.9%	5	0.2%
35 to 44	2,327	92.5%	162	6.4%	18	0.7%	7	0.3%	1	0.0%
45 to 54	2,265	94.6%	55	2.3%	36	1.5%	38	1.6%	0	0.0%
55 to 64	2,510	94.8%	94	3.5%	6	0.2%	37	1.4%	0	0.0%
65 to 74	1,910	94.4%	29	1.5%	75	3.7%	8	0.4%	0	0.0%
75+	1,482	97.0%	45	3.0%	0	0.0%	0	0.0%	0	0.0%
Total	**19,153**	**89.4%**	**1,295**	**6.0%**	**567**	**2.6%**	**381**	**1.8%**	**30**	**0.1%**

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



Demographic Comparison to Peer Cities

Table D-12 provides a demographic summary comparison for Storm Lake and select peer cities. With the guidance of Storm Lake city staff, the communities in the table were identified as peer cities, which was based on their population or are located within a relatively close proximity.

- The City of Storm Lake had the largest percentage increase in households between 2020 and 2022 compared to the selected peer cities, which was an increase of 11%.

- Compared to the peer cities, Storm Lake had the lowest median income among owner households ($70,909) of all identified peer cities. However, the median income for renter households in Storm Lake ($46,307) ranked second, only behind Le Mars ($60,053).

- Storm Lake had a median age of 31.0 in 2022. This ranks it the youngest among peer cities.

- Peer city percentage of owner households vary from 76% in Sioux Center to 60% in Storm Lake.

TABLE D-12
DEMOGRAPHIC SUMMARY
PEER CITIES COMPARISON

	Storm Lake	Carroll	Fort Dodge	Le Mars	Sioux Center	Spencer
Demographics						
Population (2020 | 2022)	11,269 | 11,194	10,321 | 10,270	24,871 | 24,850	10,571 | 10,549	8,229 | 8,227	11,325 | 11,351
Population Change (2020 - 2022)	-75 | -0.7%	-51 | -0.5%	-21 | -0.1%	-22 | -0.2%	-2 | 0.0%	26 | 0.2%
Household (2020 | 2022)	3,597 | 3,996	4,468 | 4,542	9,946 | 10,402	4,296 | 4,296	2,495 | 2,766	5,066 | 5,162
Household Change (2020 - 2022)	399 | 11.1%	74 | 1.7%	456 | 4.6%	0 | 0.0%	271 | 10.9%	96 | 1.9%
Avg. HH Size (2020 | 2022)	3.13 | 2.80	2.31 | 2.26	2.50 | 2.39	2.46 | 2.46	3.30 | 2.97	2.24 | 2.20
Median Age (2020 | 2022)	31.5 | 31.0	42.5 | 43.7	38.3 | 37.2	38.1 | 39.3	27.4 | 31.3	41.9 | 41.4
Median Income - Owner | Renter (2022)	$70,909 | $46,307	$83,654 | $28,409	$73,474 | $34,141	$83,060 | $60,053	$97,288 | $28,214	$74,890 | $32,708
Homeownership Rate (2022)	59.9%	69.2%	63.3%	68.0%	76.0%	68.8%

Source: US Census Bureau; Maxfield Research & Consulting

Housing Characteristics

The variety and condition of the housing stock in a community provides the basis for an attractive living environment. Housing functions as a building block for neighborhoods and goods and services. We examined the housing market in the City of Storm Lake, the Primary Market Area, Buena Vista County by reviewing data on the age of the existing housing supply; examining residential building trends; and reviewing housing data from the American Community Survey (ACS) that relates to the Storm Lake area.

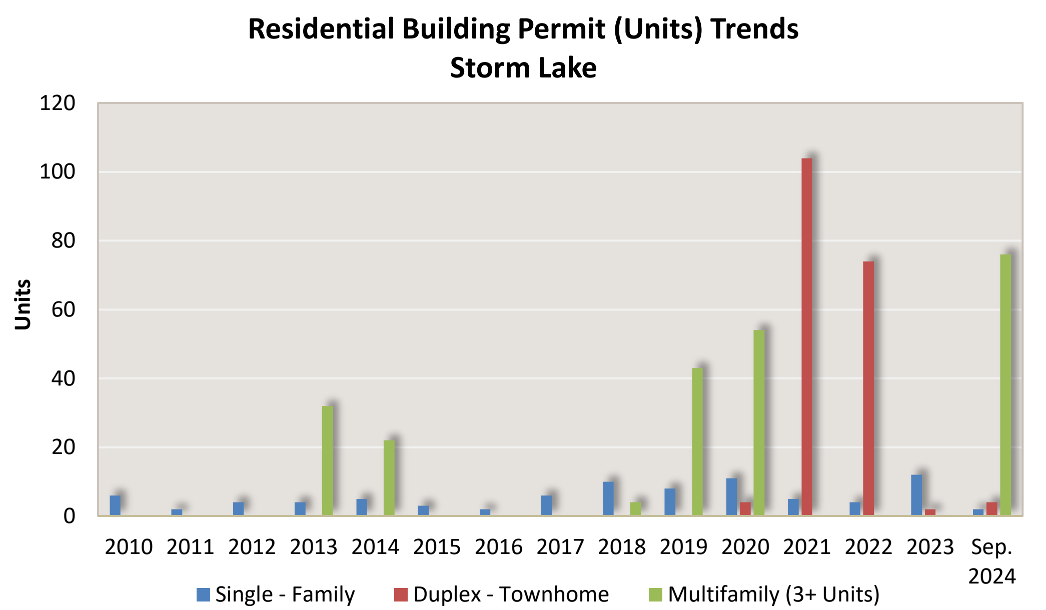
Residential Building Permit Trends

Maxfield Research obtained data from the City of Storm Lake on the number of building permits issued for new housing units from 2010 to September 2024. Table HC-1 displays permits issued for new residential units.

- A total of 455 new residential units were permitted in Storm Lake between 2010 and September 2024, an average of 34 units annually.

- Residential construction was generally slower during the 2010s as an average of five single-family units were permitted annually and 10 multifamily units were permitted annually between 2010 and 2019. Between 2020 and 2023, Storm Lake issued permits for the construction of eight single-family units annually and 14 multifamily units annually.

- In 2021, building permits issued witnessed a major spike, as permits were issued for 109 units. This was primarily driven by the construction of 104 duplex – townhome units.



Source: City of Storm Lake; Maxfield

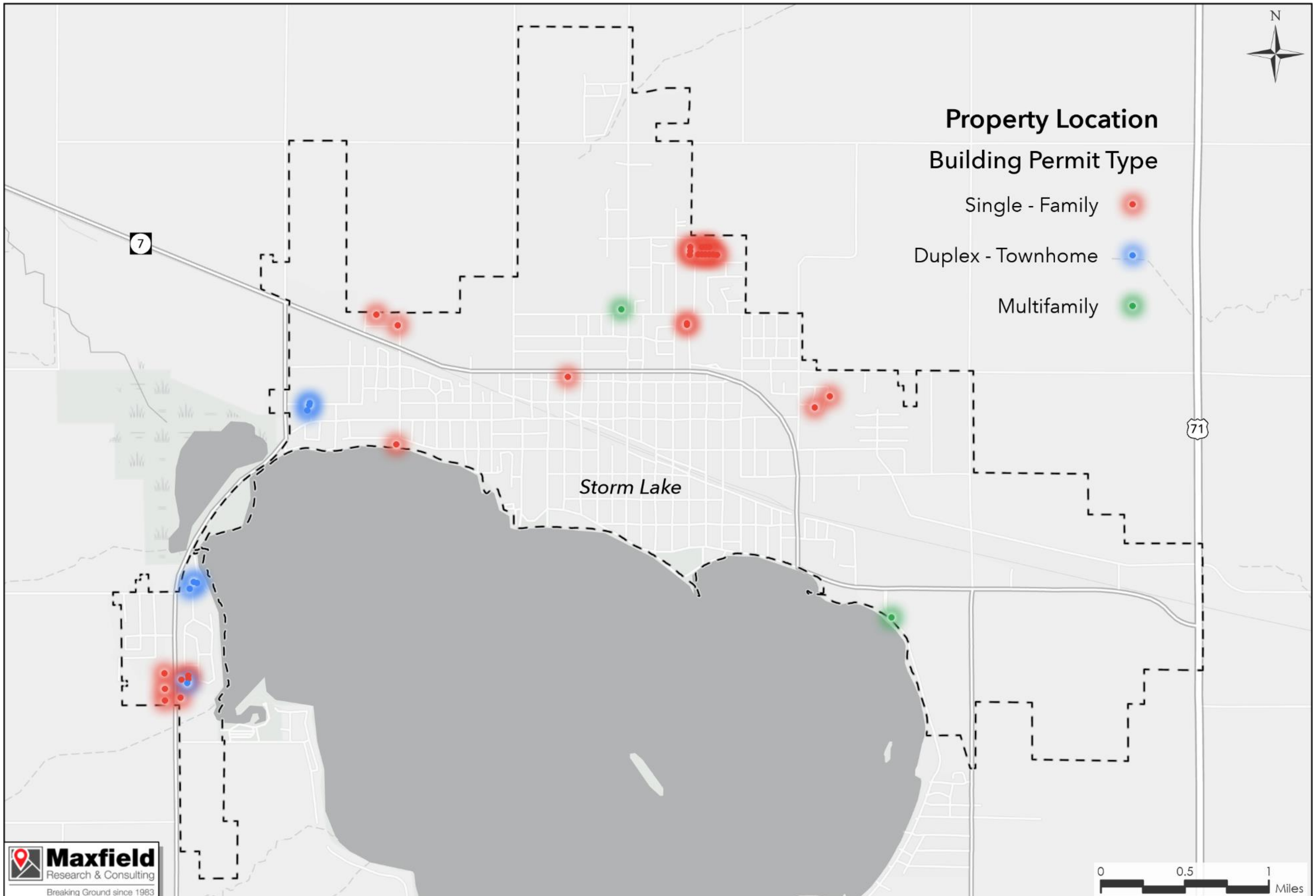
HC-1
RESIDENTIAL BUILDING PERMIT TRENDS
CITY OF STORM LAKE
2010 THROUGH SEPTEMBER 2024

	Units Permitted City of Storm Lake			
Year	**Single - Family**	**Duplex - Townhome**	**Multifamily (3+ Units)**	**Total Residential Units**
2010	6	0	0	6
2011	2	0	0	2
2012	4	0	0	4
2013	4	0	32	36
2014	5	0	22	27
2015	3	0	0	3
2016	2	0	0	2
2017	6	0	0	6
2018	10	0	4	14
2019	8	0	43	51
2020	11	4	54	69
2021	5	104	0	109
2022	4	74	0	78
2023	12	2	0	14
Sep. 2024	2	4	76	82
Total	**84**	**188**	**231**	**455**

Sources: City of Storm Lake; Maxfield Research & Consulting

The map on the following page shows the location of all residential building permits issued between 2020 and September 2024 for single-family, duplex – townhome, and multifamily units.

Residential Building Permit Location (2020 – 2024)



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 2018 and 2022. Tables HC-2 and HC-3 show key data for the City of Storm Lake and the PMA. This information may exclude data in certain rural regions due to either no sample observations or too few observations were available to compute.

Age of Housing Stock

Table HC-2 shows the age distribution of the housing stock in Storm Lake based on data from the U.S. Census Bureau American Community Survey (5-Year).

- The greatest share of housing in Storm Lake, the PMA, and Buena Vista County were built prior to 1940. These units built prior to 1940 account for 23% of all units built in Storm Lake.

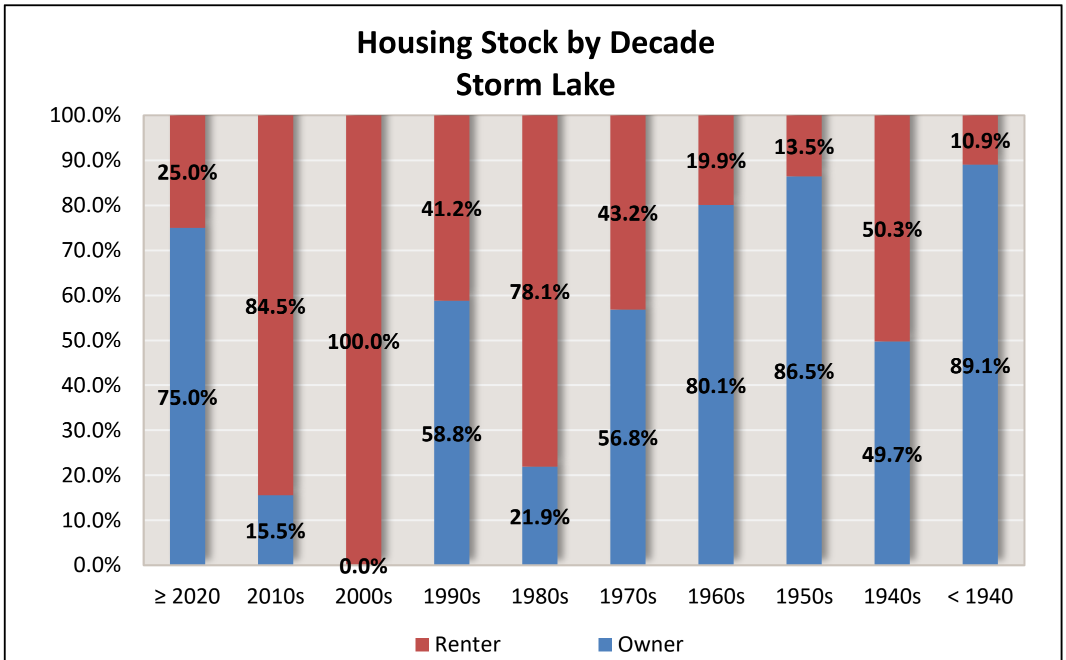
- The median year built for renter-occupied units in Storm Lake is 1984, slightly newer than in the PMA (1980).

- Roughly 12% of Storm Lake’s housing stock has been built since 2010. By comparison, only 8% of Buena Vista’s housing stock has been built since 2010.

TABLE HC-2
AGE OF HOUSING STOCK
PRIMARY MARKET AREA
2024

	Storm Lake		PMA		Buena Vista Co.	
	No.	Pct.	No.	Pct.	No.	Pct.
Total	**3,800**	**100%**	**7,450**	**100%**	**7,780**	**100%**
Owner-Occupied	**2,288**	**60.2%**	**5,226**	**70.2%**	**5,450**	**70.0%**
2020 or later	34	0.9%	15	0.2%	0	0.0%
2010 to 2019	61	1.6%	211	2.8%	224	2.9%
2000 to 2009	0	0.0%	109	1.5%	121	1.6%
1990 to 1999	135	3.5%	304	4.1%	298	3.8%
1980 to 1989	113	3.0%	281	3.8%	298	3.8%
1970 to 1979	364	9.6%	847	11.4%	847	10.9%
1960 to 1969	330	8.7%	657	8.8%	618	7.9%
1950 to 1959	391	10.3%	773	10.4%	829	10.7%
1940 to 1949	85	2.2%	233	3.1%	252	3.2%
1939 or earlier	776	20.4%	1,797	24.1%	1,962	25.2%
Median Year Built	**1957**		**1958**		**1956**	
Renter-Occupied	**1,512**	**39.8%**	**2,224**	**29.8%**	**2,330**	**30.0%**
2020 or later	11	0.3%	12	0.2%	12	0.2%
2010 to 2019	334	8.8%	368	4.9%	380	4.9%
2000 to 2009	69	1.8%	116	1.6%	122	1.6%
1990 to 1999	94	2.5%	150	2.0%	154	2.0%
1980 to 1989	403	10.6%	460	6.2%	499	6.4%
1970 to 1979	276	7.3%	383	5.1%	413	5.3%
1960 to 1969	82	2.2%	154	2.1%	139	1.8%
1950 to 1959	61	1.6%	132	1.8%	137	1.8%
1940 to 1949	86	2.3%	180	2.4%	170	2.2%
1939 or earlier	95	2.5%	269	3.6%	304	3.9%
Median Year Built	**1984**		**1957**		**1980**	

Sources: US Census; American Community Survey; Maxfield Research & Consulting



Source: US Census Bureau; Maxfield Research

Housing Stock by Structure Type and Tenure

Table HC-3 shows the housing stock in Storm Lake, the PMA, and Buena Vista County by type of structure and tenure.

- The most common housing structure type across Storm Lake, the PMA, and Buena Vista County is 1-unit, detached homes, accounting for 60% or more of total housing in each geography.

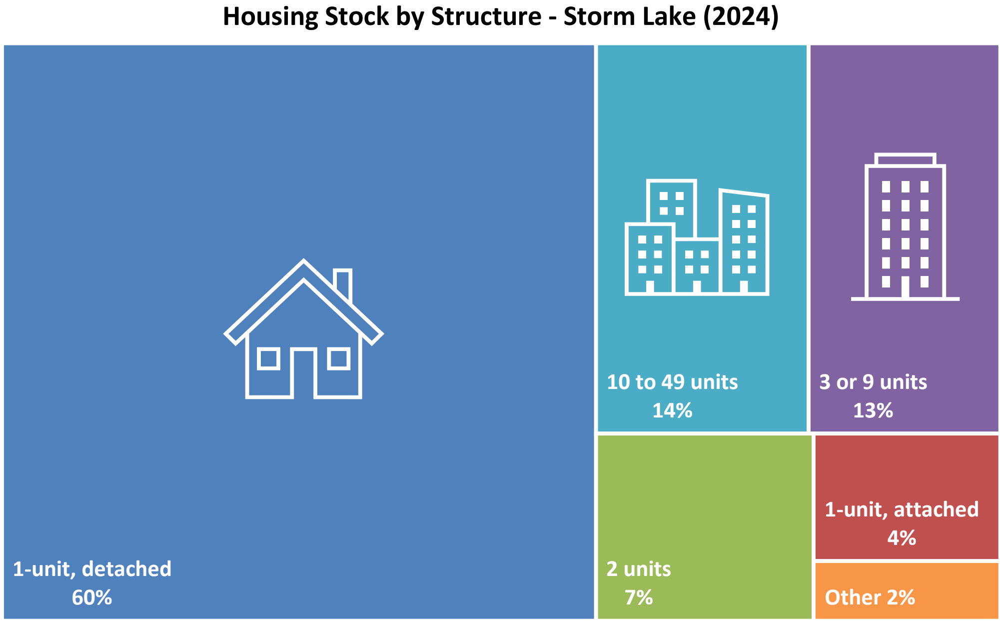
- There are no housing structures with 50 or more units in any of the geographies. This indicates a lack of large-scale apartment buildings in the area.

- Storm Lake has a higher proportion of housing in structures with 5 or more units (22%) compared to the PMA (13%) and Buena Vista County (13%). This suggests a greater concentration of multifamily housing within Storm Lake.

TABLE HC-3
HOUSING STOCK BY STRUCTURE TYPE
PRIMARY MARKET AREA
2024

	Storm Lake		PMA		Buena Vista Co.	
	No.	Pct.	No.	Pct.	No.	Pct.
Total	**3,800**	**100%**	**7,450**	**100%**	**7,780**	**100%**
Owner	**2,275**	**59.9%**	**5,226**	**70.2%**	**5,450**	**70.0%**
1-unit, detached	1,980	52.1%	4,741	63.6%	4,951	63.6%
1-unit, attached	62	1.6%	125	1.7%	137	1.8%
2 units	186	4.9%	199	2.7%	207	2.7%
3 or 4 units	0	0.0%	3	0.0%	3	0.0%
5 to 9 units	19	0.5%	37	0.5%	38	0.5%
10 to 19 units	0	0.0%	0	0.0%	0	0.0%
20 to 49 units	13	0.4%	16	0.2%	17	0.2%
50 or more units	0	0.0%	0	0.0%	0	0.0%
Mobile home	14	0.4%	105	1.4%	96	1.2%
Boat, RV, van, etc.	0	0.0%	0	0.0%	0	0.0%
Renter	**1,525**	**40.1%**	**2,224**	**29.8%**	**2,330**	**30.0%**
1-unit, detached	281	7.4%	784	10.5%	815	10.5%
1-unit, attached	95	2.5%	109	1.5%	111	1.4%
2 units	82	2.2%	105	1.4%	110	1.4%
3 or 4 units	195	5.1%	213	2.9%	243	3.1%
5 to 9 units	280	7.4%	343	4.6%	348	4.5%
10 to 19 units	376	9.9%	411	5.5%	439	5.6%
20 to 49 units	158	4.2%	173	2.3%	178	2.3%
50 or more units	0	0.0%	0	0.0%	0	0.0%
Mobile home	59	1.6%	85	1.1%	87	1.1%
Boat, RV, van, etc.	0	0.0%	0	0.0%	0	0.0%

Sources: US Census; American Community Survey; Maxfield Research & Consulting



Housing Characteristics Comparison to Peer Cities

Table HC-4 provides a housing characteristics summary comparison for Storm Lake and select peer cities. With the guidance of Storm Lake city staff, the communities in the table were identified as peer cities, which was based on their population or are located within a relatively close proximity.

- The City of Storm Lake had the newest rental housing stock, with a median year built of 1984. Storm Lake, however, ranked as the second oldest in terms of owner housing stock, with a median year built of 1957.

- Compared to the peer cities, Storm Lake had the lowest proportion of its housing stock built as single-family detached structures (59%). Conversely, Storm Lake had the highest proportion of structures with five or more units (22%) compared to the peer cities.

- Storm Lake had the second lowest median home value ($148,900), only behind Fort Dodge ($123,600).

- Peer city median contract rent varied among the six cities and ranged from a low of $605 in Carroll to a high of $702 in Le Mars. Storm Lake ranked in the middle of the pack with a median contract rent of $635.

TABLE HC-4
HOUSING CHARACTERISTICS SUMMARY
PEER CITIES COMPARISON

	Storm Lake	Carroll	Fort Dodge	Le Mars	Sioux Center	Spencer
Housing Characteristics						
Median Year Built (2022)						
Owner-Occ.	1957	1972	1955	1971	1982	1966
Renter-Occ.	1984	1978	1961	1977	1978	1981
Units in Structure (2022)						
1, detached	2,378 | 59.5%	3,349 | 73.7%	7,530 | 72.4%	2,810 | 65.4%	2,031 | 73.4%	3,691 | 71.5%
1, attached	165 | 4.1%	171 | 3.8%	267 | 2.6%	192 | 4.5%	156 | 5.6%	90 | 1.7%
2 - 4	487 | 12.2%	238 | 5.2%	1,087 | 10.4%	375 | 8.7%	133 | 4.8%	459 | 8.9%
5+	889 | 22.2%	748 | 16.5%	1,190 | 11.4%	606 | 14.1%	370 | 13.4%	863 | 16.7%
Other	77 | 1.9%	36 | 0.8%	328 | 3.2%	313 | 7.3%	76 | 2.7%	59 | 1.1%
Median Home Value (2022)	$148,900	$172,000	$123,600	$186,300	$256,700	$156,000
Median Contract Rent (2022)	$635	$605	$611	$702	$657	$654

Source: U.S. Census Bureau - American Community Survey; Maxfield Research & Consulting

Employment Trends

Since employment growth generally fuels household growth, employment trends are a reliable indicator of housing demand. Typically, households prefer to live near work for convenience. However, housing is often less expensive in smaller towns, making commuting from outlying communities to work in larger employment centers attractive for households concerned about housing affordability.

Employment Estimates and Projections

Table E-1 shows employment trends and projections for Buena Vista County and the State of Iowa from 2015 to 2032 based on the most recent data from Iowa Workforce Development. **Note that the employment data for 2020 reflects unemployment caused by the COVID-19 pandemic.**

- There was an estimated total of 12,330 jobs in Buena Vista County in October 2024, which was roughly 0.8% of the Iowa total (1,640,600 jobs).

- Buena Vista County's employment is anticipated to increase by 18% between 2020 and 2032 while employment in Iowa is forecasted to increase by 17%. Job creation in Storm Lake will be a major contributor on the ability for Buena Vista County to achieve the employment projections, which in turn will make the area more appealing for housing.

TABLE E-1
EMPLOYMENT TRENDS AND PROJECTIONS
BUENA VISTA COUNTY
2015 to 2032

Annual Employment	Buena Vista County		Iowa	
2015	11,160		1,637,500	
2020	11,220		1,582,200	
2023	11,870		1,659,100	
Oct. 2024	12,330		1,640,600	
2032 Forecast	**13,242**		**1,853,535**	
Change	**No.**	**Pct.**	**No.**	**Pct.**
2015 - 2020	60	0.5%	-55,300	-3.4%
2020 - 2023	650	5.8%	76,900	4.9%
2020 - 2032	**2,022**	**18.0%**	**271,335**	**17.1%**

Sources: Iowa Workforce Development; Maxfield Research & Consulting

Resident Labor Force

Recent employment growth trends are shown in Tables E-2, which presents resident employment data for Buena Vista County from 2014 through October 2024. These numbers were derived from the proportion of jobs in Buena Vista County as compared to the State of Iowa. Resident employment data is calculated as an annual average *and reveals the workforce and number of employed persons living in the County*. It is important to note that not all of these individuals necessarily work in the County.

- Resident employment in Buena Vista County increased by approximately 840 people between 2014 and 2023 (7.6%) and the unemployment rate decreased from 3.9% in 2014 to 2.9% in 2023. By comparison, Iowa's unemployment rate also decreased from 4.2% in 2014 to 2.9% in 2023.

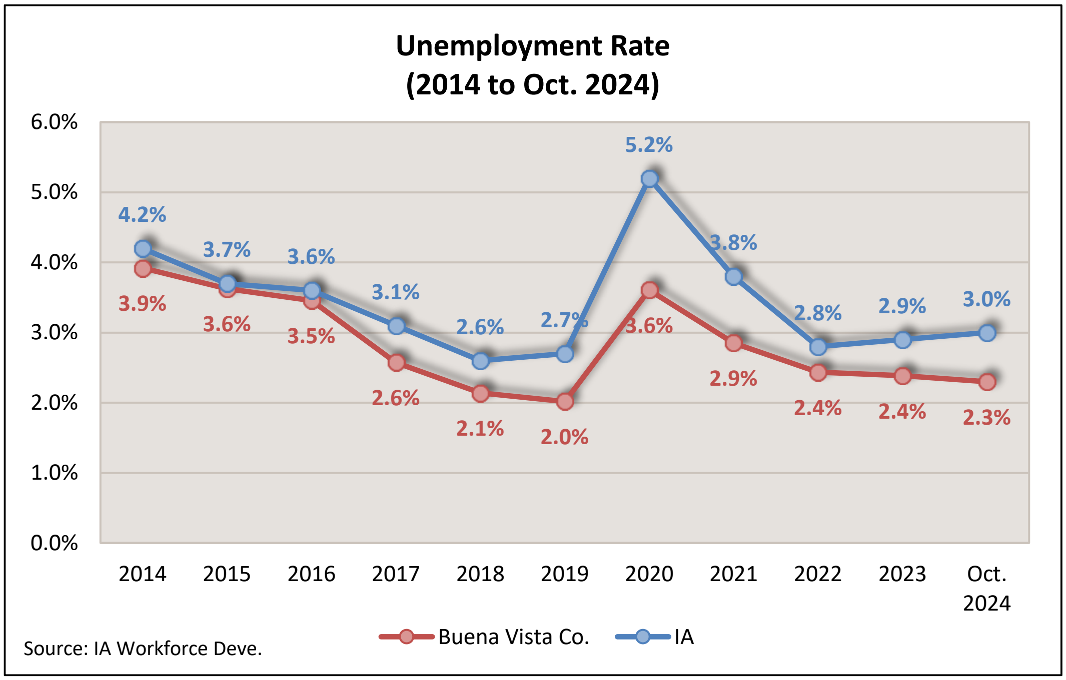
- Buena Vista County's unemployment rate has stayed fairly consistent with Iowa's unemployment rate, but slightly lower in all years between 2014 and 2023. The average yearly differential in unemployment rate between Buena Vista County and Iowa was 0.6% between 2014 and October 2024

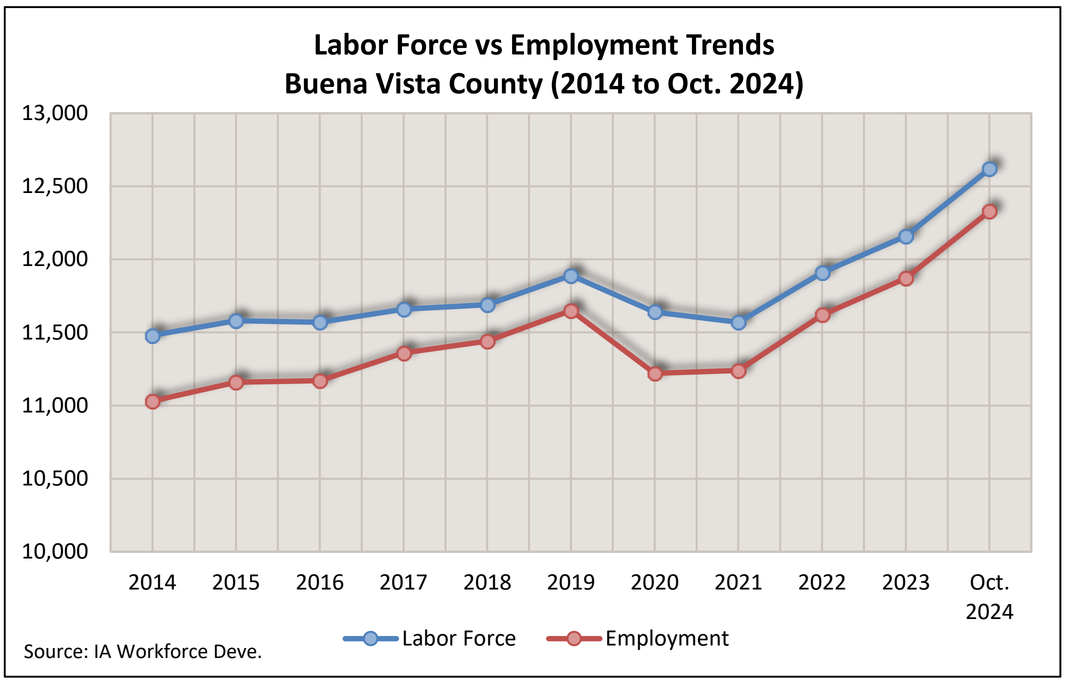
- Covid-19 caused widespread unemployment in 2020 and early 2021. Although the unemployment rate in Buena Vista County peaked at 3.6% in 2020, more recently it has fallen to 2.3% as of October 2023.

TABLE E-2
RESIDENT EMPLOYMENT (ANNUAL AVERAGE)
BUENA VISTA COUNTY
2014 TO OCT. 2024

Year	Total Labor Force	Total Employed	Total Unemployed	Unemployment Rate	Iowa Unemployment Rate
2014	11,480	11,030	450	3.9%	4.2%
2015	11,580	11,160	420	3.6%	3.7%
2016	11,570	11,170	400	3.5%	3.6%
2017	11,660	11,360	300	2.6%	3.1%
2018	11,690	11,440	250	2.1%	2.6%
2019	11,890	11,650	240	2.0%	2.7%
2020	11,640	11,220	420	3.6%	5.2%
2021	11,570	11,240	330	2.9%	3.8%
2022	11,910	11,620	290	2.4%	2.8%
2023	12,160	11,870	290	2.4%	2.9%
Oct. 2024	12,620	12,330	290	2.3%	3.0%
Change 2014-'23	**680**	**840**	**-160**	**-1.5%**	**-1.3%**

Sources: IA Workforce Development; Maxfield Research & Consulting





Covered Employment and Wages by Industry

Table E-3 presents covered employment numbers as well as wage data in Buena Vista County from the second quarter 2023 through the second quarter 2024. Covered employment data is calculated as an annual average and *reveals the number of jobs in the designated area,* which are covered by unemployment insurance. Many temporary workforce positions, agricultural, self-employed persons, and some other types of jobs are not covered by unemployment insurance and are not included in the table. Some agricultural businesses and employees are listed in this table, but not all positions are included. The Quarterly Census of Employment and Wages (QCEW) is sourced from Iowa Workforce Development.

- In Buena Vista County, the number of jobs decreased from 11,111 during the second quarter of 2023 to 10,751 during the second quarter of 2024, a contraction of 360 jobs. Notable industries that posted the greatest losses were the *Manufacturing* (-149 jobs), *Construction* (-149 jobs), and *Health Care and Social Assistance* (-59 jobs) sectors.

- As of Q2 2024, the *Manufacturing* sector accounted for the largest share of employment in Buena Vista County, with 3,645 employees accounting for 34% of employment. The *Educational Services* sector has the second largest share of employees with 1,386 employees accounting for 13% of employment in Buena Vista County. By comparison, Iowa's largest share of employees were found in the *Health Care & Social Assistance* (14.4%) and *Manufacturing* (14.2%) sectors.

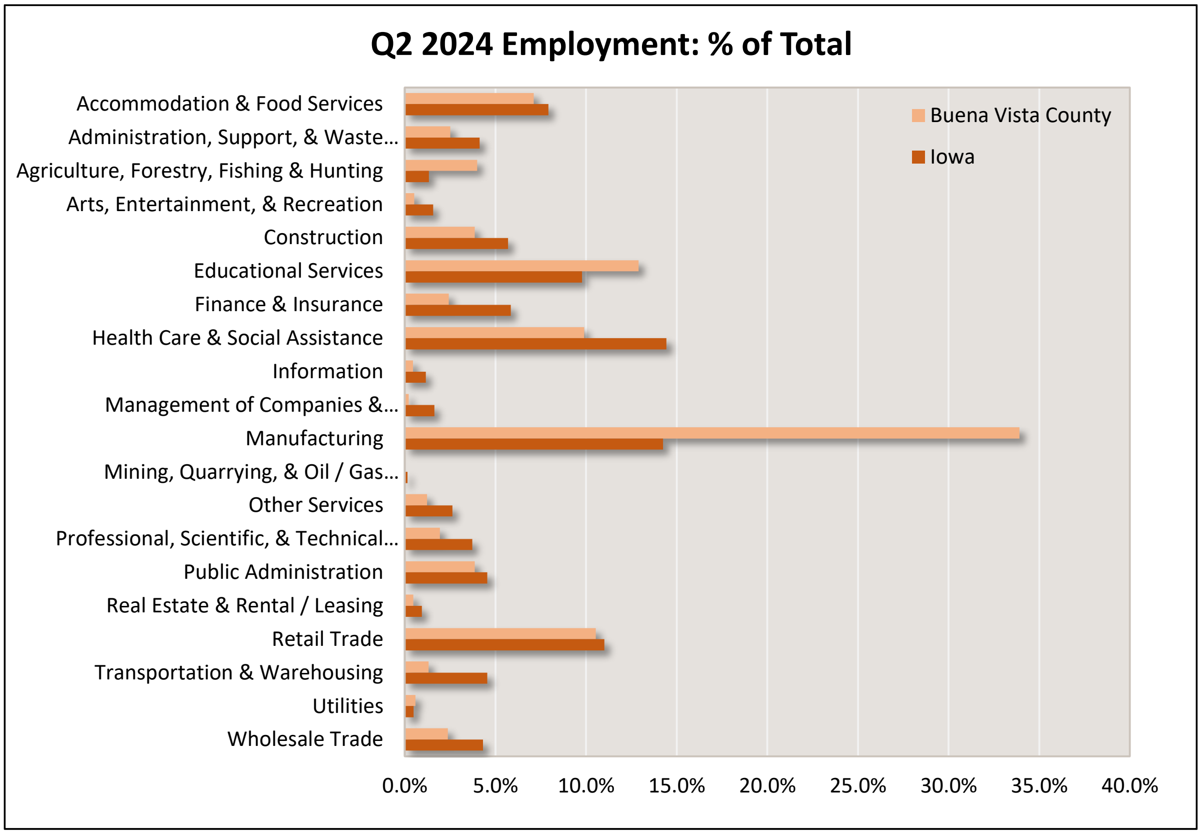
- The *Agriculture, Forestry, Fishing, & Hunting* sector witnessed the largest growth in average weekly wages increasing by $557 (52%) between Q2 2023 to Q2 2024. The *Construction* sector saw the second largest growth, increasing by $132 (9.1%).

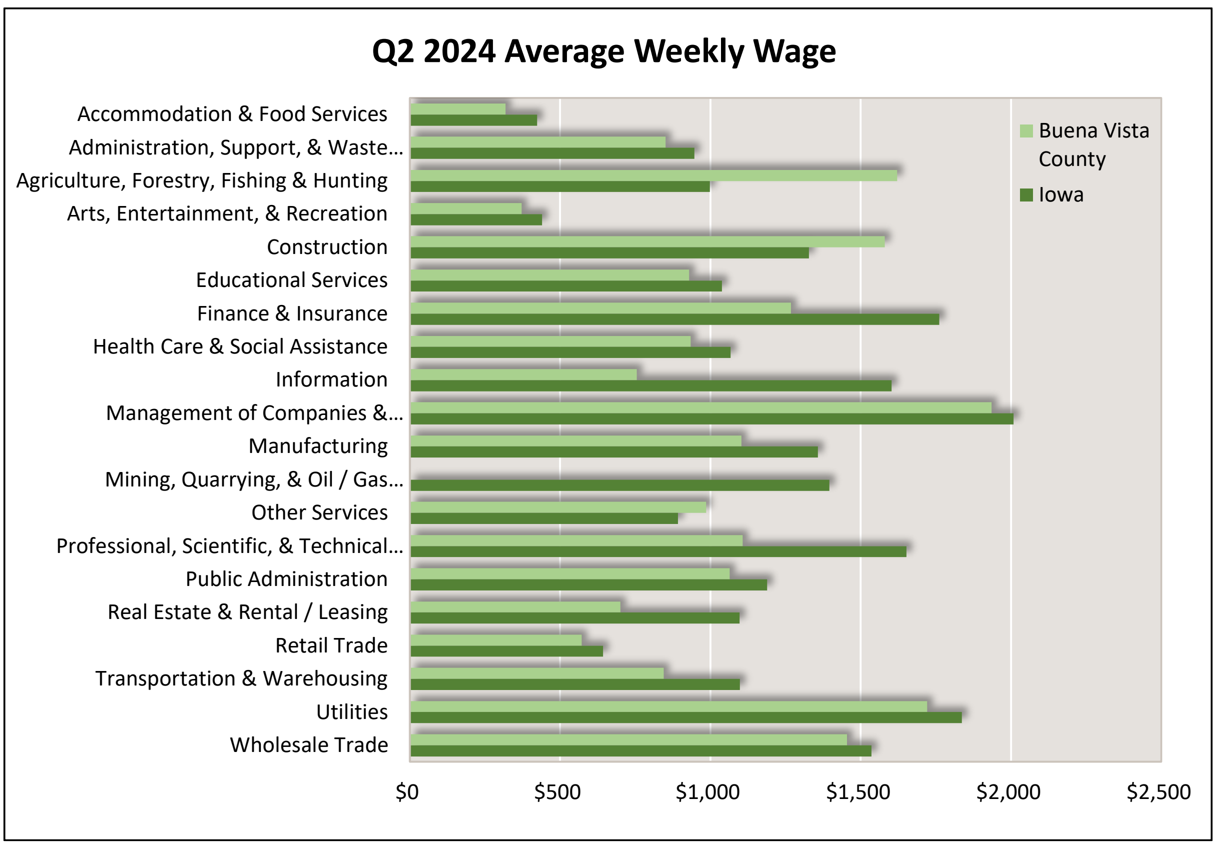
- At $989, the average weekly wage across all industries in Buena Vista County is 12% lower than Iowa ($1,118). However, wages were higher in the *Agriculture, Forestry, Fishing, & Hunting* sector ($623 higher) and the *Construction* sector ($253 higher) in Buena Vista County compared to Iowa.

TABLE E-3
QUARTERLY CENSUS OF EMPLOYMENT AND WAGES
BUENA VISTA COUNTY
Q2 2023 AND Q2 2024

Industry	Q2 2023			Q2 2024			Change Q2 2023 - Q2 2024			
	Establish-ments	Employ-ment	Weekly Wage	Establish-ments	Employ-ment	Weekly Wage	Employment #	Employment %	Wage #	Wage %
Buena Vista County										
Total, All Industries	**624**	**11,111**	**$959**	**611**	**10,751**	**$989**	**-360**	**-3.2%**	**$30**	**3.2%**
Accommodation & Food Services	41	756	$319	43	764	$318	8	1.1%	($1)	-0.3%
Administration, Support, & Waste Mgmt.	21	251	$831	23	269	$851	18	7.2%	$20	2.4%
Agriculture, Forestry, Fishing & Hunting	37	448	$1,064	37	429	$1,621	-19	-4.2%	$557	52.3%
Arts, Entertainment, & Recreation	9	55	$344	8	55	$372	0	0.0%	$28	8.1%
Construction	55	564	$1,449	52	415	$1,580	-149	-26.4%	$132	9.1%
Educational Services	21	1,377	$876	20	1,386	$929	9	0.7%	$53	6.1%
Finance & Insurance	47	260	$1,229	43	261	$1,268	1	0.4%	$39	3.2%
Health Care & Social Assistance	64	1,123	$902	60	1,064	$934	-59	-5.3%	$32	3.6%
Information	8	57	$668	9	49	$755	-8	-14.0%	$88	13.2%
Management of Companies & Enterprises	4	21	$1,863	4	22	$1,935	1	4.8%	$73	3.9%
Manufacturing	28	3,814	$1,103	29	3,645	$1,103	-169	-4.4%	($0)	0.0%
Mining, Quarrying, & Oil / Gas Extraction	--	--	--	0	--	--	--	--	--	--
Other Services	35	141	$927	32	131	$985	-10	-7.1%	$58	6.3%
Professional, Scientific, & Technical Services	40	212	$1,013	38	207	$1,107	-5	-2.4%	$94	9.3%
Public Administration	29	393	$1,071	30	414	$1,064	21	5.3%	($7)	-0.6%
Real Estate & Rental / Leasing	18	56	$802	17	50	$701	-6	-10.7%	($101)	-12.6%
Retail Trade	87	1,124	$581	86	1,132	$572	8	0.7%	($9)	-1.6%
Transportation & Warehousing	35	132	$852	36	141	$845	9	6.8%	($7)	-0.9%
Utilities	7	58	$1,772	6	63	$1,722	5	8.6%	($50)	-2.8%
Wholesale Trade	38	269	$1,442	38	254	$1,454	-15	-5.6%	$12	0.8%
Iowa										
Total, All Industries	**111,216**	**1,568,421**	**$1,082**	**112,003**	**1,579,563**	**$1,118**	**11,142**	**0.7%**	**$36**	**3.3%**
Accommodation & Food Services	7,306	122,937	$412	7,415	125,109	$423	2,172	1.8%	$11	2.7%
Administration, Support, & Waste Mgmt.	6,162	66,601	$927	6,312	65,155	$947	-1,446	-2.2%	$20	2.2%
Agriculture, Forestry, Fishing & Hunting	2,789	20,448	$958	2,814	20,873	$998	425	2.1%	$41	4.2%
Arts, Entertainment, & Recreation	1,562	23,457	$418	1,558	24,598	$440	1,141	4.9%	$22	5.2%
Construction	9,823	87,579	$1,285	9,674	90,002	$1,327	2,423	2.8%	$42	3.3%
Educational Services	3,034	153,315	$1,008	3,118	154,352	$1,039	1,037	0.7%	$31	3.1%
Finance & Insurance	7,376	93,946	$1,645	7,453	92,216	$1,761	-1,730	-1.8%	$116	7.0%
Health Care & Social Assistance	12,875	222,978	$1,044	13,066	227,989	$1,067	5,011	2.2%	$23	2.2%
Information	2,660	18,954	$1,421	2,643	18,293	$1,603	-661	-3.5%	$181	12.8%
Management of Companies & Enterprises	1,709	24,236	$1,987	1,929	25,690	$2,008	1,454	6.0%	$21	1.1%
Manufacturing	4,254	226,506	$1,308	4,257	224,960	$1,358	-1,546	-0.7%	$50	3.8%
Mining, Quarrying, & Oil / Gas Extraction	200	2,303	$1,364	191	2,264	$1,395	-39	-1.7%	$32	2.3%
Other Services	7,628	41,004	$858	7,597	41,396	$892	392	1.0%	$34	4.0%
Professional, Scientific, & Technical Services	12,281	57,932	$1,601	12,544	58,700	$1,652	768	1.3%	$51	3.2%
Public Administration	3,086	70,329	$1,144	3,188	71,895	$1,189	1,566	2.2%	$45	3.9%
Real Estate & Rental / Leasing	3,909	14,644	$1,048	3,842	14,677	$1,097	33	0.2%	$49	4.7%
Retail Trade	11,144	173,557	$636	11,135	173,849	$643	292	0.2%	$6	1.0%
Transportation & Warehousing	5,090	72,351	$1,061	4,995	71,723	$1,098	-628	-0.9%	$37	3.5%
Utilities	571	7,442	$1,798	556	7,633	$1,836	191	2.6%	$38	2.1%
Wholesale Trade	7,757	67,902	$1,506	7,716	68,189	$1,536	287	0.4%	$30	2.0%

Sources: Iowa Workforce Development; Maxfield Research & Consulting


Q2 2024 Employment: % of Total
Accommodation & Food Services
Administration, Support, & Waste...
Agriculture, Forestry, Fishing & Hunting
Arts, Entertainment, & Recreation
Construction
Educational Services
Finance & Insurance
Health Care & Social Assistance
Information
Management of Companies &...
Manufacturing
Mining, Quarrying, & Oil / Gas...
Other Services
Professional, Scientific, & Technical...
Public Administration
Real Estate & Rental / Leasing
Retail Trade
Transportation & Warehousing
Utilities
Wholesale Trade
0.0%
5.0%
10.0%
15.0%
20.0%
25.0%
30.0%
35.0%
40.0%
Buena Vista County
Iowa


Q2 2024 Average Weekly Wage
Accommodation & Food Services
Administration, Support, & Waste...
Agriculture, Forestry, Fishing & Hunting
Arts, Entertainment, & Recreation
Construction
Educational Services
Finance & Insurance
Health Care & Social Assistance
Information
Management of Companies &...
Manufacturing
Mining, Quarrying, & Oil / Gas...
Other Services
Professional, Scientific, & Technical...
Public Administration
Real Estate & Rental / Leasing
Retail Trade
Transportation & Warehousing
Utilities
Wholesale Trade
$0
$500
$1,000
$1,500
$2,000
$2,500
Buena Vista County
Iowa

Commuting Patterns

Table E-4 highlights the commuting patterns, including distance and destination, of workers in the City of Storm Lake based on data from the U.S. Census Bureau Local Employment Dynamics data. Home Destination summarizes where workers live who are employed in the City, while Work Destination represents where workers are employed who live in the City.

- As the table illustrates, about 17% of the City of Storm Lake residents commuted to jobs outside the City, 2.6% commuted to jobs in Sioux City (134 employees), 1.6% commuted to jobs in Holstein (81 employees), and 1.5% commuted to jobs in Spencer (76 employees).

- Of the people who work in Storm Lake, 40% live in Storm Lake. The remaining 60% of the workers are commuting from mostly Alta (5.1%), Lakeside (2.9%), and Des Moines (1.6%).

- An estimated 54% of the workers in Storm Lake reside within ten miles of their place of employment while 13% travel from 10 to 24 miles. Roughly 8% of the workers commute from 25 to 50 miles and another 25% come from more than 50 miles away.

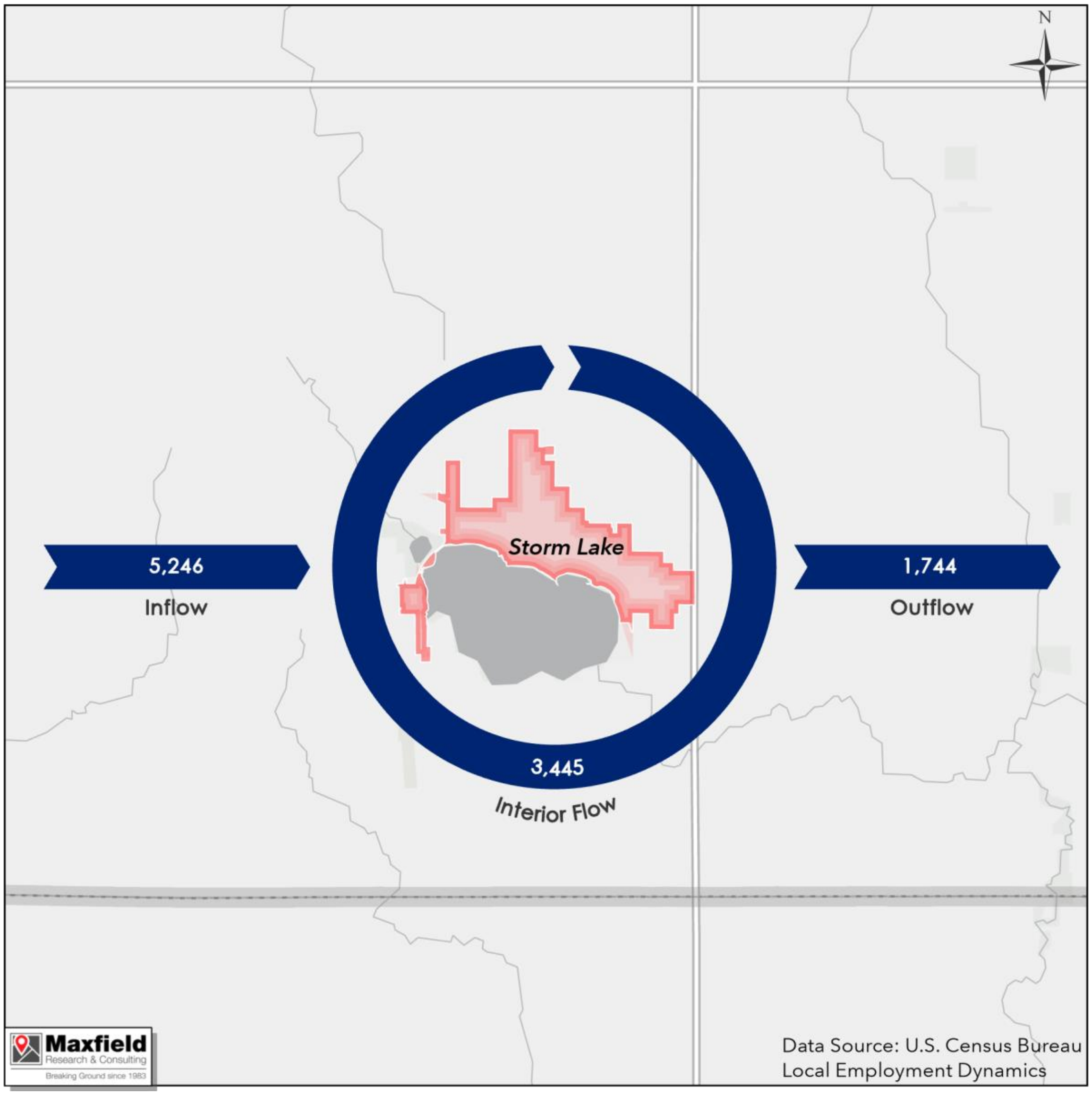
TABLE E-4
COMMUTING PATTERNS
CITY OF STORM LAKE
2022

Home Destination			Work Destination		
Place of Employment	**Count**	**Share**	**Place of Residence**	**Count**	**Share**
Storm Lake, IA	3,445	39.6%	Storm Lake, IA	3,445	66.4%
Alta, IA	443	5.1%	Sioux City, IA	134	2.6%
Lakeside, IA	252	2.9%	Holstein, IA	81	1.6%
Des Moines, IA	138	1.6%	Spencer, IA	76	1.5%
Newell, IA	136	1.6%	Laurens, IA	60	1.2%
Sioux City, IA	133	1.5%	Sioux Falls, SD	57	1.1%
Cherokee, IA	122	1.4%	Cherokee, IA	53	1.0%
Spencer, IA	107	1.2%	Alta, IA	40	0.8%
Omaha, NE	104	1.2%	Waterloo, IA	35	0.7%
Fort Dodge, IA	86	1.0%	West Des Moines, IA	33	0.6%
All Other Locations	3,725	42.9%	All Other Locations	1,175	22.6%
Distance Traveled			Distance Traveled		
Total Primary Jobs	8,691	100.0%	Total Primary Jobs	5,189	100.0%
Less than 10 miles	4,671	53.7%	Less than 10 miles	3,535	68.1%
10 to 24 miles	1,114	12.8%	10 to 24 miles	409	7.9%
25 to 50 miles	688	7.9%	25 to 50 miles	228	4.4%
Greater than 50 miles	2,218	25.5%	Greater than 50 miles	1,017	19.6%

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: U.S. Census Bureau Local Employment Dynamics, Maxfield Research & Consulting

- The City of Storm Lake can be considered an importer of workers, as the number of residents coming into the City (inflow) for employment was more than the number of residents leaving the City for work (outflow). Approximately 5,246 workers came into the City of Storm Lake for work while 1,744 workers left, for a net difference of 3,502.

Inflow/Outflow Analysis – City of Storm Lake



Major Employers

Table E-5 shows the major employers in Storm Lake based on data provided the City of Storm Lake. Please note that the table is not a comprehensive list of all employers and presents a selected list of employers and their employees.

- Tyson Foods is the largest identified employer in the area with approximately 3,070 employees between their Fresh Pork and Poultry divisions. Tyson Foods employees account for approximately 66% of surveyed major employers presented in the table.

- The list of major employers represents several industry sectors, but the highest concentrations of large employers in the area are in the food production, education, healthcare, and manufacturing sectors.

- The education sector employs approximately 685 people, accounting for 15% of surveyed major employers, while healthcare employs 385 people (8.3%).

TABLE E-5
MAJOR EMPLOYERS
CITY OF STORM LAKE
2024

Name	Industry/Sector	Approximate Total Employee Size
Tyson Foods	Food Production	3,070
Buena Vista Regional Medical Center	Healthcare	385
Storm Lake Community School	Education	365
Buena Vista University	Education	320
King's Pointe Waterpark & Resort	Lodging	200
Meridian Manufacturing	Manufacturing	130
Harvest International	Manufacturing	120
Merrill Manufacturing	Manufacturing	65
Major Employers Total		**4,655**

Source: City of Storm Lake; Maxfield Research & Consulting

Major Employers Survey

Maxfield Research surveyed a small sample of larger employers in Storm Lake in December 2024. Employers were asked their opinion about issues related to housing in the area. Community economic development information provides useful job growth data and assists in identifying housing demand in an area. The following summarizes key points derived from the surveys.

- Many employers felt that employees who own or are in the market to purchase a home are able to find adequate housing. However, employers stated that there is a lack of available quality rental housing in Storm Lake and that it impacts their ability to attract or retain employees. Additionally, employers noted that if a perspective employee's family is coming along to look for housing before they relocate, that there aren't larger rentals available that can satisfy the entire family (three or more bedroom type of units).

- Employers identified that employees will commute to work in Storm Lake from all over the region, including areas in a 60 mile radius around Storm Lake. Specific areas employers mentioned include: Alta, Carroll, Fort Dodge, and Spencer.

- When asked if there is a need for additional housing, all respondents answered that there is a need for additional housing. Employers identified the need for more entry-level for-sale housing priced at $115,000, as well as move-up homes priced between $150,000 and $250,000. For rental housing, employers mentioned that quality rentals that are affordable, primarily in the $650 to $900 range, are in need for singles or married couples seeking to rent.

Employment Comparison to Peer Cities

Table E-6 provides a employment summary comparison for Storm Lake and select peer cities. With the guidance of Storm Lake city staff, the communities in the table were identified as peer cities, which was based on their population or are located within a relatively close proximity.

- The City of Storm Lake had the second largest inflow (50%). Sioux Center (52%) had the highest inflow among peer cities, while Carroll (44%) had the lowest.

- Storm Lake had the lowest outflow of employment, as only 17% of employees commuted outside of Storm Lake for employment. By comparison, Carroll (30%) had the highest outflow.

- Among employees earning $3,333 per month or more, Storm Lake ranked highest, as 59% of those employed in Storm Lake earn $3,333 per month or more. Spencer ranked last, as only 49% those employed in there earn $3,333 per month or more.

TABLE E-6
EMPLOYMENT SUMMARY
PEER CITIES COMPARISON
2022

	Storm Lake	Carroll	Fort Dodge	Le Mars	Sioux Center	Spencer
Employment Summary						
Employment Inflow / Outflow						
Inflow	5,246 | 50%	4,054 | 44%	8,310 | 45%	5,462 | 48%	4,521 | 52%	4,653 | 46%
Outflow	1,744 | 17%	2,767 | 30%	4,891 | 27%	3,045 | 26%	2,085 | 24%	2,608 | 26%
Interior Flow	3,445 | 33%	2,407 | 26%	5,206 | 28%	2,990 | 26%	2,007 | 23%	2,839 | 28%
Employment by Age[1]						
Workers Aged 29 or younger	1,334 | 26%	1,220 | 24%	2,588 | 26%	1,521 | 25%	1,159 | 28%	1,281 | 24%
Workers Aged 30 to 54	2,691 | 52%	2,554 | 49%	5,083 | 50%	3,102 | 51%	2,021 | 49%	2,758 | 51%
Workers Aged 55 or older	1,164 | 22%	1,400 | 27%	2,426 | 24%	1,412 | 23%	912 | 22%	1,408 | 26%
Employment by Earnings[1]						
$1,250 per month or less	884 | 17%	1,266 | 24%	2,185 | 22%	1,272 | 21%	1,025 | 25%	1,282 | 24%
$1,251 to $3,333 per month	1,249 | 24%	1,293 | 25%	2,745 | 27%	1,302 | 22%	874 | 21%	1,515 | 28%
More than $3,333 per month	3,056 | 59%	2,615 | 51%	5,167 | 51%	3,461 | 57%	2,193 | 54%	2,650 | 49%

[1] Figures are shown for those employed in each city.

Source: U.S. Census Bureau Local Employment Dynamics; Maxfield Research & Consulting

Rental Housing Analysis

For purposes of our analysis, rental properties are classified rental projects into two groups, general occupancy and senior (age-restricted). All senior properties are included in the *Senior Housing Analysis* section of this report. The general occupancy rental properties are divided into three groups: market rate (those without income restrictions); affordable or shallow-subsidy housing (those receiving tax credits or another type of shallow-subsidy and where there is a quoted rent for the unit and a maximum income that cannot be exceeded by the tenant); and subsidized or deep-subsidy properties (those with income restrictions at 30% or less of AMI where rental rates are based on 30% of their gross adjusted income).

Overview of Rental Market Conditions

The following table shows estimated vacancy rates and median contract rental rates from the American Community Survey (ACS). This vacancy estimate is often higher than what is found in apartment buildings as other types of rentals are included (i.e. vacant single-family rental properties).

The Census' definition of a vacant housing unit includes units that were listed for sale or for rent at the time of the Census survey, units that have been rented or sold but were not yet occupied, seasonal housing (vacation or second homes), and "other" vacant housing. Other vacant housing units include housing for migratory workers, housing units held for occupancy of a caretaker, and units in the foreclosure process. Contract rent is the monthly rent agreed to regardless of any utilities, furnishings, fees, or services that may be included.

- Over the past five ACS periods (2018 to 2022), Storm Lake has averaged 7.8% vacancy, which was lower than in Buena Vista County (8.2%), but higher than in Iowa (6.4%).

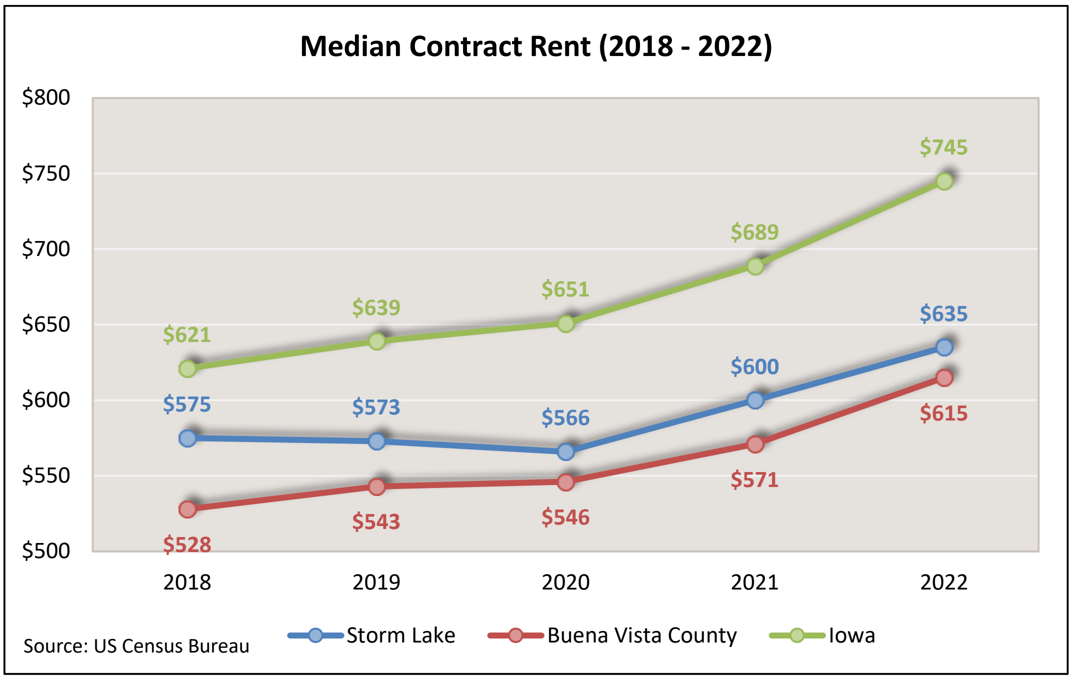
- Median contract rents experienced strong growth in Storm Lake between the 2018 ACS and the 2022 ACS periods, including a 10% increase in the City of Storm Lake from $575 in 2018 to $635 in 2022.

- By comparison, the median contract rent in Storm Lake ($635) was 3.2% higher than the median contract rent in Buena Vista County ($615) and 16% lower than in Iowa ($745) in 2022.

TABLE R-1
RENTAL HOUSING VACANCY & CONTRACT RENT ESTIMATES
PRIMARY MARKET AREA
2018 - 2022

	2018	2019	2020	2021	2022
Vacancy					
Storm Lake	4.9%	8.3%	7.9%	8.7%	9.4%
Buena Vista County	4.4%	6.7%	8.2%	10.7%	10.9%
Iowa	6.5%	6.5%	6.5%	6.4%	6.0%
Monthly Rent					
Storm Lake	$575	$573	$566	$600	$635
Buena Vista County	$528	$543	$546	$571	$615
Iowa	$621	$639	$651	$689	$745

Note: Rent equals median contract rent
Sources: US Census Bureau - American Community Survey; Maxfield



Multifamily Rental Housing Inventory

Maxfield Research and Consulting identified and surveyed larger multifamily rental properties of eight or more units in Storm Lake, IA. Table R-2 summarizes unit mix, sizes, and rents among the inventoried multifamily affordable and market rate general-occupancy housing developments in Storm Lake. Information on the inventoried subsidized properties in not included in Table R-2 as monthly rents are calculated from each resident's monthly income.

Our research of Storm Lake's multifamily general-occupancy rental market included an inventory of 17 apartment properties in November and December 2024. These projects represent a combined total of 484 units, including 250 market rate units, 146 affordable units, and 88 subsidized units. Overall, there were a total of nine vacancies, resulting in a vacancy rate of 1.9% at the time of our survey. This vacancy rate is well below the industry standard of 5% for a stabilized rental market, which promotes competitive rates, ensures adequate choice, and allows for unit turnover.

Although we were able to contact and obtain up-to-date information on the majority of rental properties, there were a few projects that chose not to participate in this survey or were unable to reach and had to rely on information from third party sources.

Storm Lake, IA General-Occupancy Multifamily Rental Properties

No.	Property Name	Address	City	Year Built	No. of Units	Property Type
1	Paradise Park Apts.	607 W 9th St	Storm Lake	1980 / 1982	60	Subsidized
2	Storm Lake Apts.	523 Russell St & 524 Oates	Storm Lake	1980	28	Subsidized
3	Tenth St Townhomes	500 W 10th St	Storm Lake	2014	42	Affordable
4	The Reserves at Storm Lake	1500 Seneca St	Storm Lake	2013	32	Affordable
5	Seneca Place Apts.	1405 Seneca St	Storm Lake	1996	48	Affordable
6	North Park Apts.	1724 E Milwaukee Ave	Storm Lake	1984	24	Affordable
7	Tulip Lane Apts.	1716 & 1717 Tulip Ln	Storm Lake	1983 / 1999	24	Market Rate
8	North Erie Apts.	1322, 1328, 1334 Erie St	Storm Lake	1998	18	Market Rate
9	RJM Apts. (Holly Heights)	1800 E Milwaukee Ave	Storm Lake	1997	32	Market Rate
10	MGN Apts.	914 E Milwaukee Ave	Storm Lake	1985	12	Market Rate
11	510 E 6th St Apts.	510 E 6th St	Storm Lake	1976	11	Market Rate
12	801 Erie St Apts.	801 Erie St	Storm Lake	1976	8	Market Rate
13	RJM Apts. West	1520 W 5th St	Storm Lake	1971	30	Market Rate
14	Wilshire Arms Apts.	1811 W 5th St	Storm Lake	1965 / 1968	32	Market Rate
15	East 10th Apts.	111 E 10th St	Storm Lake	1948	12	Market Rate
16	Cayuga Apts.	401 Cayuga St	Storm Lake	1937	30	Market Rate
17	South School Apts.	310 Cayuga St	Storm Lake	1928	41	Market Rate
		Subsidized - Median / Total		**1980**	**88**	
		Affordable - Median / Total		**2005**	**146**	
		Market Rate - Median / Total		**1976**	**250**	

Rental Housing Properties – Storm Lake

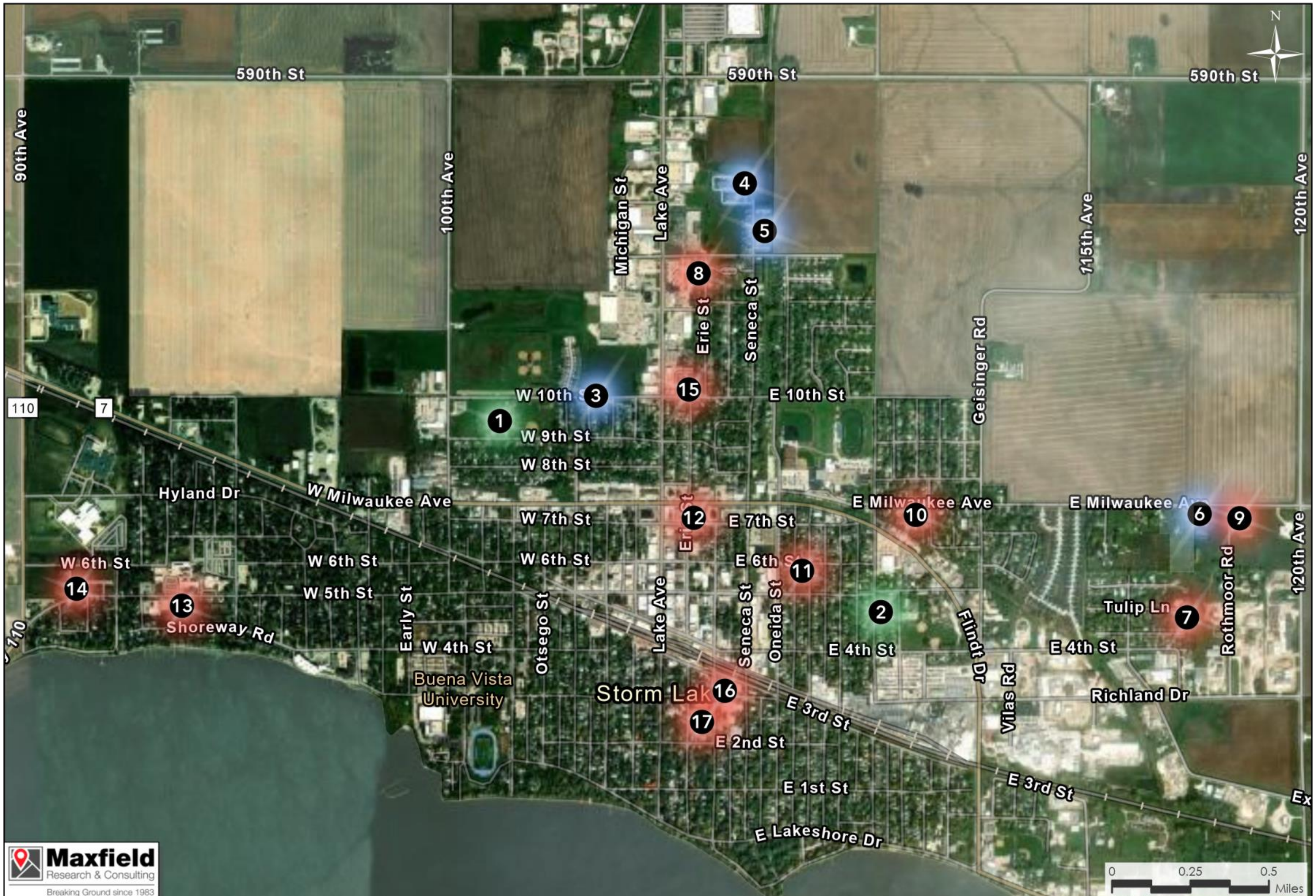


TABLE R-2
RENTAL SURVEY SUMMARY
CITY OF STORM LAKE
NOVEMBER / DECEMBER 2024

Unit Type	Unit Mix Pct.	Avg. Size (Sq. Ft.)	Rent Range Low	Rent Range High	Rent Avg.	Avg. Rent/Sq. Ft.
AFFORDABLE PROPERTIES						
1BR	16%	586	$725	- $750	$738	$1.26
2BR	44%	975	$715	- $875	$820	$0.84
3BR	36%	1,461	$913	- $1,054	$903	$0.62
4BR	4%	1,982	$601	- $1,113	$1,013	$0.51
Total	**100.0%**	**1,126**	**$601**	**- $1,113**	**$844**	**$0.75**
MARKET RATE PROPERTIES						
1BR	54%	635	$585	- $790	$676	$1.07
2BR	38%	861	$800	- $850	$832	$0.97
3BR	8%	932	$975	- $985	$978	$1.05
Total	**100.0%**	**744**	**$585**	**- $985**	**$760**	**$1.02**

Note: Table includes data from rental properties that provided complete rental information

Source: Maxfield Research and Consulting

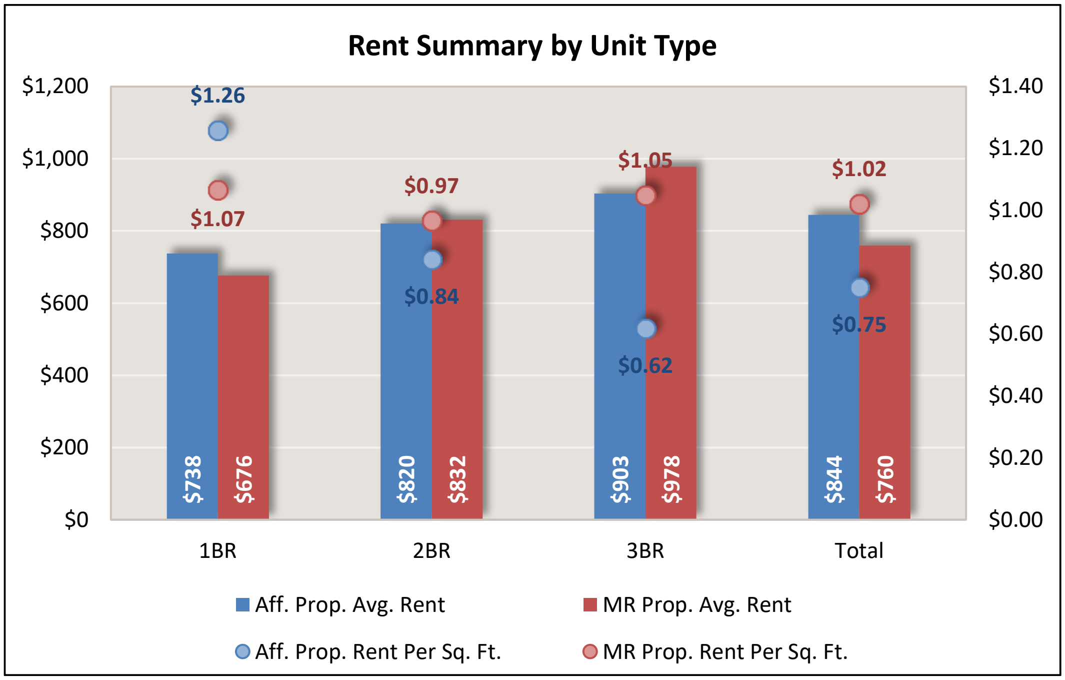
- The overall average rent for the surveyed affordable units was $844/month. Monthly averages ranged from a low of $738 for one-bedroom units to a high of $1,013 for four-bedroom units. On a rent per square foot (PSF) basis, the overall average was $0.75 and ranged from $0.51 PSF for four-bedroom units to a high of $1.26 PSF for one-bedroom units.

- For the surveyed market rate units, the overall average rent was $760/month. Monthly averages ranged from a low of $676 for one-bedroom units to a high of $978 for three-bedroom units. On a rent per square foot (PSF) basis, the overall average was $1.02 and ranged from $0.97 PSF for two-bedroom units to a high of $1.07 PSF for one-bedroom units.

- As depicted in Table R-2, the overall average rent for affordable units is higher than the overall average rent for market rate units. This is primarily attributed to amount of newer affordable rental stock and that most of the market rate rental stock is older. The median year built for affordable properties is 2005 while the median year built for market rate properties is 1976. The rent levels at the two newest affordable properties (*Tenth Street Townhomes* and *The Reserve at Storm Lake*) are higher than most rents at the market rate properties.

- Although the average rents are higher among the affordable properties when compared to the market rate properties, the rent PSF averages are lower at affordable properties. This is related to larger unit sizes at the affordable properties. Affordable properties have an average unit size of 1,126 square feet, while market rate properties have an average unit size of 744 square feet.

- The surveyed properties offer residents limited features and amenities. Many properties offered limited kitchen appliance package (refrigerator, stove, and disposal), common area laundry facilities, balconies/patios, and picnic areas. Most properties offered surface parking and many properties had attached or detached garages as well.



Select general occupancy rental projects – Storm Lake, IA

The Reserves at Storm Lake
1500 Seneca St

Wilshire Arms Apartments
1811 W 5th St

Paradise Park Apartments
607 W 9th St

Tenth Street Townhomes
500 W 10th St

Seneca Place Apartments
1405 Seneca St

MGN Apartments
914 E Milwaukee Ave

Single-Family Home Rentals

- Single-family home rentals are a popular rental option in the City of Storm Lake and throughout Buena Vista County. Table HC-3 in the Housing Characteristics section shows housing units by structure in 2024. The table shows approximately 18% of all renter-occupied housing units in Storm Lake are single-family detached homes.

- Kading Properties recently completed a multi-phase detached and attached single-family home development near the intersection of East Milwaukee Avenue and Chloe Lane. This development includes a total of 170 three-bedroom units and currently rent for $995/mo. and are approximately 1,008 square feet in size.

Rental Property Ordinance

- In 1999, the City of Storm Lake implemented the Rental Housing Inspection Program. This program helps improve the quality of housing and appearance of the community. This program monitors all rental properties and assures that they adhere to minimum standards. This program benefits landlords and tenants alike, as it will keep rental properties safe and sanitary and increase property value. All rental properties within the City of Storm Lake must adhere to the adopted building codes of Chapter 5-8. This includes all residential units, including single family homes, duplexes, apartments, rural houses or condominiums.

Senior Housing Analysis

This section provides an assessment of the market support for senior housing, including a review of demographic and economic characteristics of the senior population along with information on senior housing facilities in Storm Lake. The senior housing inventory includes affordable and market rate active adult properties, as well as service-enhanced facilities that provide independent living, assisted living, and/or memory care services. Data on the senior housing facilities was collected in December 2024. Topics covered in this section of the analysis include.

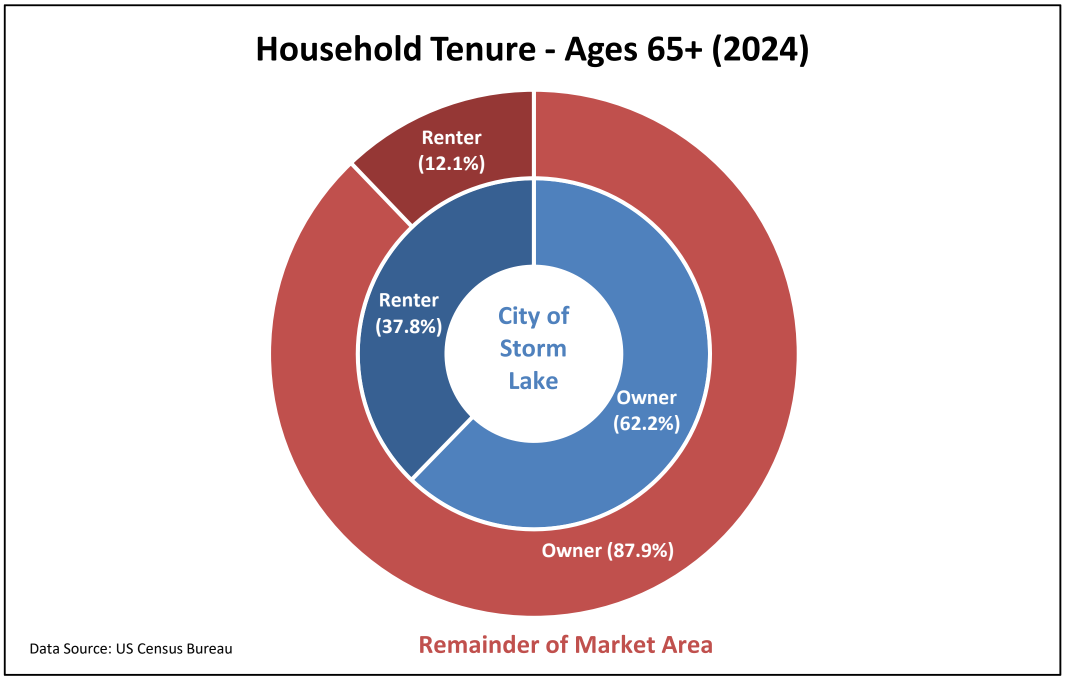
- An overview of older adult and senior demographic characteristics in the Market Area
- A definition of senior housing product types
- Detailed information on senior housing facilities in Storm Lake

Secondary data resources utilized for this analysis include the U.S Census Bureau Decennial Census and American Community Survey ("ACS"), along with ESRI and the Iowa State Data Center. Information from Care Options Network and the Health Care Provider Directory from the Iowa Department of Health and Human Services was also referenced.

Older Adult and Senior Demographic Trends

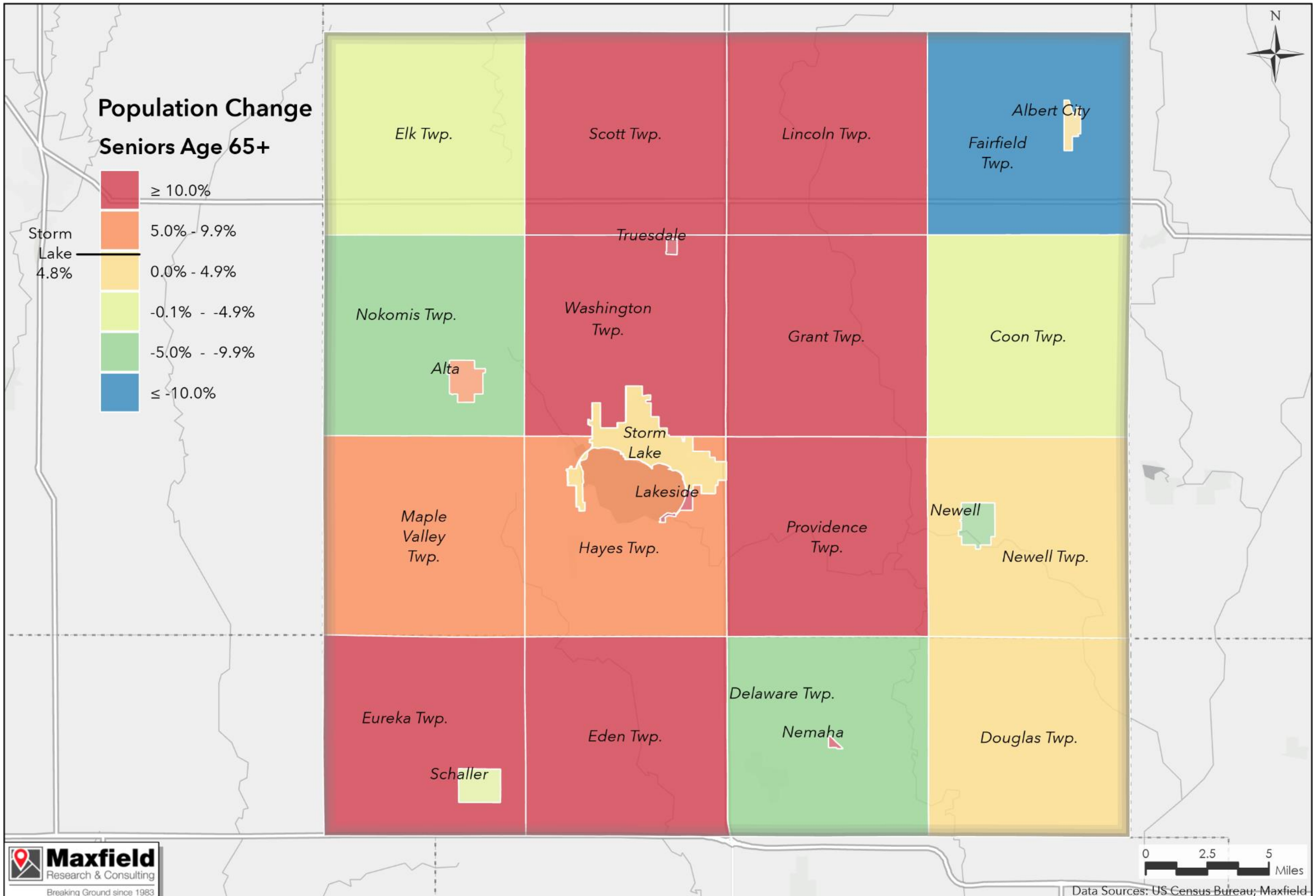
The following points and graphics summarize demographic trends as they pertain to the older adult and senior population in Storm Lake and the Market Area. More detailed information regarding demographic characteristics in the Market Area can be found in the **Demographic Analysis** section of this report.

- Seniors typically begin to consider moving into senior housing alternatives in their early to mid-70s. As illustrated in the following chart, 38% of senior households age 65 or over rent in the City of Storm Lake, while only 12% rent in the Remainder of the Market Area. It is not uncommon for many seniors to remain in their single-family homes for extended periods of time, which may be due to lack of suitable senior housing alternatives and/or affordability challenges for those on fixed incomes.



- Between 2010 and 2020, the senior population ages 65+ grew by 64 people (4.8%) in Storm Lake, while the PMA grew by 253 people (8.6%). As depicted in the map on the following page, the primary source of senior growth occurred in many of the townships surrounding Storm Lake. As the older adult and senior population continues to age, expanded senior housing options in the City of Storm Lake could help keep these seniors remain in the local area and could reduce the possibility of displacement.

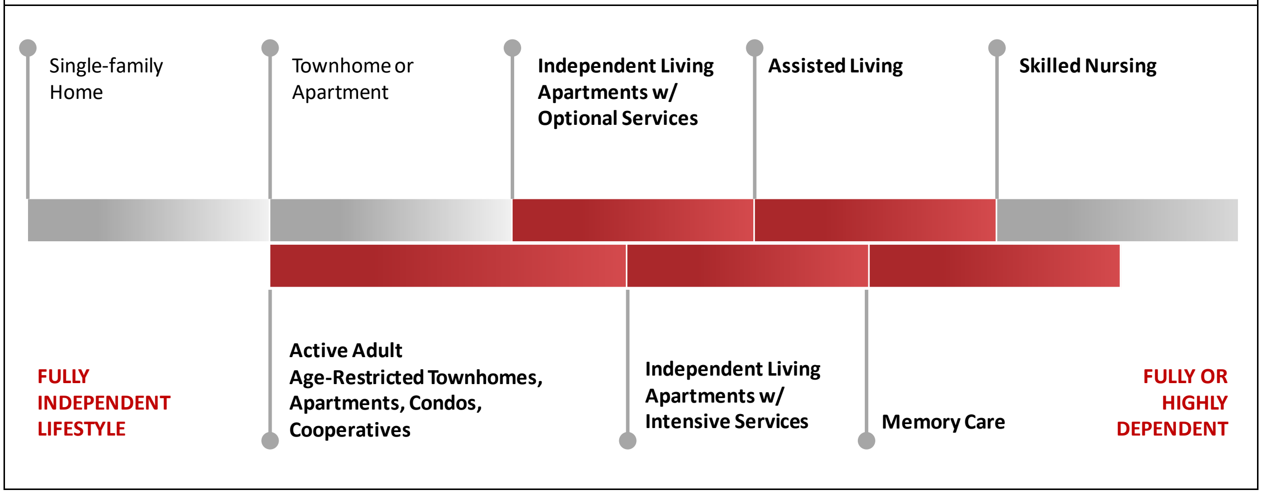
Senior Population (65+) Percent Change (2010 – 2020)



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.

FIGURE 1
CONTINUUM OF HOUSING AND SERVICES FOR SENIORS



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 ages 65 and over while assisted living typically attracts people ages 80 and older who need assistance with activities of daily living (ADLs).

For analytical purposes, Maxfield Research and Consulting classifies senior housing into five primary categories based on the level and type of services offered as described in the figure on the following page.

Facilities referred to as “catered living” offer a flexible living arrangement where residents can live independently and purchase assisted living services as needed without relocating to a unit specifically designated for independent living or assisted living.

Active Adult
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.
Independent Living
Independent Living 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 often dedicate a larger share of the building to common areas, because units are smaller than in active adult housing and to encourage socialization. Independent living properties attract a slightly older target market than adult housing (i.e. seniors age 75 or older). Rents are also above those of active adult buildings. Sponsorship by a nursing home, hospital or health care organization is common.
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 health situation), who need 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 staff on duty 24 hours per day or at least 24-hour emergency response.
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 addresses housing needs almost exclusively for widows or widowers, a higher proportion of persons afflicted with Alzheimer's disease are in two-person households. That means the decision to move a spouse into a memory care facility involves the caregiver's concern of incurring the costs of health care at a special facility while continuing to maintain their home.
Skilled Nursing Care
Skilled Nursing Care, or long-term care, provides a living arrangement that integrates shelter and food with medical, nursing, psychosocial and rehabilitation services for persons who require 24-hour nursing supervision. Residents in skilled nursing homes can be funded under Medicare, Medicaid, Veterans, HMOs, insurance as well as use of private funds.

Senior Housing Inventory

As of November / December 2024, Maxfield Research identified four senior housing developments in the City of Storm Lake. Combined, these projects contain a total of 186 units. Tables S-1 provides information on these senior housing properties. Information in the tables include address, year built, and number of units by service-level.

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.

- There are a total of 106 income-restricted senior units across two properties (*Lakeview Manor* and *Storm Lake Senior Housing*). Both of these communities offer common area laundry facilities, community rooms, and full kitchens in each apartment.

- Though senior subsidized/affordable properties do not offer services like daily meals and housekeeping, services can be contracted through separate agencies like Elderbridge Aging Agency and Buena Vista County Public Health and Homemakers.

Independent Living

- *Methodist Manor - Lake Pointe Villa*, the sole independent living property in Storm Lake, offers one-bedroom and two-bedroom units, combining for a total of 38 units.

- *Methodist Manor - Lake Pointe Villa* includes a variety of features and services, such as a daily noon meal, light housekeeping, fireside lounge, craft and activities room, library, game room, fitness room, and barber shop/beauty salon.

Assisted Living

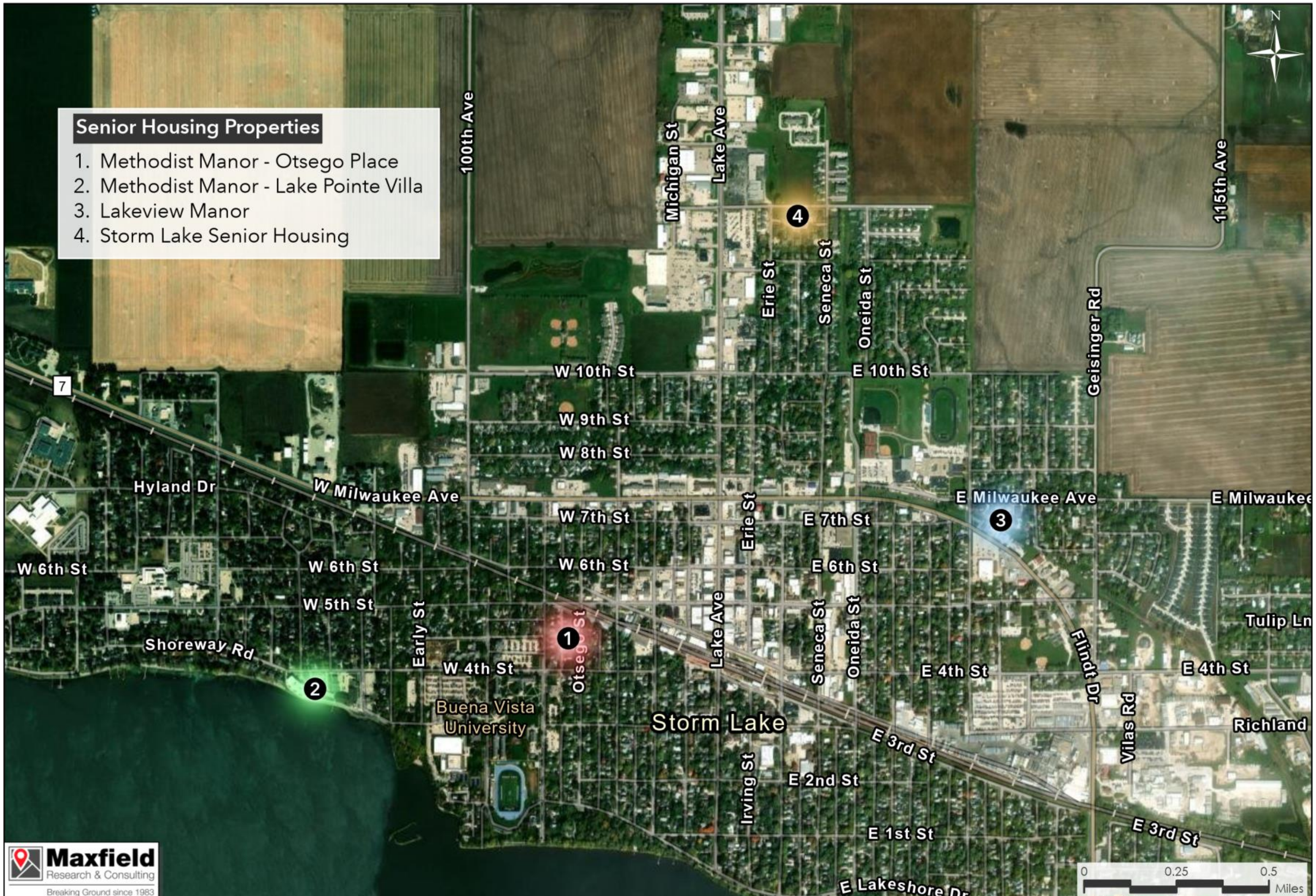
- Storm Lake has one assisted living facility (*Methodist Manor – Otsego Place*) with 42 total units. Services and amenities included at this community include three meals daily, weekly light housekeeping, laundry services, scheduled activities, wellness center, activity room, fireside lounge, barber shop/beauty salon, and 24-hour staffing.

TABLE S-1
SENIOR HOUSING DEVELOPMENTS
CITY OF STORM LAKE
NOVEMBER / DECEMBER 2024

Project	Address	City	Year Built	Aff. Act. Adult	Sub. Act. Adult	Ind. Living	Assisted Living	Memory Care	Total Units
Methodist Manor - Otsego Place	520 Otsego Pl	Storm Lake	2003	0	0	0	42	0	42
Methodist Manor - Lake Pointe Villa	1206 W 4th	Storm Lake	1998	0	0	38	0	0	38
Lakeview Manor	904 E Milwaukee Ave	Storm Lake	1989	0	24	0	0	0	24
Storm Lake Senior Housing	210 E 13th St	Storm Lake	1978	82	0	0	0	0	82
Total Units				**82**	**24**	**38**	**42**	**0**	**186**

Source: Maxfield Research & Consulting

Senior Housing Properties – Storm Lake



Select Senior Housing Projects - Storm Lake, IA

Methodist Manor – Lake Pointe Villa
1206 W 4th St

Methodist Manor – Otsego Place
520 Otsego Pl

Storm Lake Senior Housing
210 13th St E

Lakeview Manor
904 E Milwaukee Ave

For-Sale Housing Analysis

Maxfield Research & Consulting analyzed the for-sale housing market in Storm Lake by analyzing data on single-family and multifamily home sales, active listings, lot supply, and the actively marketing subdivisions in Storm Lake.

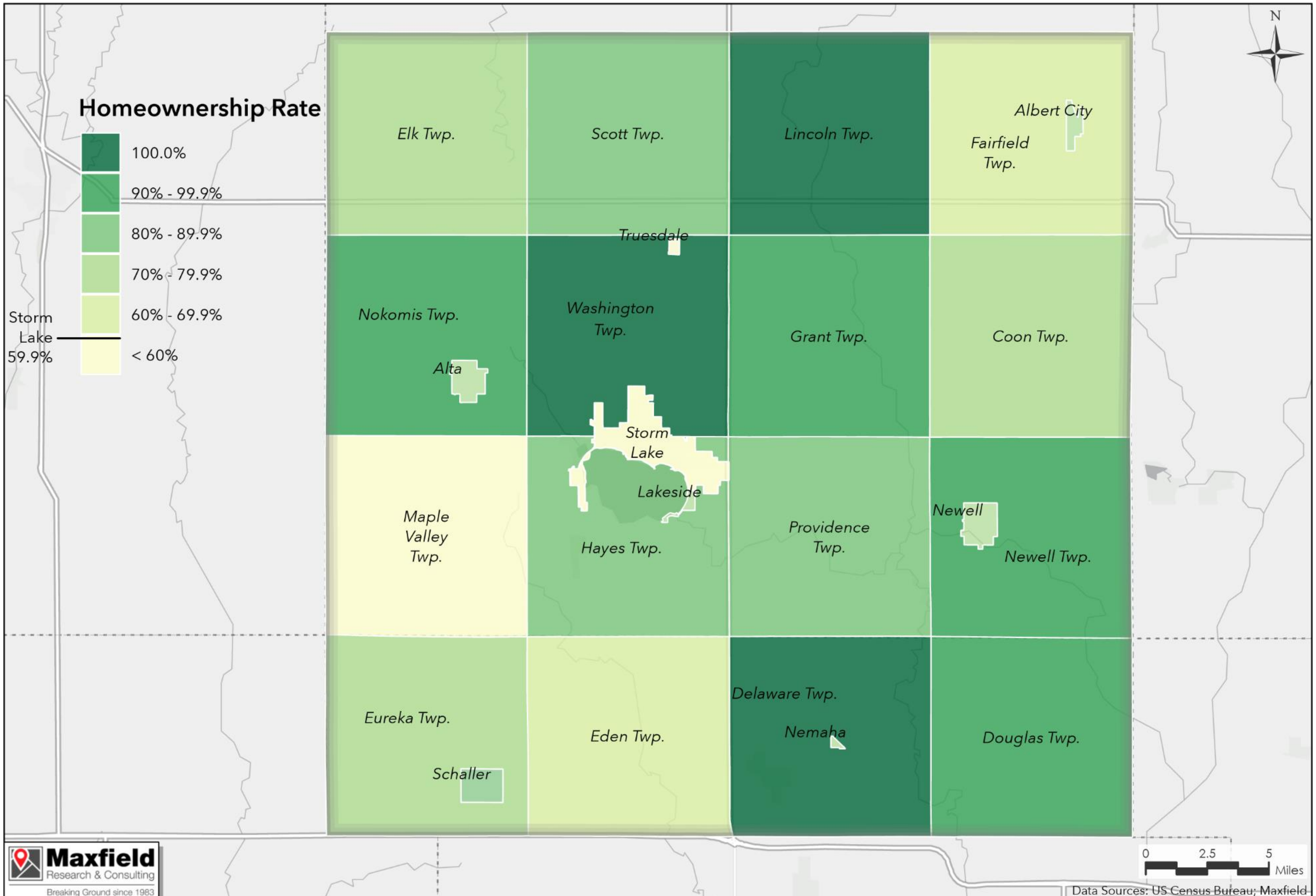
Market Area Homeownership Rates

The map on the following page shows the homeownership rate by market area geography in 2024. This data is useful in determining demand for certain types of housing since housing preferences change throughout an individual's life cycle.

- The higher homeownership rates in the PMA overall (70.2%) compared to the City of Storm Lake (59.9%) reflects the rural character of the area, where traditional agricultural land use and lack of infrastructure typically cannot support higher density rental housing. In addition, homeownership is more feasible in outlying rural areas because the cost of owning a single-family home is typically lower than in municipalities.

- Based on data provided from the U.S. Census Bureau, Delaware, Lincoln, and Washinton Townships have the highest homeownership rate as 100% of households owned their home. In contrast, Maple Vally Township has the lowest homeownership rate (45.5%). However, given the small number of households in this township, the homeownership rate is skewed more easily and reflects that roughly half of the households in this township are renters.

Household Homeownership Rate (2024) – Primary Market Area



Overview of For-Sale Housing Market Conditions

Table FS-1 presents home sales data on residential housing in Storm Lake from 2014 through 2024. The data was obtained from Buena Vista County and shows annual number of sales, median pricing, median square feet, and price per square foot (PSF) for all residential sales in Storm Lake. **Please note, data in this table is based on the address of the listing, which may include properties located outside of city boundaries.**

- Residential sales activity decreased slightly from 128 sales in 2014 to 115 sales in 2024, an decrease of 10%. During that same time period, median sales price increased $104,550 (116%), from $90,450 in 2014 to $195,000 in 2024.

- Between 2014 and 2019, there were an average of 136 closed sales in Storm Lake. While there were slightly fewer sales on average between 2020 and 2024 (129 sales), there was a spike in sales in 2020 and 2021, which can be attributed to the housing boom that coincided with COVID-19 and lower mortgage rates.

- The median sales price of closed sales increased by an average of 8.3% annually between 2014 and 2024. This has caused the price per square foot (PSF) average to increase from $75 PSF in 2014 to $152 PSF in 2024.

TABLE FS-1
RESIDENTIAL SALES TRENDS
CITY OF STORM LAKE
2014 - 2024

	Residential Sales					
	Closed Sales	% Change	Median Sale Price	% Change	Median Sq. Ft.	Price Per Sq. Ft. (PSF)
City of Storm Lake						
2014	128	--	$90,450	--	1,214	$75
2015	106	-17.2%	$103,500	14.4%	1,342	$77
2016	144	35.8%	$119,000	15.0%	1,354	$88
2017	132	-8.3%	$110,050	-7.5%	1,260	$87
2018	151	14.4%	$125,500	14.0%	1,248	$99
2019	155	2.6%	$134,900	7.5%	1,254	$99
2020	136	-12.3%	$135,000	0.1%	1,264	$105
2021	164	20.6%	$161,250	19.4%	1,362	$119
2022	115	-29.9%	$155,000	-3.9%	1,345	$123
2023	114	-0.9%	$170,000	9.7%	1,192	$148
2024	115	0.9%	$195,000	14.7%	1,313	$152
Change 2014 - '24	**-13**	**-10.2%**	**$104,550**	**115.6%**	**1,264**	**$99**

Sources: Buena Vista County; Maxfield Research & Consulting

Home Resales by Price Point

Table FS-2 shows the distribution of sales within seven price ranges from resales in 2024. The data was obtained from Buena Vista County. **Please note, data in this table is based on the address of the listing, which may include properties located outside of city boundaries.**

- About 10% of sales in Storm Lake sold in 2024 were priced under $100,000. Additionally, roughly 44% of homes were sold between $100,000 and $199,999. Combined, about 2% of all sales were priced over $400,000. Many of the higher priced properties are likely lakeshore homes.

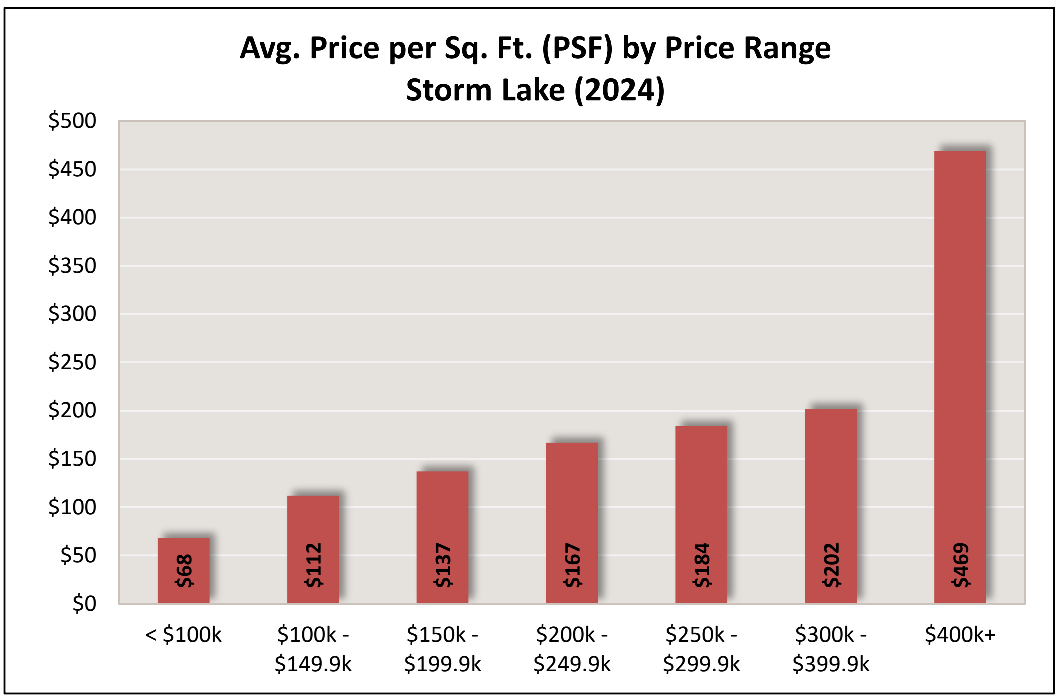
- The largest proportion of residential homes (26%) were sold in the $150,000 to $199,999 price range in Storm Lake. The second largest share of homes sold in Storm Lake were priced between $250,000 and $299,999 and accounted for 19% of sales in 2024.

TABLE FS-2
RESIDENTAL RESALE PRICE DISTRIBUTION
CITY OF STORM LAKE
2024

	Total				
	Closed Sales	% of Total	Median Sq. Ft.	Avg. PSF	Avg. Year Built
City of Storm Lake					
Less than $100,000	11	9.6%	1,104	$68	1940
$100,000 to $149,999	21	18.3%	1,187	$112	1935
$150,000 to $199,999	30	26.1%	1,332	$137	1938
$200,000 to $249,999	19	16.5%	1,532	$167	1969
$250,000 to $299,999	22	19.1%	1,606	$184	1979
$300,000 to $399,999	10	8.7%	1,773	$202	1981
$400,000 or more	2	1.7%	1,288	$469	1962
Total	**115**	**100%**	**1,313**	**$152**	**1955**

Sources: Buena Vista County; Maxfield Research & Consulting


Residential Sales Price Distribution
Storm Lake (2024)
30.0%
25.0%
20.0%
15.0%
10.0%
5.0%
0.0%
9.6%
18.3%
26.1%
16.5%
19.1%
8.7%
1.7%
< $100k
$100k - $149.9k
$150k - $199.9k
$200k - $249.9k
$250k - $299.9k
$300k - $399.9k
$400k+


Avg. Price per Sq. Ft. (PSF) by Price Range
Storm Lake (2024)
$500
$450
$400
$350
$300
$250
$200
$150
$100
$50
$0
$68
$112
$137
$167
$184
$202
$469
< $100k
$100k - $149.9k
$150k - $199.9k
$200k - $249.9k
$250k - $299.9k
$300k - $399.9k
$400k+

Active Listings by Price Point

To more closely examine the current market for available owner-occupied housing in Storm Lake, we reviewed the current supply of homes on the market (listed for sale). The data in Table FS-3 was provided by the City of Storm Lake and is based on active listings in September 2024. **It should be noted that the listings in this table are based on the address of the property, but may be located outside of city boundaries.**

- A total of 23 homes were listed for sale in Storm Lake as of September 2024. Single-family homes accounted for 83% of all active listings. The four multifamily units were condominium units and all were located at Breeze Condominiums.

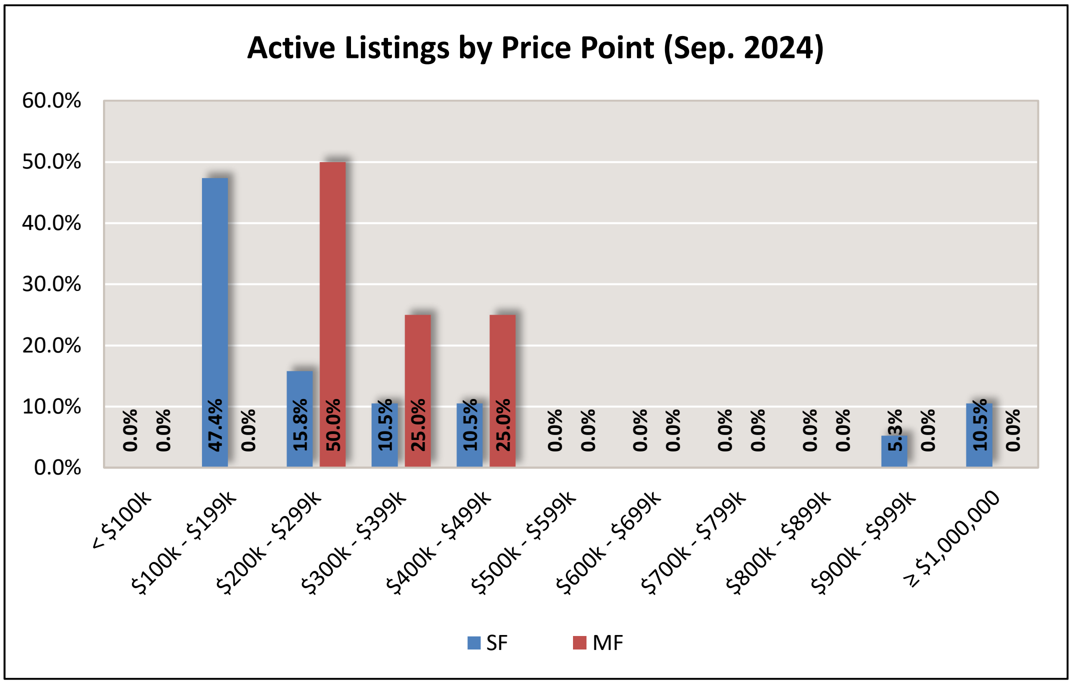
- The median list price in Storm Lake was $214,900 for single-family homes and $290,500 for multifamily homes. The median sale price is generally a more accurate indicator of housing values in a community than the average sale price. Average sale prices can be easily skewed by a few very high-priced 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.

- Based on a median list price of $214,900 for a single-family listings, a household would need an income of roughly $66,700 in order to afford to make monthly housing payments of about $1,667 (assuming a 10% down payment, 7.00% 30-year fixed mortgage, property taxes, insurance, and PMI). A household with significantly more equity (in an existing home and/or savings) could put more than 10% down and afford a higher priced home.

TABLE FS-3
ACTIVE LISTINGS BY PRICE POINT
CITY OF STORM LAKE
SEPTEMBER 2024

	Listings	% of Total	Median Year Built	Median Size	Median Price	Price per Sq. Ft.
Single-family						
Less than $100,000	0	0.0%	--	--	--	--
$100,000 to $199,999	9	47.4%	1920	1,332	$149,900	$113
$200,000 to $299,999	3	15.8%	1973	2,268	$250,000	$110
$300,000 to $399,999	2	10.5%	2010	2,269	$322,500	$142
$400,000 to $499,999	2	10.5%	1991	2,093	$443,250	$212
$500,000 to $599,999	0	0.0%	--	--	--	--
$600,000 to $699,999	0	0.0%	--	--	--	--
$700,000 to $799,999	0	0.0%	--	--	--	--
$800,000 to $899,999	0	0.0%	--	--	--	--
$900,000 to $999,999	1	5.3%	2002	3,503	$989,000	$282
$1,000,000 or more	2	10.5%	1995	3,588	$2,233,450	$622
Subtotal	**19**	**82.6%**	**1955**	**1,613**	**$214,900**	**$133**
Multifamily						
Less than $100,000	0	0.0%	--	--	--	--
$100,000 to $199,999	0	0.0%	--	--	--	--
$200,000 to $299,999	2	50.0%	2021	859	$235,000	$274
$300,000 to $399,999	1	25.0%	2021	1,299	$345,000	$266
$400,000 to $499,999	1	25.0%	2021	1,568	$439,500	$280
$500,000 to $599,999	0	0.0%	--	--	--	--
$600,000 to $699,999	0	0.0%	--	--	--	--
$700,000 to $799,999	0	0.0%	--	--	--	--
$800,000 to $899,999	0	0.0%	--	--	--	--
$900,000 to $999,999	0	0.0%	--	--	--	--
$1,000,000 or more	0	0.0%	--	--	--	--
Subtotal	**4**	**17.4%**	**2021**	**1,083**	**$290,500**	**$268**
Total	**23**	**100%**	**1973**	**1,585**	**$236,000**	**$149**

Sources: City of Storm Lake; Maxfield Research & Consulting



Vacant Residential Lot Supply

Table FS-4 summarizes vacant residential lots according to data obtained from Buena Vista County. This data is current as of April 2025.

- As of April 2025, there were 6 residential lots vacant in the City of Storm Lake across three subdivisions. This does not include individual vacant lots that are scattered throughout the city or lots that are unsuitable for development (i.e. lot located within a floodplain).

- The median size of lots among vacant lots is 0.29 acres, ranging from 0.2 acres for a lot at M.C.S. Addition to as large as 0.42 acres at Woodland Creek 1st Addition.

- The median land value for vacant residential lots is $10,315 and range from as low of $420 to a high of $13,600.

- About two thirds of the vacant single-family lots are located in the Woodland Creek Subdivisions.

TABLE FS-4 VACANT RESIDENTIAL LOTS BY SUBDIVISION PRIMARY MARKET AREA UPDATED APRIL 2025					
Plat Name	**Total Vacant**	**Median Acres**	**Median Land Value**	**High Value**	**Low Value**
City of Storm Lake					
Woodland Creek 1st	4	0.29	$10,315	$12,280	$420
Sunrise Park Add	1	0.31	$4,640	$4,640	$4,640
M.C.S. Add	1	0.20	$13,600	$13,600	$13,600
Total:	**6**	**0.29**	**$10,315**	**$13,600**	**$420**

Notes: Table originally completed in December 2024, but updated in April 2025 with the most recent data available.

Sources: City of Storm Lake; Buena Vista County; Maxfield Research & Consulting

Real Estate Professionals Survey Summary

Maxfield Research and Consulting surveyed real estate professionals familiar with Storm Lake's owner-occupied market to solicit their impressions of the for-sale housing market in the area. Key points are summarized below.

- Survey respondents had mixed results regarding the supply of available lots in the area to satisfy future growth and development. Some respondents identified that there are enough lots platted and ready for development, while others stated that there is a lack of available lots.

- Realtors cited the largest barriers for home-ownership in Storm Lake were high interest rates, difficulty qualifying for a mortgage, and having the money for a down payment. The lack of supply and inventory of both new and existing homes is also a strong barrier. The existing supply is a high percentage of older housing stock with many outdated homes not desired by current buyers. The primary market for move-up buyers is new construction, as many buyers want to customize their homes. Many first-time home buyers prefer existing resale homes because they are more affordable, especially given the higher interest rates today.

- Respondents agreed that there is a large amount of fluidity in the region and that many people will commute to and from surrounding communities for work.

- Based on responses, the highest demand for for-sale housing in Storm Lake is for entry-level single-family homes, priced between $150,000 and $200,000, and for move-up single-family homes, priced between $200,000 and $300,000. All respondents agreed that there is also substantial demand for vertical multifamily apartments and single-family style rental apartments.

- Married couples with child/children and single parent with child/children households were identified as the household types that are the most active purchasers of homes in Storm Lake.

Select For-Sale Housing Properties – City of Storm Lake

Planned and Proposed Housing Projects

Maxfield Research complied data from the City of Storm Lake in order to identify housing developments under construction, planned, or pending. Table P-1 inventory and summarize the number of housing units by product type that are either construction or are planned to move forward.

- At this time, there are only two pending projects in the City of Storm Lake. In total, these two projects include 127 housing units. *Sunset Pointe*, is a townhome development that is currently under construction by Kading Properties. This development is located north of West 10th Street and Geneseo Street and will include 76 townhome units, which will be a mix of bi plex, four plex, and six plex units. *Breeze Condominium*, is the second phase of a condo development located at 201 Sunrise Park Road. This project is planned for 2026 and will include 51 units.

TABLE P-1
PENDING HOUSING DEVELOPMENTS
CITY OF STORM LAKE
DECEMBER 2024

Project Name/Location	Units	Type	Developer/Applicant	Status/Notes
Pending Housing Projects				
Sunset Pointe North of W 10th St & Geneseo St	76	THs - Bi Plex, Four Plex, Six Plex	Kading Properties	Under Construction. Rental
Breeze Condo (Phase II) 201 Sunrise Park Rd	51	Condominium	Foutch Properties JMAE, LLC	Planned - 2026. For-Sale
Total Units:	**127**			

Source: City of Storm Lake; Maxfield Research & Consulting

Housing Affordability

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	80% - 120%

Note: Buena Vista County 4-person AMI = $92,900 (2024)

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 Buena Vista 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 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
BUENA VISTA COUNTY - 2024

	Income Limits by Household Size							
	Area Median Income (AMI)							
	30%	40%	50%	60%	70%	80%	100%	120%
1 pph	$19,290	$25,720	$32,150	$38,580	$45,010	$51,440	$64,300	$77,160
2 pph	$22,020	$29,360	$36,700	$44,040	$51,380	$58,720	$73,400	$88,080
3 pph	$24,810	$33,080	$41,350	$49,620	$57,890	$66,160	$82,700	$99,240
4 pph	$27,540	$36,720	$45,900	$55,080	$64,260	$73,440	$91,800	$110,160
5 pph	$29,760	$39,680	$49,600	$59,520	$69,440	$79,360	$99,200	$119,040
6 pph	$31,950	$42,600	$53,250	$63,900	$74,550	$85,200	$106,500	$127,800
7 pph	$34,170	$45,560	$56,950	$68,340	$79,730	$91,120	$113,900	$136,680
8 pph	$36,360	$48,480	$60,600	$72,720	$84,840	$96,960	$121,200	$145,440
	Maximum Gross Rent							
	30%	40%	50%	60%	70%	80%	100%	120%
EFF	$482	$643	$803	$964	$1,125	$1,286	$1,607	$1,929
1BR	$516	$688	$860	$1,032	$1,204	$1,377	$1,721	$2,065
2BR	$620	$827	$1,033	$1,240	$1,447	$1,654	$2,067	$2,481
3BR	$716	$955	$1,193	$1,432	$1,671	$1,910	$2,387	$2,865
4BR	$798	$1,065	$1,331	$1,597	$1,863	$2,130	$2,662	$3,195
	Fair Market Rent							
	EFF	1BR	2BR	3BR	4BR			
Rent	$688	$693	$910	$1,171	$1,212			

Sources: HUD, Novogradac, Maxfield Research & Consulting

TABLE HA-2
MAXIMUM RENT BASED ON HOUSEHOLD SIZE AND AREA MEDIAN INCOME
BUENA VISTA COUNTY - 2024

	HHD Size		Maximum Rent Based on Household Size (@30% of Income)											
			30%		50%		60%		80%		100%		120%	
Unit Type[1]	Min	Max	Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.
Studio	1	1	$482	$482	$804	$804	$965	$965	$1,286	$1,286	$1,608	$1,608	$1,929	$1,929
1BR	1	2	$482	$551	$804	$918	$965	$1,101	$1,286	$1,468	$1,608	$1,835	$1,929	$2,202
2BR	2	4	$551	$689	$918	$1,148	$1,101	$1,377	$1,468	$1,836	$1,835	$2,295	$2,202	$2,754
3BR	3	6	$620	$799	$1,034	$1,331	$1,241	$1,598	$1,654	$2,130	$2,068	$2,663	$2,481	$3,195
4BR	4	8	$689	$909	$1,148	$1,515	$1,377	$1,818	$1,836	$2,424	$2,295	$3,030	$2,754	$3,636

[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: Buena Vista County 4-person AMI = $92,900 (2024)

Sources: HUD, Novogradac, Maxfield Research & Consulting

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 are 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. Table HA-4 presents a summary of all market rate general-occupancy rental units by unit type and area median income (AMI). This table uses data from the **Rental Market Analysis** section and is sort with the rent and income limits from Table HA-2.

- Among the over surveyed market rate units, over 83% of the units are affordable to householders at 40% AMI. Roughly 12% of units are affordable to householders at 30% AMI and only 5% of units are affordable at 50% AMI.

- Due to the older age of all of the market rate multifamily rental properties in Storm Lake, no units were identified to have monthly rents that would be affordable to householders earning 80% to 120% of AMI. These households would qualify for "workforce" housing.

TABLE HA-4 MULTIFAMILY MARKET RATE RENTAL DEVELOPMENTS NATURAL OCCURRING SUMMARY CITY OF STORM LAKE NOVEMBER / DECEMBER 2024							
	Market Rate Affordability by AMI						
Unit Type	30%	40%	50%	60%	70%	80%	100%
1BR	21	60	9	--	--	--	--
2BR	--	72	--	--	--	--	--
3BR	--	16	--	--	--	--	--
Total	21	148	9	0	0	0	0
Pct. Of Total	**11.8%**	**83.1%**	**5.1%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Pct. Of Affordability By Unit Type							
1BR	**100.0%**	**40.5%**	**100.0%**	**--**	**--**	**--**	**--**
2BR	**0.0%**	**48.6%**	**0.0%**	**--**	**--**	**--**	**--**
3BR	**0.0%**	**10.8%**	**0.0%**	**--**	**--**	**--**	**--**
Source: Maxfield Research & Consulting							

Housing Cost Burden

Table HA-4 shows the number and percentage of owner and renter households in Storm Lake, the PMA, and Buena Vista County that pay 30% or more of their gross income for housing. This information was compiled from the American Community Survey and adjusted to reflect current year estimates. The Federal standard for affordability is 30% of income for housing costs. 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.

- About 12% of owner households and 30% of renter householders are estimated to be paying more than 30% of their income for housing costs in Storm Lake. Compared to the PMA average, the percentage of cost burdened households is lower in Storm Lake. PMA cost burdened households are 14% for owner households and 30% for renter households.

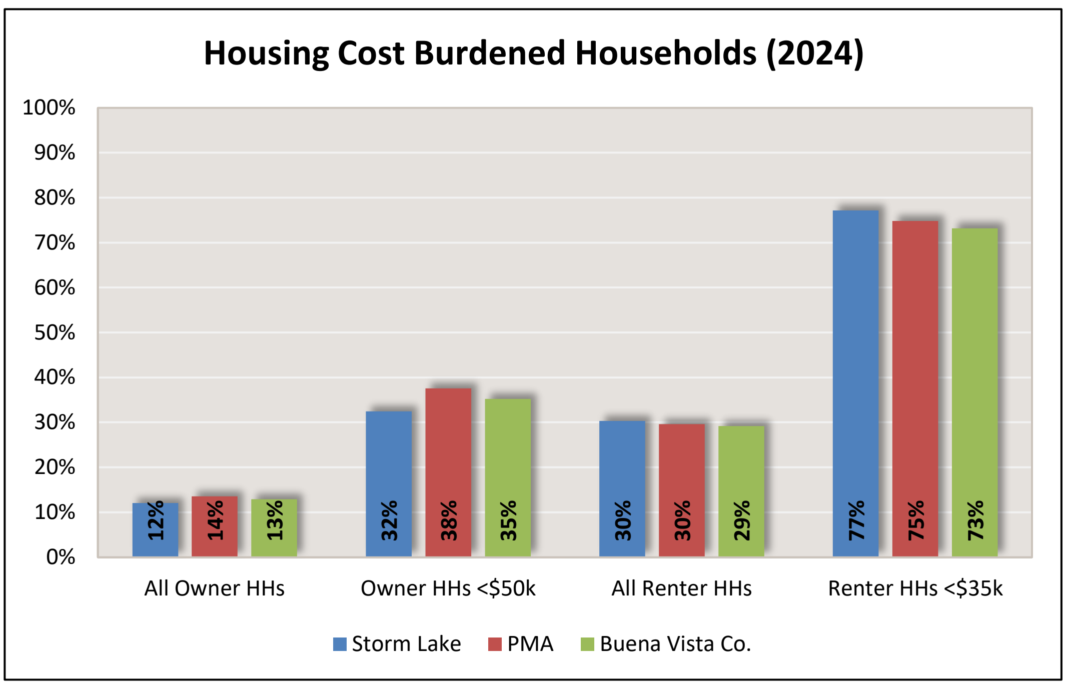
- The number of cost burdened households in Storm Lake increases proportionally based on lower incomes. About 77% of renters with incomes below $35,000 are cost burdened and 32% of owners with incomes below $50,000 are cost burdened.

TABLE HA-4
HOUSING COST BURDEN
PRIMARY MARKET AREA
2024

	Storm Lake		PMA		Rem. of PMA		Buena Vista Co.	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Owner Households								
All Owner HHs	**2,275**		**5,226**		**2,951**		**5,450**	
Cost Burden 30.0% or greater	**274**	**12.0%**	**709**	**13.6%**	**435**	**14.7%**	**704**	**12.9%**
Cost Burden 30.0% to 34.9%	29	1.3%	173	3.3%	143	4.9%	185	3.4%
Cost Burden 35.0% to 49.9%	117	5.2%	257	4.9%	140	4.7%	239	4.4%
Cost Burden 50.0% or more	128	5.6%	279	5.3%	151	5.1%	279	5.1%
Owner HHs w/ incomes <$50,000	**785**		**1,510**		**725**		**1,605**	
Cost Burden 30.0% or greater	255	32.4%	567	37.6%	313	43.1%	565	35.2%
Renter Households								
All Renter HHs	**1,525**		**2,224**		**699**		**2,330**	
Cost Burden 30.0% or greater	**462**	**30.3%**	**659**	**29.6%**	**197**	**28.1%**	**679**	**29.2%**
Cost Burden 30.0% to 34.9%	91	6.0%	104	4.7%	13	1.9%	111	4.8%
Cost Burden 35.0% to 49.9%	172	11.3%	263	11.8%	91	13.1%	279	12.0%
Cost Burden 50.0% or more	200	13.1%	292	13.1%	92	13.2%	289	12.4%
Renter HHs w/ incomes <$35,000	**541**		**803**		**262**		**848**	
Cost Burden 30.0% or greater	418	77.1%	601	74.8%	184	70.1%	620	73.1%

Note: Calculations exclude households not computed.

Sources: US Census Bureau - American Community Survey; Maxfield Research & Consulting



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 Storm Lake proper. The table estimates the percentage of Storm Lake householders that can afford rental and for-sale housing based on a 30% allocation of income to housing. Housing costs are based on averages in Storm Lake.

The housing affordability calculations assume the following:

<u>For-Sale Housing</u>

- 10% down payment with good credit score
- Closing costs rolled into mortgage
- 30-year mortgage at 7.0% 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 ACS

<u>Rental Housing</u>

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

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

- About 64% of existing owner households could afford to buy an entry-level home ($175,000) in Storm Lake. Furthermore, about 46% of existing owner households could afford to purchase a home of $250,000.

- About 74% existing renter households can afford to rent a one-bedroom unit priced at $700/month. The percentage of renter income-qualified households decreases to 69% that can afford a two-bedroom unit priced at $600/month. About 66% of renters could afford to rent a one-bedroom apartment for $900 per month within a new development.

TABLE HA-5
HOUSING AFFORDABILITY - BASED ON HOUSEHOLD INCOME
CITY OF STORM LAKE
DECEMBER 2024

For-Sale (Assumes 10% down payment and good credit)	Single-Family			Townhome/Twinhome/Condo		
	Entry-Level	Move-Up	Executive	Entry-Level	Move-Up	Executive
Price of House	$175,000	$250,000	$350,000	$125,000	$215,000	$275,000
Pct. Down Payment	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Total Down Payment Amt.	$17,500	$25,000	$35,000	$12,500	$21,500	$27,500
Estimated Closing Costs (rolled into mortgage)	$5,250	$7,500	$10,500	$3,750	$6,450	$8,250
Cost of Loan	$162,750	$232,500	$325,500	$116,250	$199,950	$255,750
Interest Rate	7.000%	7.000%	7.000%	7.000%	7.000%	7.000%
Number of Pmts.	360	360	360	360	360	360
Housing Costs as % of Income	30%	30%	30%	30%	30%	30%
Minimum Income Required	$54,299	$77,570	$108,598	$41,118	$67,843	$85,660
Pct. of all households who can afford[1]	**57.4%**	**39.1%**	**25.8%**	**71.7%**	**46.2%**	**35.2%**
Pct. of owner households who can afford[2]	**63.8%**	**46.4%**	**32.8%**	**78.2%**	**53.2%**	**42.6%**

Rental (Market Rate)	Existing Rental			New Rental		
	1BR	2BR	3BR	1BR	2BR	3BR
Monthly Rent	$700	$850	$975	$900	$1,050	$1,200
Annual Rent	$8,400	$10,200	$11,700	$10,800	$12,600	$14,400
Housing Costs as % of Income	30%	30%	30%	30%	30%	30%
Minimum Income Required	$28,000	$34,000	$39,000	$36,000	$42,000	$48,000
Pct. of all households who can afford[1]	**83.8%**	**79.7%**	**74.2%**	**77.8%**	**70.6%**	**63.4%**
Pct. of renter households who can afford[2]	**73.9%**	**68.6%**	**61.5%**	**66.2%**	**56.7%**	**47.3%**

[1] Based on 2024 household income for all households.
[2] Based on ACS household income by tenure (i.e. owner and renter incomes).
Source: Maxfield Research & Consulting

Housing Demand Analysis

Previous sections of this study analyzed the existing housing supply and the growth and demographic characteristics of the population and household base in the PMA. This section of the report presents our estimates of housing demand in the PMA from 2024 through 2035.

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.

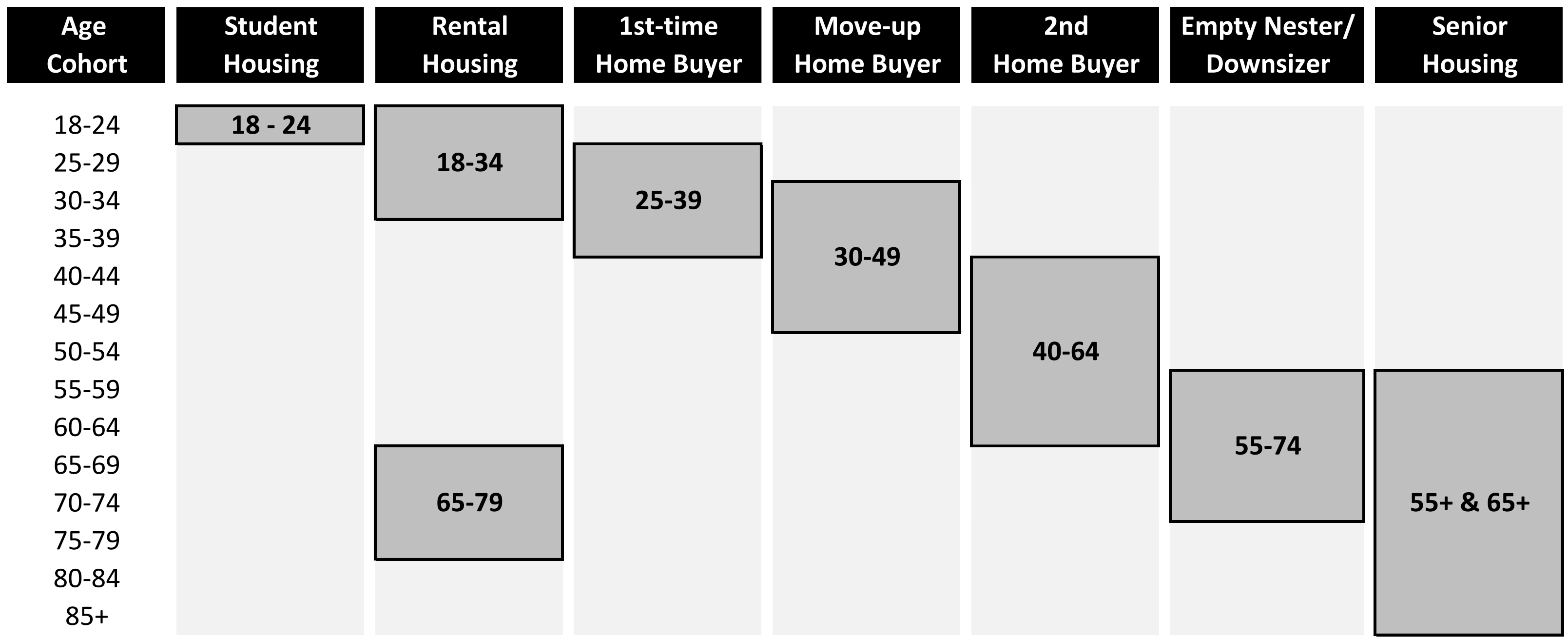
The graphic on the following page provides greater detail of various housing types supported within each housing life cycle. Information on square footage, average bedrooms/bathrooms, and lot size is provided on the subsequent graphic.

Housing Demand Overview

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

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

DEMOGRAPHICS & HOUSING DEMAND



Source: Maxfield Research & Consulting

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
For-Sale Housing	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
For-Sale Housing	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
For-Sale Housing	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
For-Sale Housing	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
For-Sale Housing	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
For-Sale Housing	Executive townhomes/twinhomes	Step-up buyers: Empty-nesters, retirees	2,000+ sq. ft. 3 BR+ | 2BA+	4.0-6.0 DU/Acre
For-Sale Housing	Detached Townhome	Step-up buyers: Empty-nesters, retirees, some families	2,000+ sq. ft. 3 BR+ | 2BA+	4.0-6.0 DU/Acre
For-Sale Housing	Condominums	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
Rental Housing	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
Rental Housing	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 & Consulting

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 and 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 and can stimulate household turnover. 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.

Recent mortgage interest rate hikes from the Federal Reserve have resulted in tighter underwriting and leaving many buyers on the sidelines. Housing payments have increased by about 45% going back to 2022 just on interest rates alone.

Mobility

It is important to note that demand is somewhat fluid between Storm Lake and the surrounding area will be impacted by development activity in nearby areas, including other communities outside of the Market Area. Much of the housing demand in a community is generated by the turnover of existing households. Satisfying future demand will be highly dependent on the availability of suitable housing options in the community.

For-Sale Housing Demand Analysis

Table HD-1 presents our demand calculations for general occupancy for-sale housing in the PMA between 2024 and 2035.

The 65 and older cohort is typically not a target market for new general occupancy for-sale housing, therefore, we limit demand from household growth to only those households under the age of 65. According to our projections, the PMA is expected to increase by 141 households that are under the age of 65 between 2024 and 2035.

Demand is also forecast to emerge from existing Storm Lake householders through turnover. An estimated 3,770 owner-occupied households under age 65 are located in the PMA in 2024. Based on mobility data from the Census Bureau, an estimated 54% of owner households will turnover in a 11-year period, resulting in 2,018 existing households projected to turnover. Finally, we estimate 20% of the existing owner households will seek new for-sale housing, resulting in demand for 404 for-sale units through 2035.

Next, we estimate that 25% of the total demand for new for-sale units in the PMA will come from people currently living outside of the PMA. 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 the PMA to the existing demand potential results in a total estimated demand for 666 for-sale housing units by 2035.

Based on land available, building trends, and demographic shifts (increasing older adult population), we project 75% of the for-sale owners will prefer traditional single-family product types while the remaining 25% will prefer a maintenance-free multi-family product (i.e. twinhomes, townhomes, detached townhomes, condominiums, etc.).

We find total excess demand through 2035 resulting in 499 single-family lots and 166 multifamily units. We estimate that 60% of the single-family demand and 85% of the multi-family demand is capturable by the City of Storm Lake, which results in 300 single-family units and 142 multi-family units.

TABLE HD-1 FOR-SALE HOUSING DEMAND PRIMARY MARKET AREA 2024 to 2035			
Demand from Projected Household Growth			
Projected HH growth under age 65 in the Market Area 2024 to 2035[1]		141	
(times) % propensity to own[2]	x	68%	
(equals) Projected demand from new HH growth	=	**96**	
Demand from Existing Owner Households			
Number of owner households (age 64 and younger) in the Market Area (2024)[3]		3,770	
(times) Estimated percent of owner turnover[4]	x	54%	
(equals) Total existing households projected to turnover	=	2,018	
(times) Estimated percent desiring new housing	x	20%	
(equals) Demand from existing households		404	
(equals) Total demand from HH growth and existing HHs 2024 to 2035	**=**	**499**	
(times) Demand from outside the Market Area		25%	
(equals) Total demand potential for ownership housing, 2024 to 2035		**666**	
		Single Family	**Multi-Family[6]**
(times) Percent desiring for-sale single-family vs. multifamily[5]	x	75%	25%
(equals) Total demand potential for new single-family & multifamily for-sale housing	=	499	166
(equals) Excess demand for new general occupancy for-sale housing	**=**	**499**	**166**
(times) Percent of excess demand capturable by the city	**x**	60%	85%
(equals) number of units supportable by the city	**=**	**300**	**142**

[1] Estimated household growth based on projections as adjusted by Maxfield Research and Consulting.
[2] Pct. of owner households under the age of 65 (U.S. Census).
[3] Estimate based on owner households, under age 65 (US Census).
[4] Based on turnover from American Community Survey for households moving over a 11-year period.
[5] Based on preference for housing type and land availability.
[6] Multi-family demand includes demand for townhomes, twinhomes, and condominium units.
Source: Maxfield Research and Consulting

Rental Housing Demand Analysis

Table HD-2 presents our calculation of general-occupancy rental housing demand in the PMA. This analysis identifies potential demand for rental housing that is generated from both new households and turnover households. A portion of the demand will be drawn from existing households in the PMA that want to upgrade their housing situations.

The 65 and older cohort is typically not a target market for new general occupancy rental housing, therefore, we limit demand from household growth to only those households under the age of 65. According to our projections, the PMA is expected to increase by 141 households that are under the age of 65 between 2024 and 2035.

Demand is also forecast to emerge from existing PMA householders through turnover. An estimated 1,765 renter-occupied households under age 65 are located in the PMA in 2024. Based on mobility data from the Census Bureau, an estimated 85% of renter households will turnover in a 11-year period, resulting in 1,494 existing households projected to turnover. Finally, we estimate 20% of the existing renter households will seek new rental housing, resulting in demand for 299 rental units through 2035.

Next, we estimate that 25% of the total demand for new rental units in the PMA will come from people currently living outside of the PMA. Adding demand from outside the PMA to the existing demand potential, results in a total estimated demand for 459 rental housing units by 2035.

Based on a review of rental household incomes and sizes and monthly rents at existing projects, we estimate that approximately 15% of the total demand will be for subsidized housing (30% AMI), 20% will be for affordable housing (40% to 60% AMI), and 65% will be for market rate housing (non-income restricted).

Considering there are only 76 pending units to subtract from the overall demand, our calculations result in demand for 69 subsidized units, 92 affordable units, and 226 market rate units between 2024 and 2035. We estimate that 80% to 90% of these units are capturable by the City of Storm Lake, which results in 62 subsidized unit, 83 affordable units, and 181 market rate units.

TABLE HD-2
RENTAL HOUSING DEMAND
PRIMARY MARKET AREA
2024 to 2035

Demand from Projected Household Growth				
Projected HH growth under age 65 in the Market Area 2024 to 2035[1]			141	
(times) Estimated % to be renting their housing[2]	x		32%	
(equals) Projected demand from new HH growth	=		**45**	
Demand from Existing Renter Households				
Number of renter HHs (age 64 and younger) in the Market Area (2024)[3]			1,765	
(times) Estimated percent of renter turnover[4]	x		85%	
(equals) Total existing households projected to turnover	=		1,494	
(times) Estimated percent desiring new rental housing	x		20%	
(equals) Demand from existing households			299	
(equals) Total demand from HH growth and existing HHs 2024 to 2035	**=**		**344**	
(times) Demand from outside the Market Area			25%	
(equals) Total demand potential for rental housing, 2024 to 2035			**459**	
		Subsidized	**Affordable**	**Market Rate**
(times) Percent of rental demand by product type[5]	x	15%	20%	65%
(equals) Total demand potential for general-occupancy rental housing units	=	69	92	298
(minus) Units under construction or pending[6]	-	0	0	72
(equals) Excess demand for new general occupancy rental housing in the PMA	**=**	**69**	**92**	**226**
(times) Percent of excess demand capturable by the city	**x**	90%	90%	80%
(equals) number of units supportable by the city		**62**	**83**	**181**

[1] Estimated household growth based on projections as adjusted by Maxfield Research and Consulting
[2] Pct. of renter households under the age of 65 (U.S. Census).
[3] Estimate based on renter households (under age 65).
[4] Based on turnover from the Census Bureau - American Community Survey for households moving over a 11-year period.
[5] Based on the combination of current rental product and household incomes of area renters (non-senior households)
[6] Pending units (under construction or approved) at 95% occupancy.

Source: Maxfield Research & Consulting

Senior Housing Demand Analysis

Tables HD-3 through HD-7 shows demand calculations for senior housing in the PMA from 2024 to 2035. Demand methodology employed by Maxfield Research utilizes capture and penetration rates that blend national senior housing trends with local market characteristics, preferences, and patterns. Our demand calculations consider the following target market segments for each product types:

Affordable/Subsidized Active Adult Housing: Target market based includes age 55+ older adult and senior households with incomes of $34,999 or less.

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 $30,000 and $34,999.

Independent Living Housing: Target market base includes age 65+ seniors who would be financially able to pay for housing and service costs associated with independent living housing. Income-ranges considered capable of paying for independent living housing are senior households with incomes of $35,000 or more and senior homeowners with incomes between $30,000 and $34,999.

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 a portion of 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.

TABLE HD-3
DEEP-SUBSIDY/SHALLOW SUBSIDY ACTIVE ADULT HOUSING DEMAND
PRIMARY MARKET AREA
2024 & 2035

		2024				2035		
		Age of Householder				Age of Householder		
		55-64	65-74	75+		55-64	65-74	75+
# of Households w/ Incomes of < $35,000[1]		201	238	387		108	283	497
Less Households w/ Incomes of $30,000 to $34,999[1]	-	33	43	66	-	26	62	63
(times) Homeownership Rate	x	83%	79%	73%	x	83%	79%	73%
(equals) Total Potential Market Base	=	174	204	339	=	87	234	451
(times) Potential Capture Rate	x	1.5%	10.0%	20.0%	x	1.5%	10.0%	20.0%
(equals) Demand Potential	=	3	20	68	=	1	23	90
(equals) Potential Demand from Residents			= **91**				= **115**	
(plus) Demand from outside of the PMA (30%)			+ 39				+ 49	
(equals) Total Demand Potential			= **130**				= **164**	
		Deep-Subsidy		**Shallow-Subsidy**		**Deep-Subsidy**		**Shallow-Subsidy**
(times) % by Product Type	x	30%	x	70%	x	30%	x	70%
(equals) Demand Potential by Product Type	=	39	=	91	=	49	=	115
(minus) Existing and Pending Sub./Aff. Active Adult Units[2]	-	23	-	80	-	23	-	80
(equals) Excess Demand for Sub./Aff. Units	=	**16**	=	**11**	=	**26**	=	**35**
(times) Percent of excess demand capturable by the city	x	90%	x	90%	x	90%	x	90%
(equals) Number of units supportable by the city	=	**14**	=	**10**	=	**23**	=	**32**

[1] 2035 calculations define income-qualified households as all households with incomes less than $45,000. Homeowner households with incomes between $40,000 and $44,999 are excluded from the market potential for financially-assisted housing.
[2] Existing & pending units (under construction and approved) are deducted at market equilibrium, or 97% occupancy.

Source: Maxfield Research & Consulting

TABLE HD-4
MARKET RATE ACTIVE ADULT HOUSING DEMAND
PRIMARY MARKET AREA
2024 & 2035

		2024				2035		
		Age of Householder				Age of Householder		
		55-64	65-74	75+		55-64	65-74	75+
# of Households w/ Incomes of >$35,000[1]		1,169	1,002	554		930	1,168	848
# of Households w/ Incomes of $30,000 to $34,999[1]	+	33	43	66	+	26	62	63
(times) Homeownership Rate	x	83%	79%	73%	x	83%	79%	73%
(equals) Total Potential Market Base	=	1,197	1,036	602	=	952	1,217	894
(times) Potential Capture Rate	x	1.5%	8.5%	15.0%	x	1.5%	8.5%	15.0%
(equals) Demand Potential	=	18	88	90	=	14	103	134
Potential Demand from Residents		=	**196**			=	**252**	
(plus) Demand from Outside of the PMA (30%)		+	84			+	108	
(equals) Total Demand Potential		=	**280**			=	**360**	
		Owner-Occupied		**Renter-Occupied**		**Owner-Occupied**		**Renter-Occupied**
(times) % by Product Type	x	35%	x	65%	x	35%	x	65%
(equals) Demand Potential by Product Type	=	98	=	182	=	126	=	234
(minus) Existing and Pending MR Active Adult Units[2]	-	0	-	0	-	0	-	0
(equals) Excess Demand for MR Active Adult Units	=	**98**	=	**182**	=	**126**	=	**234**
(times) Percent of excess demand capturable by the city	x	90%	x	90%	x	90%	x	90%
(equals) Number of units supportable by the city	=	**88**	=	**164**	=	**113**	=	**210**

[1] 2035 calculations define income-qualified households as all households with incomes greater than $45,000 and homeowner households with incomes between $40,000 and $44,999.

[2] Existing and pending units (under construction and approved) are deducted at market equilibrium (95% occupancy).

Source: Maxfield Research & Consulting

TABLE HD-5
MARKET RATE INDEPENDENT LIVING RENTAL HOUSING DEMAND
PRIMARY MARKET AREA
2024 & 2035

		2024			2035	
		Age of Householder			Age of Householder	
		65-74	75+		65-74	75+
# of Households w/ Incomes of >$35,000[1]		1,002	554		1,168	848
# of Households w/ Incomes of $30,000 to $34,999[1]	+	43	66	+	62	63
(times) Homeownership Rate	x	79%	73%	x	79%	73%
(equals) Total Potential Market Base	=	1,036	602	=	1,217	894
(times) Potential Capture Rate[2]	x	1.5%	15.0%	x	1.5%	15.0%
(equals) Potential Demand	=	16 +	90	=	18 +	134
Potential Demand from Market Area Residents	=	**106**		=	**152**	
(plus) Demand from Outside of the PMA (30%)	+	45		+	65	
(equals) Total Demand Potential	=	**151**		=	**218**	
(minus) Existing and Pending Independent Living Units[3]	-	36		-	36	
(equals) Total Independent Living Demand Potential	=	**115**		=	**181**	
(times) Percent of excess demand capturable by the city	x	90%		x	90%	
(equals) Number of units supportable by the city	=	**104**		=	**163**	

[1] 2035 calculations define income-qualified households as all households with incomes greater than $45,000 and homeowner households with incomes between $40,000 and $44,999.

[2] The potential capture rate is derived from data from the Summary Health Statistics for the U.S. Population: National Health Interview Survey, 2018 by the U.S. Department of Health and Human Services. The capture rate used is the percentage of seniors needing assistance with IADLs, but not ADLs (seniors needing assistance with ADLs typically need assistance with multiple IADLs and are primary candidates for service-intensive assisted living).

[3] Existing and pending units (under construction and approved) at 95% occupancy (market equilibrium).

Source: Maxfield Research and Consulting

TABLE HD-6
MARKET RATE ASSISTED LIVING DEMAND
PRIMARY MARKET AREA
2024 & 2035

		2024				2035	
Age group		People	Percent Needing Assistance[1]	Number Needing Assistance[1]	People	Percent Needing Assistance[1]	Number Needing Assistance[1]
75 - 79		548	25.5%	**140**	543	25.5%	**138**
80 - 84		386	33.6%	**130**	383	33.6%	**129**
85+		529	51.6%	**273**	550	51.6%	**284**
Total		1,462		**542**	1,476		**551**
Percent Income-Qualified[2]				**67%**			**70%**
Total potential market				364			388
(times) Percent living alone	x			47%			47%
(equals) Age/income-qualified singles needing assistance	=			171			183
(plus) Proportion of demand from couples (12%)[3]	+			23			25
(equals) Total age/income-qualified market needing assistance	=			195			208
(times) Potential penetration rate[4]	x			40%			40%
(equals) Potential demand from PMA residents	=			78			83
(plus) Proportion from outside of the PMA (30%)	+			33			36
(equals) Total potential assisted living demand	=			111			119
(minus) Existing market rate assisted living units[5]	-			39			39
(equals) Total excess market rate assisted living demand	**=**			**72**			**80**
(times) Percent of excess demand capturable by the city	x			90%			90%
(equals) Number of units supportable by the city	**=**			**65**			**72**

[1] The percentage of seniors unable to perform or having difficulty with ADLs, based on the 2018 State of Aging in America published 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, plus a portion of estimated owner households with incomes below $40,000 (who will spend down assets, including home-equity, in order to live in assisted living housing). $50,000+ in 2035.

[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 housing with the assistance of a family member or home health care, or would need greater care provided in a skilled care facility.

[5] Existing and pending units at 93% occupancy.

Source: Maxfield Research & Consulting

TABLE HD-7
MARKET RATE MEMORY CARE DEMAND
PRIMARY MARKET AREA
2024 & 2035

		2024		2035
65 to 74 Population		2,049		2,114
(times) Dementia Incidence Rate[1]	x	2%	x	2%
(equals) Estimated Age 65 to 74 Pop. with Dementia	=	41	=	42
75 to 84 Population		934		926
(times) Dementia Incidence Rate[1]	x	19%	x	19%
(equals) Estimated Age 75 to 84 Pop. with Dementia	=	177	=	176
85+ Population		529		550
(times) Dementia Incidence Rate[1]	x	42%	x	42%
(equals) Estimated Age 85+ Pop. with Dementia	=	222	=	231
(equals) Total Senior Population with Dementia	**=**	**441**	**=**	**449**
(times) Percent Income/Asset-Qualified[2]	x	56%	x	61%
(equals) Total Income-Qualified Market Base	=	249	=	274
(times) Percent Needing Specialized Memory Care Assistance	x	25%	x	25%
(equals) Total Need for Dementia Care	=	62	=	68
(plus) Demand from Outside of the PMA (30%)	+	27	+	29
Total Demand for Memory Care Units	=	89		98
(minus) Existing and Pending Memory Care Units[3]	-	0	-	0
(equals) Excess Demand Potential	**=**	**89**	**=**	**98**
(times) Percent of excess demand capturable by the city	x	90%		90%
(equals) Number of units supportable by the city	**=**	**80**		**88**

[1] Alzheimer's Association: Alzheimer's Disease Facts & Figures (2020)
[2] Includes seniors with income at $60,000 or above ($65,000 in 2030) plus a portion 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.
Source: Maxfield Research & Consulting

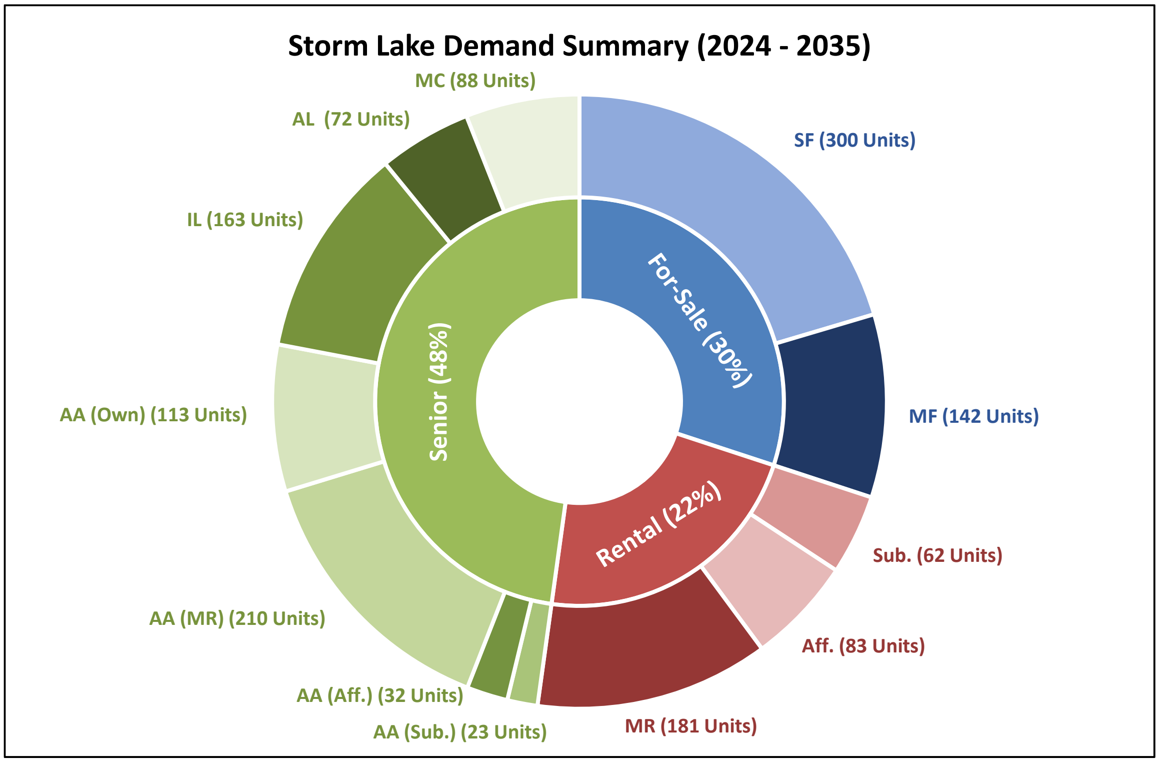
Recommendations and Conclusions

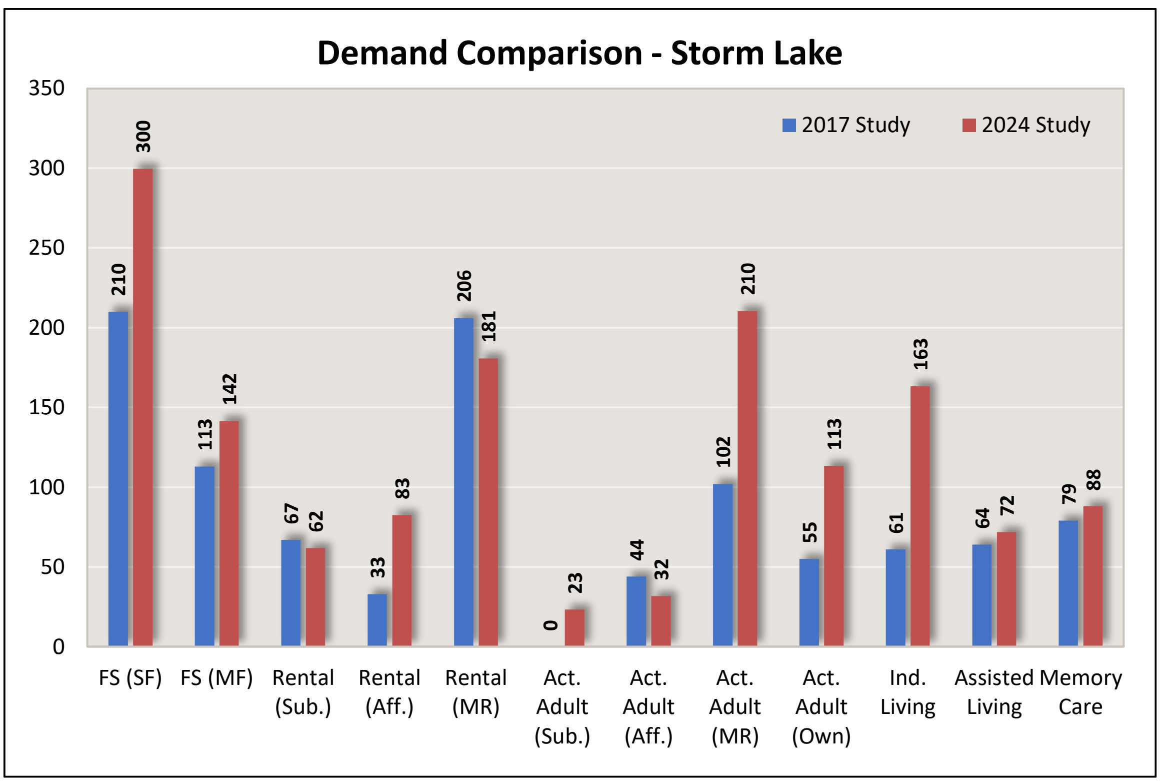
This section summarizes demand calculated for specific housing products in Storm Lake and recommends development concepts to meet the housing needs forecast for the City. All recommendations are based on findings of the *Comprehensive Housing Needs Assessment*. The following table and charts illustrate calculated demand by product type. It is important to recognize that housing demand is highly contingent on projected household growth; household growth could be higher should increased job growth ensue and the overall economy continues to improve.

TABLE CR-1
SUMMARY OF EXCESS HOUSING DEMAND
PRIMARY MARKET AREA
2024 - 2035

Type of Use	*Excess Demand in PMA* 2024 - 2035		*Capturable by Storm Lake* 2024 - 2035	
General-Occupancy				
Rental Units - Market Rate	226		181	
Rental Units - Affordable	92		83	
Rental Units - Subsidized	69		62	
For-Sale Units - Single-family	499		300	
For-Sale Units - Multifamily	166		142	
Total General Occupancy Supportable	***1,052***		***766***	
	2024	**2035**	**2024**	**2035**
Age-Restricted (Senior)				
Market Rate				
Active Adult	280	360	252	324
Ownership	*98*	*126*	*88*	*113*
Rental	*182*	*234*	*164*	*210*
Independent Living	115	181	104	163
Assisted Living	72	80	65	72
Memory Care	89	98	80	88
Total Market Rate Senior Supportable	***557***	***719***	***501***	***647***
Income Restricted				
Active Adult - Subsidized	16	26	14	23
Active Adult - Affordable	11	35	10	32
Total Affordable Senior Supportable	***27***	***61***	***24***	***55***

Source: Maxfield Research and Consulting


Storm Lake Demand Summary (2024 - 2035)
MC (88 Units)
AL (72 Units)
IL (163 Units)
AA (Own) (113 Units)
AA (MR) (210 Units)
AA (Aff.) (32 Units)
AA (Sub.) (23 Units)
SF (300 Units)
MF (142 Units)
Sub. (62 Units)
Aff. (83 Units)
MR (181 Units)
For-Sale (30%)
Rental (22%)
Senior (48%)


Demand Comparison - Storm Lake
2017 Study
2024 Study
350
300
250
200
150
100
50
0
FS (SF)
FS (MF)
Rental (Sub.)
Rental (Aff.)
Rental (MR)
Act. Adult (Sub.)
Act. Adult (Aff.)
Act. Adult (MR)
Act. Adult (Own)
Ind. Living
Assisted Living
Memory Care
210
300
113
142
67
62
33
83
206
181
0
23
44
32
102
210
55
113
61
163
64
72
79
88

Based on the finding of our analysis and demand calculations, Table CR-2 provides a summary of the recommended development concepts by product type for the City of Storm Lake. It is important to note that these proposed concepts are intended to act as a development guide to most effectively meet the housing needs of existing and future households in Storm Lake. The recommended development types do not directly coincide with total demand as illustrated in Table CR-1.

TABLE CR-2
RECOMMENDED HOUSING DEVELOPMENT
CITY OF STORM LAKE
2024 to 2035

		Purchase Price/ Monthly Rent Range[1]	No. of Units	Development Timing
Owner-Occupied Housing (General-Occupancy)				
Single-Family[2]				
	Entry-Level	<$200,000	40 - 50	2025+
	Move-up	$200,000 - $350,000	55 - 65	2025+
	Executive	$350,000+	45 - 55	2025+
	Subtotal		**140 - 170**	
Townhomes/Detached Townhomes/Twin Homes/Condominiums[2]				
	Entry-level	<$200,000	25 - 30	2025+
	Move-up	$200,000 to $300,000	45 - 50	2025+
	Executive	$300,000+	30 - 35	2025+
	Subtotal		**100 - 115**	
	Total Owner-Occupied		**240 - 285**	
General Occupancy Rental Housing				
Market Rate				
	Rental Multifamily	$900/1BR - $1,200/3BR	100 - 120	2025+
	Rental Townhomes	$1,050/2BR - $1,400/3BR	40 - 50	2025+
	Subtotal		**140 - 170**	
Income Restricted				
	Rental Multifamily	Income Guidelines[3]	50 - 60	2025+
	Rental Townhomes	Income Guidelines[3]	25 - 35	2025+
	Subtotal		**75 - 95**	
	Total Renter-Occupied		**215 - 265**	
Senior Housing				
Market Rate				
	Active Adult (Rental)	$1,000 - $1,300	80 - 100	2025+
	Active Adult (For-Sale)[4]	$100,000+ (plus monthly fee)	40 - 50	2025+
	Independent Living	$1,500 - $2,800	60 - 70	2026+
	Assisted Living	$3,000 - $5,000	50 - 60	2027+
	Memory Care	$4,000 - $6,000	30 - 40	2025+
	Subtotal		**260 - 320**	
Income Restricted				
	Affordable Active Adult	Income Guidelines[3]	30 - 40	2025+
	Subtotal		**30 - 40**	
	Total Senior		**290 - 360**	
	Total - All Units		***345 - 420***	

[1] Pricing in 2025 dollars. Pricing can be adjusted to account for inflation.
[2] Much of the entry-level demand will be accommodated through the resale market.
[3] Affordability subject to income guidelines per HUD.
[4] A senior cooperative concept assumes costs are based on share cost =40% of its actual value.
Note - Recommended development does not coincide with total demand. Storm Lake may not be able to accommodate all recommended housing types based on a variety of factors (i.e. development constraints, land availability, etc.)

Source: Maxfield Research & Consulting

Recommended Housing Product Types

For-Sale Housing

Single-Family Housing

Table HD-1 identified demand for nearly 500 single-family housing units in the Market Area through 2035. However, after accounting for a capture rate of 60% in Storm Lake, demand is found for 300 single-family homes in Storm Lake through 2035.

Due to the price of the existing housing stock in Storm Lake, most of the existing older housing stock appeals to entry-level buyers. Entry-level homes in the PMA, which we generally classify as homes priced under $200,000, will be mainly satisfied by existing single-family homes as residents of existing homes move into newer housing products built in the Storm Lake area, such as move-up single-family homes, twinhomes, rental housing and senior housing. A move-up buyer or step-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. Although there would be demand for a new single-family housing product priced under $175,000, financially it will be extremely difficult to develop due to land costs, rising labor and material costs, and 40-year high inflation over the past 24 months. However, through our research we find demand for a variety of price points of new single-family homes.

The new construction market has been slow in Storm Lake over the past several years as the city has permitted an average of eight single-family homes annually, since 2017. Over the next decade, Maxfield Research is estimating housing production for about 13 to 15 new single-family homes annually; lower than the actual demand that suggests there is a need for roughly 25 to 30 units annually.

We recommend a rather even distribution of entry-level, move-up, and executive level homes. Although demand is highest for entry-level, as mentioned above producing entry-level product is extremely difficult without major subsidies. As such, the sweet spot for most new construction will be the move-up buyer. At present, there are very few shovel ready new subdivisions in Storm Lake and not all these existing lots meet the needs to today's home buyers. Many homebuyers prefer varying topography for walk-outs; in addition some vegetation. Therefore, demand for lots within subdivisions offering a variety of lot types will be in strong demand.

Through our windshield surveys and discussions with realtors and builders, there are few available lots for move-up or executive buyers in Storm Lake. Many of the available lots are infill lots or are flat lots and lack tree foliage. There are few available walk-out lots (due to topography) vacant lots on Storm Lake that would appeal to a broader base of new construction buyers. In order to accommodate a variety of single-family types and price points, we recommend a balance of standard and premium lots in new subdivisions. Lots that have the necessary slope for a garden level or walkout basement will be lots with premiums. Premiums may also result from other lot types, such as: sites backing up to open space, look-out views, cul-de-sac lots, and oversized lots. We recommend walk-out basements in units wherever topography allows. Typically, a walkout requires a six- to eight-foot drop from the front of the home to its rear.

In addition, the standard lot size in Storm Lake has been larger as buyers have sought out lots with acreages of 0.31 or more and lot frontage of 85 to 100-foot wide. Because of the larger lot frontages and sizes, the final lot costs are higher due to lower-density which drives up the retail price of the home. If entry-level new construction homes are pursued, lot widths will need to be reduced to increase densities to reduce the lot costs to the consumer. Lot sizes of less than 0.25 units per acre (such as 65-wide lot) would help bring down new lot development costs. In many real estate markets across the Midwest lot sizes are trending downward to help minimize lot development and infrastructure costs.

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.

Historically buyers in Storm Lake have preferred the single-family house that accounts for nearly 87% of all for-sale housing in the City of Storm Lake. As a result, there are few options for existing or future householders who desire association-maintained housing. Given the aging of the population and the growth rate in the 55+ population (especially 65-74 age cohorts), Storm Lake would benefit from a more diversified housing stock. Based on the changing demographics and the need for alternative housing types, demand was calculated for 142 new multifamily for-sale units in Storm Lake through 2035. Based on building permit data provided by the City of Storm Lake, very few new multifamily for-sale units have been constructed since 2017 (since the Breeze Condominiums).

These attached units could be developed as twinhomes, detached townhomes or villas, cot-tages, 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 primary suite on the main level if a unit is two-stories. The following provides greater detail into townhome and twinhome style housing.

- *Twinhomes*– By definition, a twinhome is 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).

Housing products designed to meet the needs of these aging Storm Lake residents, many of whom desire to stay in their current community if housing is available to meet their needs, will be needed into the foreseeable future. Twinhomes are also a preferred for-sale product by many builders as units can be developed as demand warrants. Because twinhomes bring higher density and economies of scale to the construction process, the price point can be lower than stand-alone single-family housing. We recommend a broad range of pricing for twinhomes; however base pricing should start at around $200,000.

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.

- *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 in most cases, while more affordably priced villas have between 1,400 and 1,500 on the main level. 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 $275,000 and will fluctuate based on custom finishes, upgrades, etc.

- *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. We recommend a four-plex concept that could be back-to-back with main-level primary bedrooms that would cater to empty-nesters. If the product is successful, future phases could include row homes that would increase density and cater to a broader market. Units should have base prices starting just under $200,000 and will fluctuate based on unit finishes, interior vs. exterior units, etc.

General-Occupancy Rental Housing

Maxfield Research calculated demand for nearly 400 general-occupancy rental units in the PMA through 2035, with 325 units (181 market rate, 83 affordable, and 62 subsidized units) capturable in Storm Lake. Recommended rent ranges for new construction market rate rental units are based on our knowledge of rental rates at recently built market rate properties in the region.

- *Market Rate Multifamily Rental* – Storm Lake has not had any new market rate rental properties built in the last two decades, as the new market rate multifamily property was built in 1999. Additionally, our inventory of the general-occupancy rental market found below market equilibrium vacancy rates for surveyed rental properties; indicating there are limited options available for renters and that there is demand for new product.

  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 2025 dollars) should range from $900 for a one-bedroom unit to $1,200 for a three-bedroom unit. Average rents in Storm Lake are average around $1.02 per square foot and new construction will be near $1.60+ per square foot to be financially feasible. Monthly rents can be trended up by 2.5% 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.

  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 Townhome Rental* – In addition to the traditional multifamily structures, we find that demand exists for 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 $1,050 for two-bedroom units to $1,400 for three-bedroom units. Units should feature contemporary amenities (i.e. in-unit washer/dryer, high ceilings, etc.) and an attached two car garage.

- *<u>Affordable and Subsidized Rental Housing</u>*– 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 62 subsidized units over this decade, this product is very difficult to pencil out given the lack of funding available. As such, all of the income-restricted housing will fall under the "affordable" product through the tax credit program. We found stronger demand for affordable rental housing (83 units); hence development could result from an apartment-style building and/or townhome-style affordable units.

<u>Senior Housing</u>

As illustrated in Table CR-1, demand exists for various types of senior housing product types in Storm Lake through 2035. Due to the aging of Storm Lake's population, senior housing product types show moderate to strong demand among all product types in the short-term. Collectively, senior housing shows demand for 780 units across all service levels in the PMA, with nearly all senior housing demand slated to the City of Storm Lake which accounts for roughly 700 units.

Development of additional senior housing is recommended in order to provide housing opportunity to these aging residents in their stages of later life. The development of additional senior housing serves a two-fold purpose in meeting the housing needs in Storm Lake: older adult and senior residents are able to relocate to new age-restricted housing in Storm Lake, 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.

- *<u>Active Adult (Ownership)</u>* – Maxfield Research and Consulting projected demand for 126 active adult ownership units through 2035, with the City of Storm Lake able to support 113 units. There were no identified senior age-restricted for-sale developments in Storm Lake at this time.

  Maxfield Research & Consulting recommends exploring a cooperative development(s) with a mix of two- and three-bedroom units and a market value share cost of about $100,000. 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. Maxfield Research & Consulting has found the cooperative model to be very well-accepted in rural communities across the Midwest.

- *Active Adult Market Rate Rental* – Demand was projected for about 234 market rate active adult rental units in the PMA through 2035, with 210 supportable by the City of Storm Lake. Currently, there are no market rate rental active adult products in Storm Lake.

  Development of this product could be in a separate stand-alone facility or in a mixed-income project. A mixed-income building could include a portion of units that would be affordable to seniors with incomes established the Iowa Finance Authority. We recommend between 80 to 100 units be built this decade. The project modest rents with base monthly rents starting at $1,000 per month for one-bedroom units and from $1,300 or more for two-bedroom units. The project should offer transportation, activities, and optional services for housekeeping, etc.

- *Active Adult Affordable and Subsidized Rental* – Demand in the PMA was calculated for only 26 subsidized senior units and 35 affordable senior units through 2035. And although this product would be well received by seniors in and near the Storm Lake area; it can be difficult to develop given financing challenges and development costs. Affordable senior housing will likely be a low-income tax credit project through the Iowa Finance Authority. Affordable/subsidized senior housing products can also be incorporated into a mixed-income building which may increase the projects financial feasibility. Most likely, this product type would be developed through the Buena Vista County or other non-profits.

- *Independent Living* – Demand was calculated for 181 independent living units in the PMA through 2035, with 163 supportable by the City of Storm Lake. Based on this demand, multiple projects could be supported in the community to meet this forthcoming demand. We recommend a mix of one-bedroom, one-bedroom plus den, and two-bedroom units. Base monthly rents should start at roughly $1,500 for a one-bedroom unit. 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. New independent housing could be developed adjacent to an existing senior project or in a stand-alone development.

- *Assisted Living Service Level* – The fees should include the base monthly rent, utilities, and assisted living services, such as three meals per day plus snacks, weekly housekeeping, linen service, professional activity programs, scheduled outings, nursing care management, and 24-hour on site staffing. Additional services should also be available either in service packages or a la carte for an extra monthly charge. The unit mix for assisted living units should be studios, one-bedroom and two-bedroom units with base monthly rents ranging from $3,000 to $5,000.

Catered Living Concept

Due to economies of scale, it can be difficult to develop stand-alone facilities for service enhanced senior housing products 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. Residents will be able to select an appropriate service level upon entry to the facility and subsequently increase service levels over time. The ability to customize care allows catered living to accommodate couples, along with individual. The catered living concept has come into the market in just the last 10+ years but tends to be developed in more rural communities that cannot support stand-alone facilities for each product type.

- *Memory Care Component* – We suggest that any memory care units be located in a separate, secured, self-contained wing located on the first floor of the building with its own dining and common area amenities including a secure outdoor patio and wandering area. Fees should the same services as assisted living along with medication reminders, medication administration, and personal care assistance, with other service packages available a-la-carte.

Memory care is often developed in 12-to-16-unit wings. Memory care unit mix should be studios and one-bedroom units with base monthly rents ranging from $4,000 to $6,000. Memory care units should be 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.

Challenges and Opportunities

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

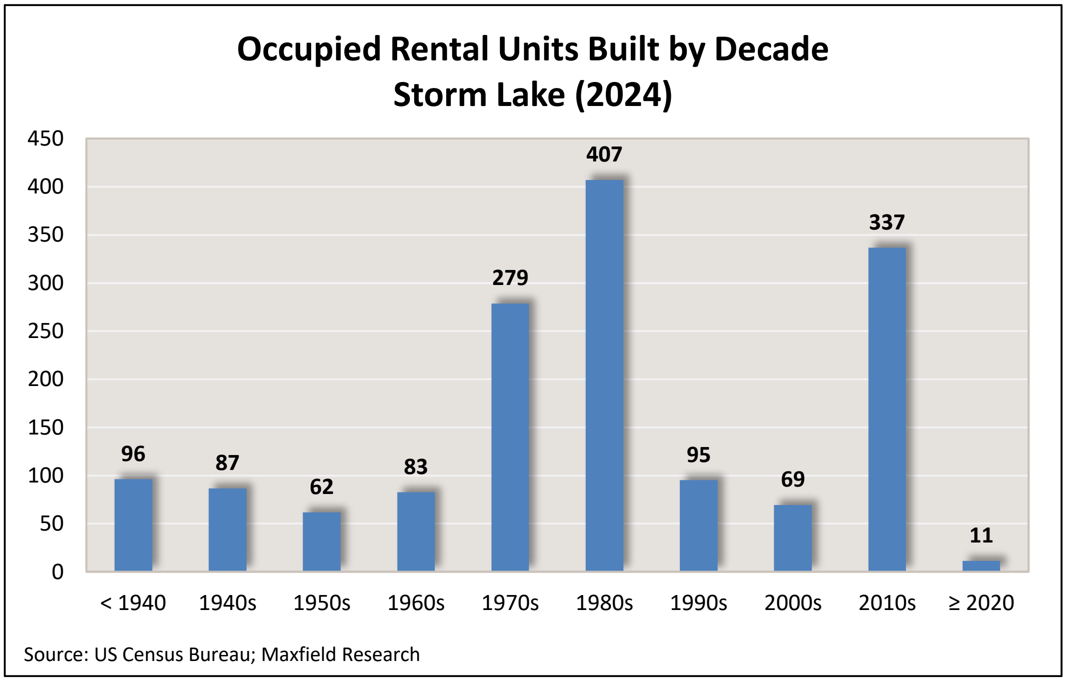
- **Accessory Dwelling Units ("ADU"):** Accessory dwelling units ("ADUs") go by several different names such as: In-law suites, garage apartments, backyard cottages, granny flats, guest houses, etc. An ADU is simply a small, stand-alone residential dwelling unit located on the same property as a detached single-family home. However, in some cases an ADU could include an addition on an existing home, apartment over a garage, or be locating within an attic or basement within the home. Legally, however, an ADU is still a part of the original parcels PID number and title is with the property owner. The most common reason for building an ADU is generating rental income for the homeowner or housing a family member (often for free).

  Because of increased density on the property and smaller sized units, ADUs have the potential to increase housing affordability and create a wider range of housing options. Many communities that permit ADUs in their zoning code limit the number of accessory structures to just one; however, some cities have recently revised their zoning code to allow up to two accessory structures. Some communities monitor ADU construction by limiting new construction to only owner-occupied housing units (main structure is owned), minimum lot size, setbacks, and number of occupants or bedrooms in the accessory structure.

  Maxfield Research recommends that local planning departments review their existing zoning code and if not already permitted, revise zoning codes to ensure ADUs can be a permitted use. Since the pandemic, the demand for ADUs has continued to increase as many homeowners have sought to move family members together in a multi-generational environment. Also, some homeowners design the ADU as a multifunctional space as a home office and living space.

- **Affordable Housing/Naturally Occurring Affordable Housing (NOAH)**. Based on the monthly rates of market rate rental projects in Storm Lake, we estimate that ALL of the market rate rental stock is affordable to households at or below 50% AMI. Because NOAH housing provides the vast majority of affordable housing to renters; we recommend a proactive approach to maintaining affordability within the existing housing stock. Dollar for dollar, preservation of NOAH units yields a much higher number of affordable units vs. new construction under the LIHTC program.

- **Age of Rental Housing Stock.** Roughly 40% of Storm Lake's household rent, however, the overall market rate general occupancy rental housing stock in Storm Lake has a median year built of 1984. Due to the age and relatively small size of most rental developments, there is a lack of the contemporary amenities many of today's renters seek, especially among building/community amenities. Many renters today seek the following unit amenities: in-unit laundry, covered parking, walk-in closets, balconies/patios, oversized windows, and individually controlled heating and air-conditioning. Community amenities tenants desire today include: community rooms with kitchens and big screen TV's, fitness centers, Wi-Fi, extra storage, outdoor community spaces such as patios with grills, lawns and/or pools, along with a pet-friendly policy and outdoor pet spaces. The production of new rental housing should be a top priority for city leaders.

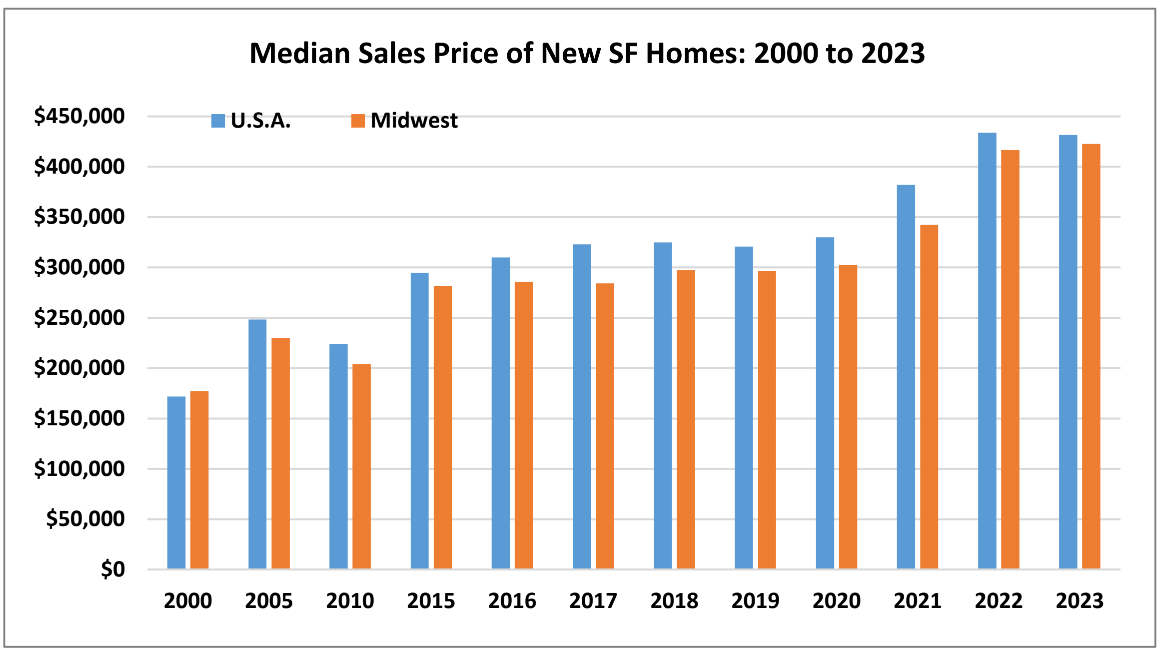


- **Aging Population/Aging Boomers**. As illustrated in Table D-4, there was strong growth between 2010 and 2020 in the younger senior population in Storm Lake (+62%). Over the next 11 years senior growth will continue to increase, and the older adult and senior population is forecast to account for over a quarter of the PMA's population in 2035. In addition, Table D-7 shows homeownership rates among seniors 65+ is approximately 76% in the PMA in 2024. High homeownership rates among seniors indicate there could be lack of senior housing options, or simply that many seniors prefer to live in their home and age in place. Aging in place tends to be higher in rural vs. urban settings as many rural seniors do not view senior housing as an alternative retirement destination but a supportive living option only when they can no longer live independently. Rural areas also tend to have healthier seniors and are also more resistant to change. Because of these demographic and social dimensions, new senior housing development (specifically independent living with light services) in Storm Lake could experience a longer lease-up period as seniors in the region are less reluctant to move from their current home to senior housing living. At the same time, these seniors are seeking alternative housing concepts such as rental of for-sale association-maintained communities.

- **Construction & Development Costs.** The cost to build and develop new single-family housing has increased significantly over the past decade and since the Great Recession in all markets across the U.S.A., as seen in the chart below. New construction pricing peaked in the 2000s between 2005 and 2007 before falling during the recession. Pricing in nearly every market across the United States decreased between 2008 and 2011 before starting to rebound in 2012 and beyond. However, since the Great Recession it has become increasingly difficult for builders to construct entry-level new homes due to a number of constraints – rising land costs, rising material and labor costs, lack of construction labor, and increasing regulation and entitlement fees. As a result, affordable new construction homes have become rare as builders are unable to pencil-out modestly priced new construction.

  New construction in Storm Lake is difficult to achieve under $300,000. At the same time, new construction pricing is at an all-time high coming out of the pandemic due to strong demand and supply and labor constraints for builders that are driving up housing costs. Although new construction has leveled out this past year, new construction across the Storm Lake area and northwestern Iowa generally commands price points of over $300,000 targeting move-up buyers.

  Although new construction will be at a premium in Storm Lake, new construction pricing could be more affordable in Storm Lake should a public-private partnership evolve or other incentives are provided to bring down the cost to home buyers.



- **Economies of Scale**. Economies of scale refer to the increase in efficiency of production as the number of goods being produced is increased. Typically, companies or organizations achieving economies of scale lower the average cost per unit through increased production since fixed costs are shared over an increased number of goods. In the housing development industry, generally the more units that are constructed the greater the efficiency. For example, larger homebuilders negotiate volume discounts in materials and subcontractors, are more efficient in the land entitlement process, leverage the power of technology, and have greater access and lower costs of capital. In multifamily housing, typically the higher the number of units equates into a lower per unit costs. Because of this, construction costs in larger communities such as in Sioux Falls, Omaha, or Des Moines can be lower than found in many smaller communities such as Storm Lake.

  Although Table CR-1 showcased demand for many housing products in Storm Lake through 2035, many of the products will require some density for the project to be finically feasible. Because demand may not be high enough to support various stand-alone housing concepts new development may require private/public partnerships or the combination of multiple product types to ensure the project can be developed.

- **Housing 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. We recommend implementing even a few housing programs to assist new development or enhance the existing housing stock. The following is a sampling of potential programs that could be explored.

  - <u>4d Affordable Housing Tax Incentive</u> - Offers rental property owners a 40% tax rate reduction and limited grant assistance for units that remain affordable for ten years. Property owners can invest the savings into updating and maintaining their naturally occurring affordable housing units.

  - <u>Architectural Design Services</u> - The local government authority (City, HRA, etc.) partners with local architects to provide design consultation with homeowners. Homeowner pays a small fee for service, while the City/public entity absorbs the majority of the cost. No income restriction.

  - <u>Construction Management Services</u> – Assist homeowners regarding local building codes, reviewing contractor bids, etc. Typically provided as a service by the building department. This type of service could also be rolled into various remodeling related programs.

  - <u>Density Bonuses</u> – Since the cost of land is a significant barrier to housing affordability, increasing densities can result in lower housing costs by reducing the land costs per unit. Municipalities can offer density bonuses as a way to encourage higher-density residential development while also promoting an affordable housing component.

- Fast Track Permitting – Program designed to reduce delays during the development process that ultimately add to the total costs of housing development. By expediting the permitting process costs can be reduced to developers while providing certainty into the development process. Typically, no-cost to the local government jurisdiction.

- Heritage/Historic Preservation – Encourage residents to preserve historic housing stock in neighborhoods with homes with character through restoring and preserving architectural and building characteristics. Typically funded with low interest rates on loans for preservation construction costs.

- Home Improvement Area (HIA) - HIAs allow a townhome or condo association low interest loans to finance improvements to communal areas. Unit owners repay the loan through fees imposed on the property, usually through property taxes. Typically, a "last resort" financing tool when associations are unable to obtain traditional financing due to the loss of equity from the real estate market or deferred maintenance on older properties.

- Home-Building Trades Partnerships – Partnership between local Technical Colleges or High Schools that offer building trades programs. Affordability is gained through reduced labor costs provided by the school. New housing production serves as the “classroom” for future trades people to gain experience in the construction industry.

- 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 either city inspectors or third-party licensed inspectors.

- Housing Fair - Free seminars and advice for homeowners related to remodeling and home improvements. Most housing fairs offer educational seminars and "ask the expert" consulting services. Exhibitors include architects, landscapers, building contractors, home products, city inspectors, financial services, among others.

- 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.) – 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.

- Infill Lots – The City or HRA purchase blighted or substandard housing units from willing sellers. After the home has been removed, the vacant land is placed into the program for future housing redevelopment. Future purchasers can be builders or the future owner-occupant who has a contract with a builder. Typically, all construction must be completed within an allocated time period (one year in most cases).

- 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.

- Realtor Forum - Typically administered by City 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.

- Remodeling Tours - City-driven home remodeling tour intended to promote the enhancement of the housing stock through home renovations/additions. Homeowners open their homes to the public to highlight home improvements.

- Rental Collaboration - City 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.

- 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.

- Shallow Rent Subsidy: The HRA funds a shallow rent subsidy program to provide program participants living in market rate rentals a rent subsidy (typically about $100 to $300 per month).

- Tax Abatement: A temporary reduction in property taxes over a specific time period on new construction homes or home remodeling projects. Encourages new construction or rehabilitation through property tax incentives.

- Tax Increment Financing (TIF): Program that offers communities a flexible financing tool to assist housing projects and related infrastructure. TIF enables communities to dedicate the incremental tax revenues from new housing development to help make the housing more affordable or pay for related costs.

- Transfer of Development Rights – Transfer of Development Rights (TDR) is a program that shifts the development potential of one site to another site or different location, even a different community. TDR programs allow landowners to sever development rights from properties in government-designated low-density areas and sell them to purchasers who want to increase the density of development in areas that local governments have selected as higher density areas.

- 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.

- **Inflation**. U.S. inflation rates hit a new 40-year high of nearly 9% in 2022, the biggest yearly increase since December 1981. Rampant price increased for nearly every good and service and specifically energy and food costs are having an impact on American consumers and will eventually affect housing affordability. As a result, the Federal Reserve had been implementing interest rate hikes and increasing borrowing costs to hopefully offset a recession. As interest rates have increased for-sale housing demand has slowed and demand for rental housing has increased. This has resulted in higher housing costs for both buyers and renters. Housing assets are in higher demand during inflationary times as real estate values tend to hedge inflation and investors seek out rental housing assets as equity continues to grow. In the short term, household balance sheets will continue to be stretched as rising costs affect Storm Lake area residents. This could hinder some housing production in the near term as new construction is difficult to pencil for entry-level homeowners. Finally, the high inflation of homeowners insurance is having a major impact on housing affordability as many homeowners are facing premium increases of 20% or more in the past year. These insurance policies are impacting housing affordability on the buy side as well as existing homeowners that need to cut expenses in other areas to alleviate upward pressure on insurance costs.

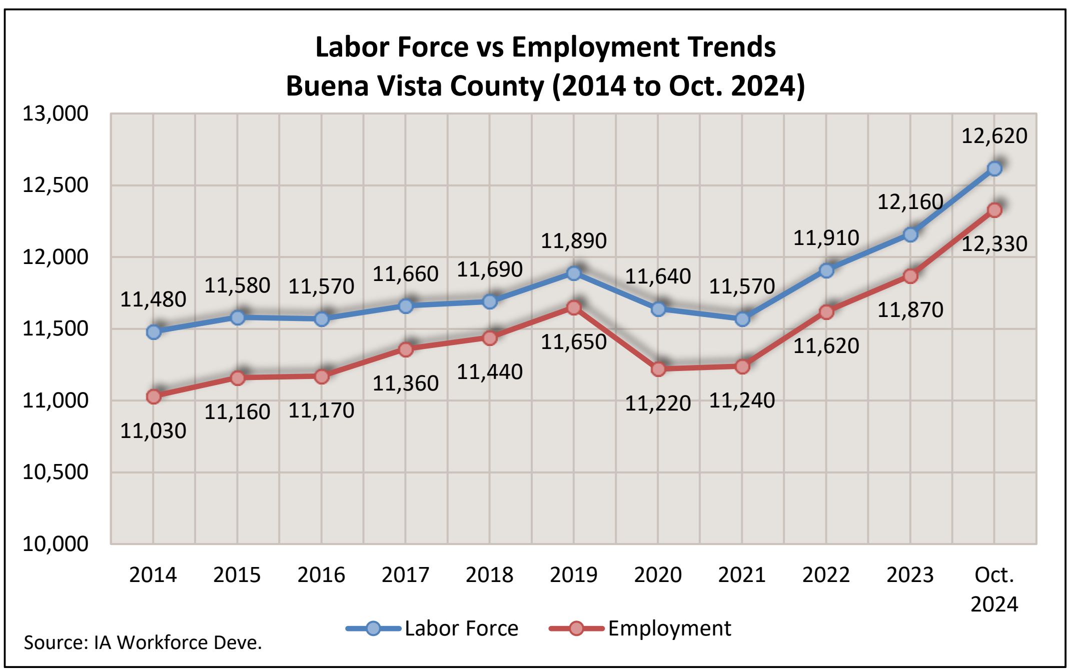
- **Job Growth/Employment.** The Covid-19 pandemic created a number of new challenges for businesses, workers, and government. These unprecedented challenges had an economic ripple effect across the country as thousands of Americans found themselves out of work with increases in unemployment. As depicted earlier, the unemployment rate in Buena Vista County has historically been lower than the State of Iowa. Unemployment peaked at 10.7% in April 2020 during the pandemic shutdowns, but fell quickly, and has remained below 3% since 2021.

  Employers noted the changes to the job market ushered in by the COVID-19 pandemic. The movement of households to smaller communities and the sudden popularity of remote work. The rise of hybrid, or full time remote, work means that employees can opt to live further away from their workplace as commuting becomes less of a factor.

Finding permanent employees and housing are a challenge as employers expand their workforce. Additional rental units, for both permanent and short-term housing, would likely ease the burden on the employer and provide a more attractive option for potential employees to relocate to the City.

- **Employment/Labor Force/Commuters.** The Covid-19 pandemic created a number of new challenges for businesses, workers, and government. The unemployment rate in Buena Vista County for March of 2020 was at 3.4% by the following month, April 2020, unemployment jumped to 10.7%. After soaring at the beginning of the pandemic, unemployment fell every month, dropping below 5% in August 2020 and reaching 4.3% by December 2020. In October 2024, the Buena Vista County unemployment rate was 2.3%. Unemployment has remained low since the pandemic and the labor force in Buena Vista County has generally been increased since the pandemic as well.

  Storm Lake is a net importer of works, approximately 5,246 workers commute into the City. Some commuters may be persuaded to move into the City to reduce commute times given the type of housings they desire is available. At the same time, the rise in remote work triggered by the pandemic has persisted, with more employees working remote or hybrid schedules. This presents an opportunity for additional household mobility as the necessity to live near work. Although this may lead to fewer workers who are commuting into Storm Lake to relocate there, it provides the opportunity to recruit workers and their families from further away.

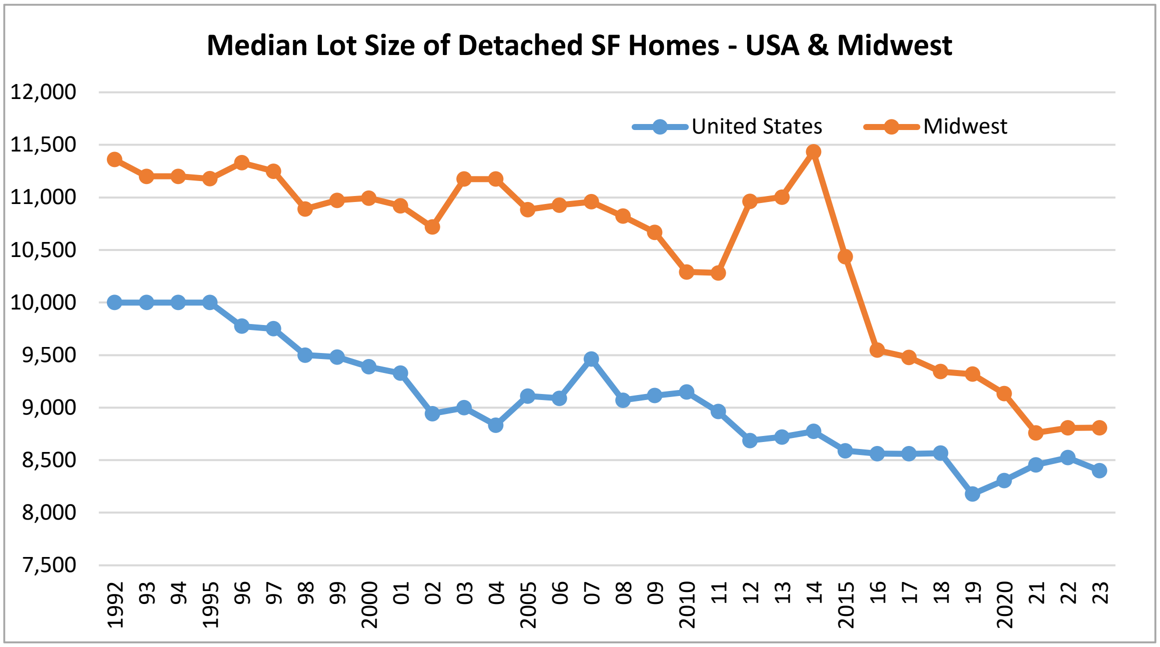


- **Lifestyle Renters.** Historically, householders rented because they couldn't afford to buy or didn't have the credit to qualify for a mortgage. Today that is no longer the case, and many householders are renting by choice. High-income renters represent the fastest growing market segment of the rental market today. Demand is being driven by the Millennials, would-be buyers on the side-lines (due to high sales prices and mortgage rates), and empty nesters. As a result, rental housing is one of the preferred real estate asset classes today across country. Lifestyle renters are attracted to developments offering excellent finishing quality, extensive common area facilities, and typically focus on an environment providing a more social experience. Given the lack of rental housing in Storm Lake, new rental housing will attract all rental types including renters by necessity and renters by choice.

- **Land Availability/Supply.** Table FS-4 inventoried subdivisions in Storm Lake with available lots. Based on our research, there are only 6 vacant developed lots at the time of this report (excluding scattered or infill-lots). Historically Storm Lake is averaging about eight new single-family homes per year since 2020 therefore the current lot supply is unable to support short-term, let alone long-term demand. Furthermore, not all the existing vacant lots may be attractive to home buyers that are seeking specific land for future building such as a lot with topography, walk-outs, look-outs, water frontage, etc. Therefore, new lot subdivisions should be a strong priority given the time to bring new lots to the market.

- **Lot Size**: Across Iowa, the Midwest, and the U.S. there has been a growing trend of lot size compression for decades and especially since the Great Recession of last decade. As illustrated in the chart below, the median lot size of a new single-family detached home in the United States sold in 2019 dropped to its smallest size since the Census Bureau has been tracking lot sizes. Nationwide median lot sizes had dropped below 8,200 square feet (0.19 acres) before increasing after from the pandemic, but decreasing in 2023 as a means to combat higher costs. At the same time, lot sizes decreased in the Midwest to the lowest levels recorded in 2021, down about 15% from 2010. Since 2021, lot sizes have been up slightly in the Midwest, contrary to declining sizes in the U.S.

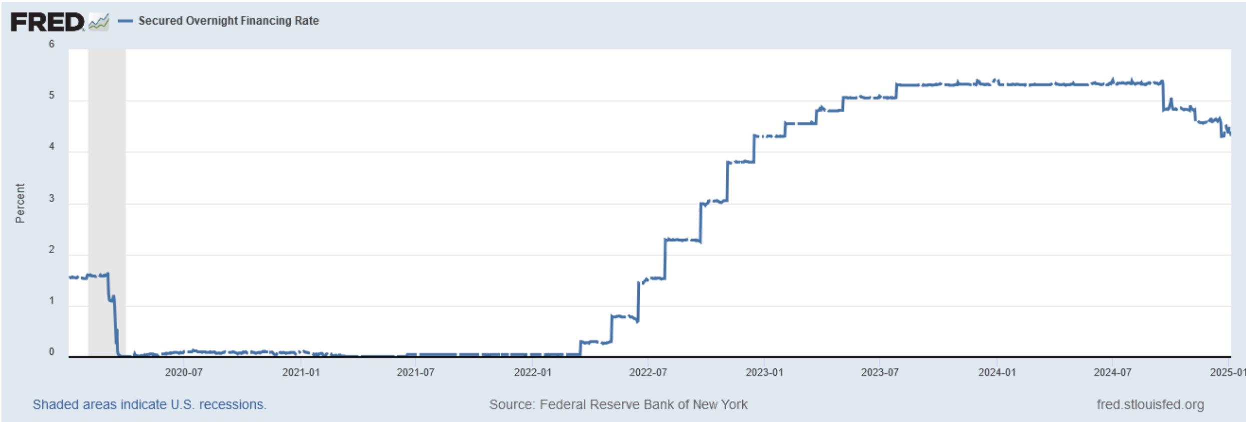
  Lot sizes have decreased in part due to increasing raw land prices, lot prices, and rising regulatory and infrastructure costs (i.e. curb and gutter, streets, etc.). As a result, builders and developers have reduced lot sizes in an effort to increase density and absorb higher land development costs across more units. Many newer single-family subdivisions across the Midwest now offer lot widths of about 65 to 75 feet, down from the standard width of 80 to 90 feet prior to the Great Recession. Because many local governments have larger minimum lot size requirements, the cost of housing continues to rise as developers and buyers may be required to purchase a lot this is larger than they prefer. In an effort to curb rising costs, we recommend allowing compressed lot sizes for new construction to help alleviate costs and maintain affordability.



- **Lender Underwriting/Financing:** Due to inflation, the Federal Reserve has raised interest rates 11x to attempt to keep inflation in-check. The increased borrowing costs has not only impacted mortgages, lines of credit, credit cards, etc. but also the ability to finance new housing construction. Whether it would be new infrastructure for a new housing subdivision or a new multifamily building, the cost of money has ballooned and developers and investors are either putting projects on the shelf or waiting out the market for lower rates.

  Commercial real estate loan volume has dropped sharply as borrowing costs and tighter underwriting have resulted in projects no longer penciling. Most commercial real estate loans are tied to the 10-year Treasury, LIBOR, or SOFR (Secured Overnight Financing Rate). The chart on the following page shows SOFR rates were 0% between 2020 until early 2022; today they are at 4.6% (down from about 5.3% before the three rate cuts from the federal reserve). Lenders often quote the SOFR rate + approximately 200 to 250 basis points, resulting in an interest rate today of about 6.6% to 7.1% for many borrowers. Lenders also require more equity (often upwards of 40%) or deposits in the bank, thus only well-positioned investors and developers are able to move forward today.

  Although we find housing demand for all housing types in Storm Lake many projects are likely to be "on-hold" until the financing market loosens up in late 2025 and beyond. At the time of this study, the federal reserve is hinting at maybe one or two rate cuts, down from the four to five original rate cuts. This may keep new construction on-hold until more favorable conditions result into 2026.

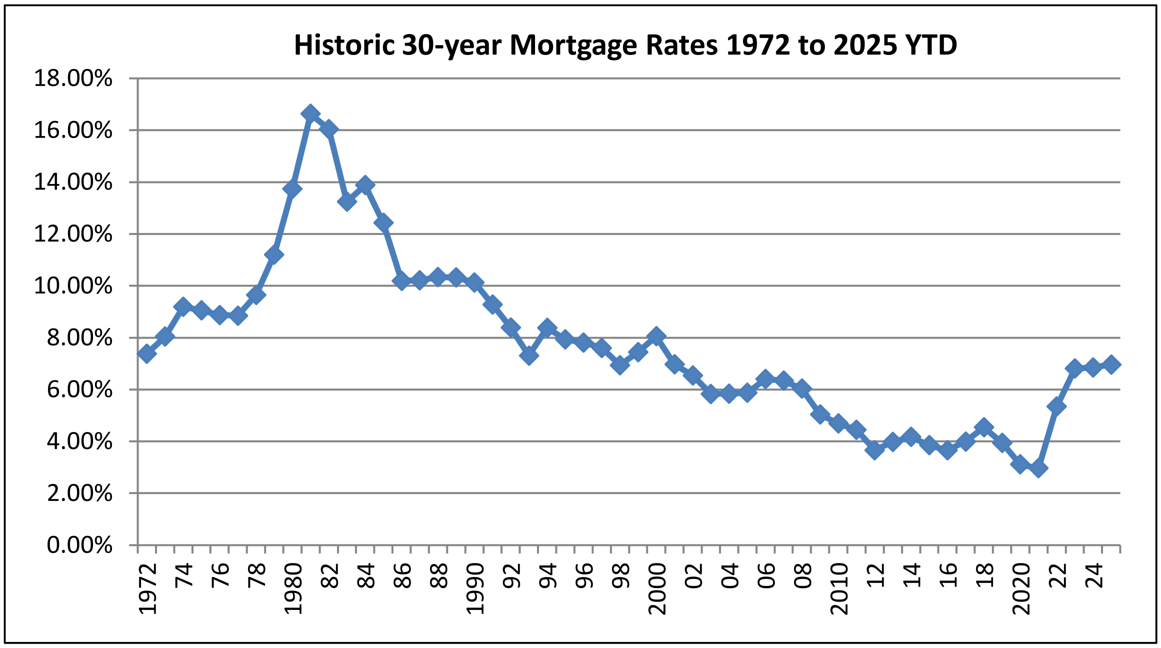


- **Modular Housing.** Modular housing, often referred to as prefab housing, is the construction of housing units in a controlled factory-like setting or on a manufacturers site or lumber yard. Modular housing is gaining steam from developers and investors to combat high construction costs, labor shortages, and speed-up the construction timeline. The biggest advantage modular housing provides is time and shaving months of holding costs off the consumer's bottom line. Originally modular housing was mostly single-family oriented; however, developers are now constructing entire apartment buildings, hotels, senior living, man camps, and college dorms. Historically the biggest challenge of modular housing is transportation, shipping costs, and perception. Modular housing has made huge strides over the decades and are now built on concrete foundations or include basements. The industry continues to battle the stigma of the older mobile homes as the appraisal community continually mis-appraises modular homes due to biases or lack of education on the product. Maxfield Research believes there is opportunity in the modular construction sector that can be utilized in Storm Lake, providing a win-win scenario by providing housing production and passing cost savings along to consumers.

  If not already so, we recommend revising zoning codes to allow for this type of housing if it is not permitted. However, design standards should be enforced in order to ensure incompatible housing does not deter neighborhoods.

- **Mortgage Rates.** Mortgage rates play a crucial part in housing affordability. Lower mortgage rates result in a lower monthly mortgage payment and buyers receiving more home for their dollar. Rising interest rates often require homebuyers to raise their down payment in order to maintain the same housing costs. Mortgage rates have stayed at historic lows for most of the past decade trending under 4.5% (30-year fixed) since around 2010. At the on-set of the COVID-19 pandemic, rates plummeted to at or near an all-time low under 3% for part of 2020 and most of 2021. However, due to a 40-year high inflation the Federal Reserve began hiking rates in 2022 to slow the economy and curtail inflation. The Federal Reserve has implemented 11 rate hikes over the past two years, before cutting rates later in 2024. As a result, the cost of for-sale housing has increased significantly, and many would-be-buyers are on the sidelines and have been priced out of the market. Compared to early in 2022, mortgage payments in early 2024 were on average about 65% higher than the beginning of 2022 (3.25% vs. near 7%). Maxfield Research is projecting some relief in 2025, but expects rates to fall to hover in the 6.5%range by the end of the year.

The following charts illustrates historical mortgage rate averages as compiled by Freddie Mac. The Freddie Mac Market Survey (PMMS) has been tracking mortgage rates since 1972 and is the most relied upon benchmark for evaluating mortgage interest market conditions. The Freddie Mac survey is based on 30-year mortgages with a loan-to-value of 80%.



- **Multifamily Development Costs.** It will be challenging to construct new market rate multifamily product given achievable rents and development costs. According to a proforma developed by Maxfield Research based on the *2024 National Building Cost Manual*, construction hard costs in Storm Lake (utilizing construction averages in the Fort Dodge area) will likely average about $120 per square foot (gross). After accounting for land costs and soft costs and today's high financing costs, the total unit cost would result in total development costs of upwards to $150,000 per unit to develop based on a 24-unit multifamily concept. Based on an average unit size of 875 square feet, the average rent to break-even would be approximately $1,500 per month or about $1.71 PSF. These rents are nearly double of the existing rental stock in Storm Lake that averages $1.02 PSF ($760/month). 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.

- **Private/Public Partnerships ("PPP").** 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.

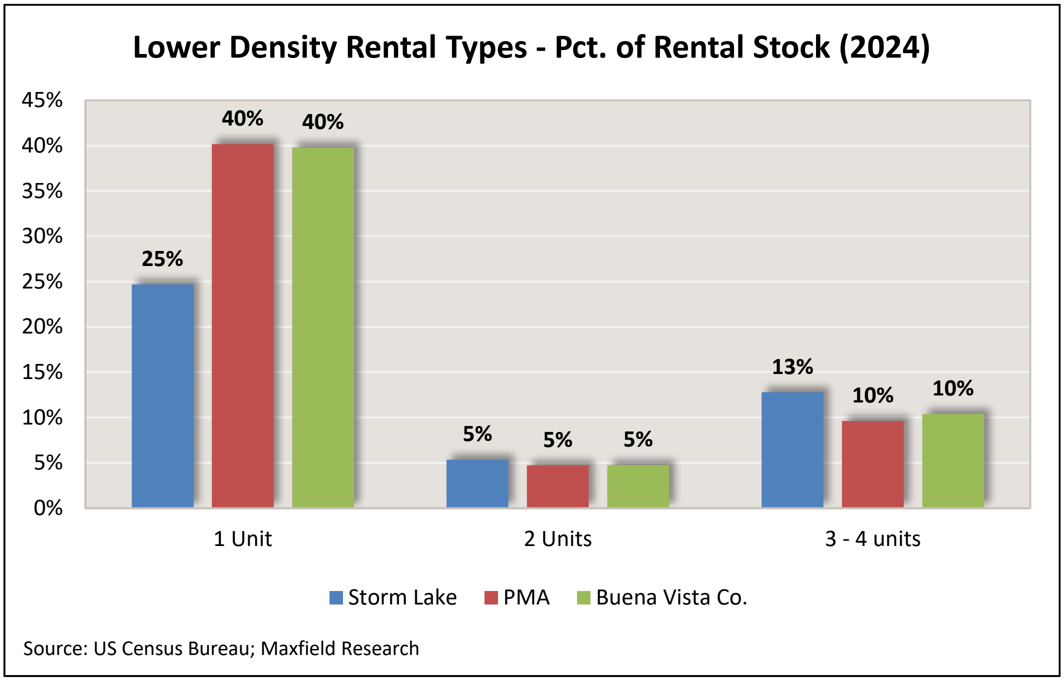
  A number of communities have solved housing challenges through creative partnerships in a variety of formats. Many of these partnerships involve numerous funding sources and stakeholders. Because of the difficulty financing infrastructure and development costs, it will likely require innovative partnerships to stimulate housing development.

- **Rental Housing Options:** Across Storm Lake and the Market Area, there are few new rental housing options as only 30% of the entire PMA are renters, whereas 40% are renters in Storm Lake. Traditionally, most rental housing options tend to be located in communities vs. scatter-site rentals in lower-density township areas as illustrated in the Market Area. At the same time, there are few options for households seeking a rental unit, especially a newer rental housing unit with more modern amenities (i.e. in-unit washer and dryer and parking). The promotion of rental housing production, (especially market rate rentals) should be a top objective for the City of Storm lake. New rental housing options will be demanded by both existing Storm Lake residents and residents from throughout the PMA who desire maintenance-free living.

- **Single-Family Rental Housing Demand.** Table HC-3 showed that 18% of the rental housing inventory in Storm Lake in 2024 is within single-unit housing structures. Another 6% of units were located within an attached structure such a townhome or twin home while another 5% are located in duplexes, triplexes, or quads. Nationwide, it is estimated that 25 of the 43 million rental households in the United States (58%) reside in both single-family rentals, townhomes, duplexes, triplexes, and quads.

  A recent study by Freddie Mac identified the market share of single-family rentals ("SFR") by ownership type across the country. The study found that 88% of SFR are owned by investors with between 1 and 10 homes. Institutional investors make-up only 1% of the market share today; even though they have the financial backing and are able to acquire larger portfolios.

  Demand is strong for SFR by providing renter lifestyle choice and the ability to reside in a detached unit without having to obtain the funds for a down payment on a mortgage. Many single-family renters may consider purchasing; however, the rising costs of real estate and the down payment requirements hinder some renters from making the leap to home ownership. The COVID-19 pandemic increased demand for SFR as renters desire more square footage, green space/yards, separate entrances, and more privacy than traditional multifamily structures.



- **Workforce Housing Tax Credit.** The program provides tax benefits to developers who provide housing to Iowa communities. A Small Cities set aside for this program is available or projects for the 88 least populous counties in Iowa. The program offers developers a state tax credit of up to 10% (20% for those qualifying under the Small Cities set aside) of the investments directly related to the construction or rehabilitation of housing. The tax credit is based on the new investments for the first $150,000 of value for each home or unit.

  Projects must meet one of the following four criteria:

  - Housing development located on a grayfield or brownfield site
  - Repair or rehabilitation of dilapidated housing stock
  - upper story housing development
  - New construction in a greenfield site.

  In addition, the developer must build or rehabilitate at least four single family units, one multi-family building with three or more units or at least two upper story units. The per unit cost is capped to ensure the units are developed as workforce housing and the units cannot be offered for rent on a daily or weekly basis.

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 services and personal care assistance. Absent an assisted living option, these seniors would otherwise need to move to a nursing facility. At a minimum, assisted living properties include two meals per day and weekly housekeeping in the monthly fee, with the availability of a third meal and personal care (either included in the monthly fee or for an additional cost). Assisted living properties also have either staff on duty 24 hours per day or at least 24-hour emergency response.

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

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

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

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

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

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

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

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
Buena Vista County - 2024

	Fair Market Rent				
	EFF	**1BR**	**2BR**	**3BR**	**4BR**
Rent	$688	$693	$910	$1,171	$1,212

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 are shown in the figure below.

Gross Rent
Buena Vista County – 2024

	Maximum Gross Rent							
	30%	40%	50%	60%	70%	80%	100%	120%
EFF	$482	$643	$803	$964	$1,125	$1,286	$1,607	$1,929
1BR	$516	$688	$860	$1,032	$1,204	$1,377	$1,721	$2,065
2BR	$620	$827	$1,033	$1,240	$1,447	$1,654	$2,067	$2,481
3BR	$716	$955	$1,193	$1,432	$1,671	$1,910	$2,387	$2,865
4BR	$798	$1,065	$1,331	$1,597	$1,863	$2,130	$2,662	$3,195

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 household 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 household 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 housing 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 Consulting. 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; however, some government agencies define workforce housing from 50% to 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.