

SEVENTH ANNUAL APARTMENT SURVEY

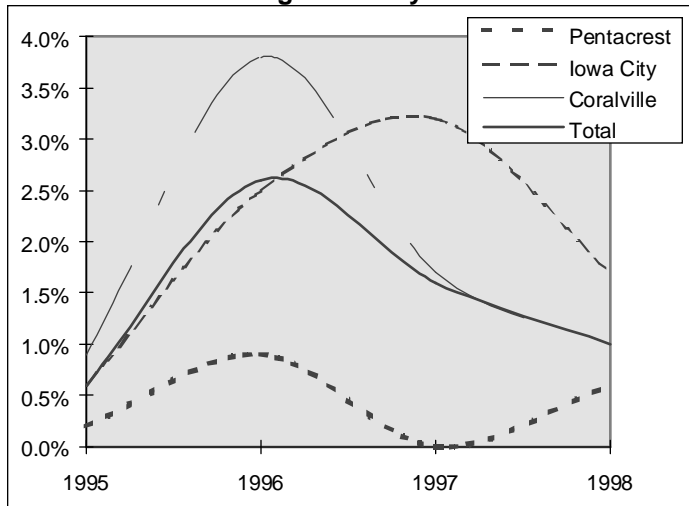
IOWA CITY - CORALVILLE - NORTH LIBERTY

JULY 30, 1998

PURPOSE – This survey was created to provide usable and valuable information on rental markets in the Iowa City area. It began in 1992 and has been conducted once a year. We regret to announce that due to reduced interest, this will be the last sur-

In order to remove inconsistencies and maintain continuity across years, a core group of respondents was selected. This core group was chosen to reflect a cross section of the area's apartment complexes by location and type. For these complexes we have uninterrupted data for four years, enabling us to provide you with reliable, consistent and detailed information. There was not enough information gathered in the North Liberty area and on rental units above three bedrooms for statistically significant results.

Average Vacancy Rates



vey conducted. We greatly appreciate all the owners and managers who have contributed to the survey over the years. It has been only because of your assistance that this survey has been possible.

OVERVIEW – Survey information was collected from 24 apartment complexes this year. This amounts to over 1,760 separate units. On a strictly voluntary basis, information was gathered through survey forms sent to owners or managers of apartment complexes. All data was compiled in summary form to remove specific references to individual apartment complexes. Publicly owned or subsidized properties were excluded from the survey.

For some apartments, utilities and services are included in the rental price. These include water, heat, electricity, air conditioning and cable television. To adjust for included utilities and services, each complex that indicates such has had typical charges deducted from the unit rent figure. This adjusts rent amounts to reflect units where the tenant pays all utilities and services.

	Vacancies			
	1995	1996	1997	1998
Pentacrest	0.2%	0.9%	0.0%	0.6%
Iowa City	0.6%	2.5%	3.2%	1.7%
Coralville	0.9%	3.8%	1.7%	1.0%
One Bedroom/Efficiency	0.4%	2.4%	1.6%	1.9%
Two Bedroom	0.7%	3.0%	1.7%	0.5%
Three Bedroom	0.6%	1.3%	0.0%	2.3%
Total	0.6%	2.6%	1.6%	1.0%

When compiling the survey results, apartment complexes are segmented by regional area into four zones. These are the Pentacrest Mile, the remainder of Iowa City and Coralville.

RESULTS – **Vacancies** are continuing to decline following last year's trend. Apartment complexes in the non-Pentacrest Iowa City area are showing a marked drop from 1996 and 1997 levels. Coralville units as well are continuing to recover from their 1996 high of 3.8% vacancy. Three bedroom apartments are showing a marked increase in vacancy.

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iowa
COMMERCIAL REAL ESTATE
APPRAISERS

319/351-2044
FAX 351-0563
EICREA@AVALON.NET
WWW.AVALON.NET/~EICREA/

SPONSORS OF THE SEVENTH ANNUAL APARTMENT RENT SURVEY

	Average Rent			
	1995	1996	1997	1998
Pentacrest	\$574.47	\$585.29	\$595.00	\$598.42
Iowa City	\$611.79	\$618.33	\$652.67	\$644.00
Coralville	\$454.29	\$445.95	\$468.57	\$487.37
One Bedroom/Efficiency	\$391.71	\$395.88	\$402.94	\$425.29
Two Bedroom	\$523.78	\$518.96	\$544.38	\$540.00
Three Bedroom	\$756.82	\$775.00	\$811.82	\$808.33

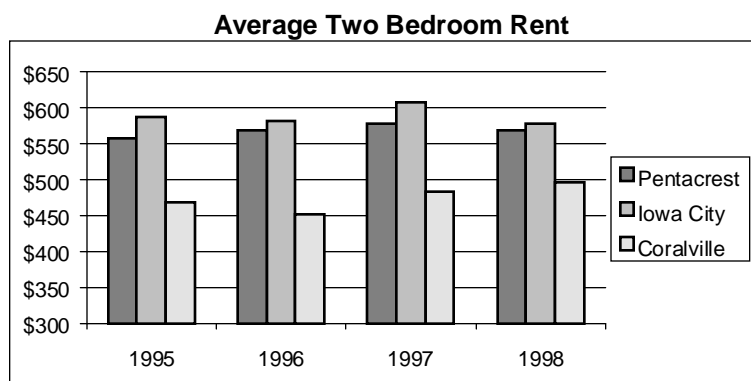
SUMMARY – Coralville is showing itself as currently being the strongest apartment market in the survey area. The Coralville area had an average rental rate increase of \$49.43 from 1997 to 1998. Far beyond the Iowa City area. All of the Iowa City market, particularly the Pentacrest area, showed a decline in average rents. While the Pentacrest area only showed an average decline of \$1.33 from 1997 to 1998, the three bedroom category showed a drop of almost \$18. The remainder of Iowa City had an average rent increase of \$2.09 between 1997 and 1998. The largest limitation on rent increase was a reduction of \$30 on

They led the chart at 2.3% far above the vacancy rates of previous years.

Rent Increases slowed in 1998. The Pentacrest

area continued its trend of modest rent increases where the average increase has been 1.37% over the past three years. The non-Pentacrest Iowa City area showed a decline of 1.33% for average rental rates between 1997 and 1998. This is a sharp drop compared to the 5.55% average increase seen between 1996 and 1997. The Coralville area raised rents by an average of 4% between 1997 and 1998 continuing to rebound after a drop between 1995 and 1996 of 1.84%. The one bedroom/efficiency category showed the largest increase between 1997 and 1998 rent levels with 5.55%. This is a large jump from previous average increases of 1.42%. Both the two and three bedroom categories showed small declines from previous years. Two bedroom apartments increased their rents by an average of 4.9% in 1997 but 1998 shows a decline of 0.8%. The largest portion of this decline is seen in the non-Pentacrest Iowa City area. In the Iowa City area the average rent for a two bedroom apartment fell \$30. Similarly, three bedroom apartments had rents increased by 4.75% on average in 1997. 1998 shows a decline of 0.43% due to a drop of \$17.83 per unit in the Pentacrest area.

average of two bedroom units, the most plentiful of all units available.



average of two bedroom units, the most plentiful of all units available.

	Average Rent		
	Pentacrest	Iowa City	Coralville
One Bedroom/Efficiency			
1995	\$392.33	\$415.00	\$382.50
1996	\$392.50	\$426.67	\$386.88
1997	\$397.50	\$433.33	\$395.63
1998	\$425.00	\$451.67	\$414.29
Two Bedroom			
1995	\$558.40	\$587.14	\$467.73
1996	\$568.00	\$581.88	\$450.91
1997	\$579.00	\$607.50	\$482.73
1998	\$568.00	\$577.50	\$496.00
Three Bedroom			
1995	\$756.00	\$802.50	\$667.50
1996	\$775.00	\$835.00	\$655.00
1997	\$787.00	\$907.50	\$682.50
1998	\$769.17	\$921.25	\$700.00

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