

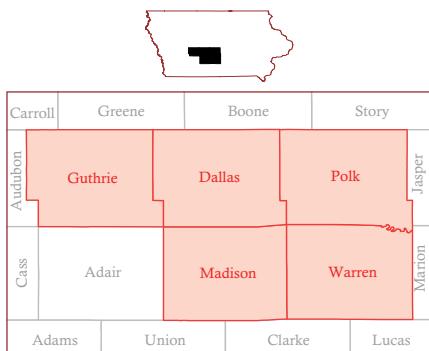


Des Moines-West Des Moines, Iowa

U.S. Department of Housing and Urban Development | Office of Policy Development and Research | As of May 1, 2016



Housing Market Area



The Des Moines-West Des Moines Housing Market Area (hereafter, the Des Moines HMA) is coterminous with the Des Moines-West Des Moines, IA Metropolitan Statistical Area (MSA) and consists of five counties: Dallas, Guthrie, Madison, Polk, and Warren. The Des Moines HMA, in central Iowa, is home to the state capital of Iowa. The city of Des Moines is known as a hub for the insurance industry. In 2015, *Forbes* magazine ranked the city of Des Moines the second best city in the nation for jobs and careers.

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Summary

Economy

The economic expansion that began during 2011 continues in the Des Moines HMA. During the 12 months ending April 2016, nonfarm payrolls increased by 5,000 jobs, or 1.4 percent, to reach a new all-time peak of 350,300 jobs. The current unemployment rate in the HMA is 3.4 percent, down from 3.9 percent a year earlier. During the next 3 years, nonfarm payrolls are expected to increase by an average of 1.3 percent annually.

Rental Market

The current rental housing market in the HMA is balanced. The rental vacancy rate (which includes single-family homes, apartments, and mobile homes) is balanced, with a 6.7-percent vacancy rate, down from 8.6 percent in April 2010. During the 3-year forecast period demand is estimated for 3,600 new market-rate rental units (Table 1). The 2,200 units under construction will satisfy a significant portion of that demand.

Sales Market

The current sales housing market in the HMA is balanced, with a 1.7-percent vacancy rate, down from 2.4 percent during April 2010. New and existing home sales in the HMA totaled 15,000 homes sold during the 12 months ending April 2016, an increase of 1,775, or more than 13 percent, from the previous 12 months (Metrostudy, A Hanley Wood Company). During the 3-year forecast period, demand is estimated for 10,000 new homes (Table 1). The 1,150 homes under construction and a portion of the 6,900 other vacant units in the HMA that may reenter the market will satisfy some of the forecast demand.

Table 1. Housing Demand in the Des Moines-West Des Moines HMA During the Forecast Period

	Des Moines-West Des Moines HMA	
	Sales Units	Rental Units
Total demand	10,000	3,600
Under construction	1,150	2,200

Notes: Total demand represents estimated production necessary to achieve a balanced market at the end of the forecast period. Units under construction as of May 1, 2016. A portion of the estimated 6,900 other vacant units in the HMA will likely satisfy some of the forecast demand. The forecast period is May 1, 2016, to May 1, 2019.

Source: Estimates by analyst

Economic Conditions

The Des Moines HMA is known as a major center for the insurance industry and is home to several large insurance firms, including the Principal Financial Group;

Table 2. Major Employers in the Des Moines-West Des Moines HMA

Name of Employer	Nonfarm Payroll Sector	Number of Employees
Wells Fargo & Company	Financial activities	14,500
Hy-Vee Food Corporation	Wholesale & retail trade	7,500
Mercy Medical Center	Education & health services	7,050
UnityPoint Health	Education & health services	6,450
Principal Financial Services, Inc.	Financial activities	6,200
Nationwide Insurance	Financial activities	4,200
Deere & Company	Manufacturing	3,100
DuPont Pioneer	Manufacturing	3,000
Kum & Go	Wholesale & retail trade	1,825
United Parcel Service, Inc.	Transportation & utilities	1,600

Note: Excludes local school districts.

Source: Greater Des Moines Partnership

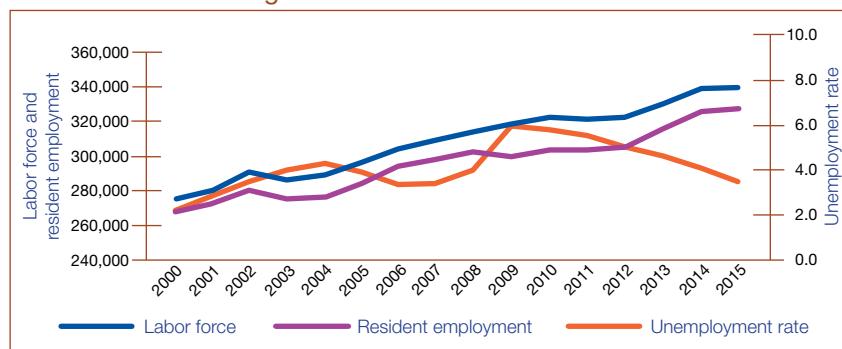
Table 3. 12-Month Average Nonfarm Payroll Jobs in the Des Moines-West Des Moines HMA, by Sector

	12 Months Ending		Absolute Change	Percent Change
	April 2015	April 2016		
Total nonfarm payroll jobs	345,300	350,300	5,000	1.4
Goods-producing sectors	37,700	37,700	0	0.0
Mining, logging, & construction	17,800	17,700	-100	-0.6
Manufacturing	19,900	20,000	100	0.5
Service-providing sectors	307,500	312,500	5,000	1.6
Wholesale & retail trade	56,300	57,100	800	1.4
Transportation & utilities	10,400	10,700	300	2.9
Information	6,800	6,600	-200	-2.9
Financial activities	53,100	55,000	1,900	3.6
Professional & business services	45,400	47,200	1,800	4.0
Education & health services	46,800	47,700	900	1.9
Leisure & hospitality	32,000	31,800	-200	-0.6
Other services	13,800	13,700	-100	-0.7
Government	42,900	42,800	-100	-0.2

Notes: Numbers may not add to totals because of rounding. Based on 12-month averages through April 2015 and April 2016.

Source: U.S. Bureau of Labor Statistics

Figure 1. Trends in Labor Force, Resident Employment, and Unemployment Rate in the Des Moines-West Des Moines HMA, 2000 Through 2015



Source: U.S. Bureau of Labor Statistics

EMC Insurance Group, Inc.; Allied Insurance; and Wellmark Blue Cross and Blue Shield of Iowa, each of which employs more than 1,000 people locally. The HMA has also been developing as a banking services center, and the largest employer in the HMA is Wells Fargo & Company, with 14,500 employees (Table 2). Because the city of Des Moines is the state capital of Iowa, the government sector has a large impact on the economy of the HMA.

Economic conditions in the HMA remain strong, and, during the 12 months ending April 2016, nonfarm payrolls reached an all-time peak of 350,300 jobs after increasing by 5,000 jobs, or 1.4 percent, from the previous 12 months (Table 3). Since the start of the current economic expansion in 2011, nonfarm payrolls have increased by an average of 6,500 jobs, or 2.0 percent, annually. The current unemployment rate is 3.4 percent, down from 3.9 percent a year earlier and from a peak of 6.0 percent during 2009. Figure 1 shows trends in the labor force, resident employment, and the unemployment rate in the HMA from 2000 through 2015.

The professional and business services sector has been the leading employment sector for job gains since the start of the most recent economic expansion in 2011, increasing by an average of 1,800 jobs, or 4.3 percent, annually.

The professional and business services sector continues to be a growth sector in the HMA and, during the 12 months ending April 2016, was the second fastest-growing sector, in nominal terms, increasing by 1,800 jobs, or 4.0 percent, from the previous 12 months. Adding jobs in this sector was Kemin Industries, an animal and human nutrition and health company, undertaking a \$125 million expansion of its

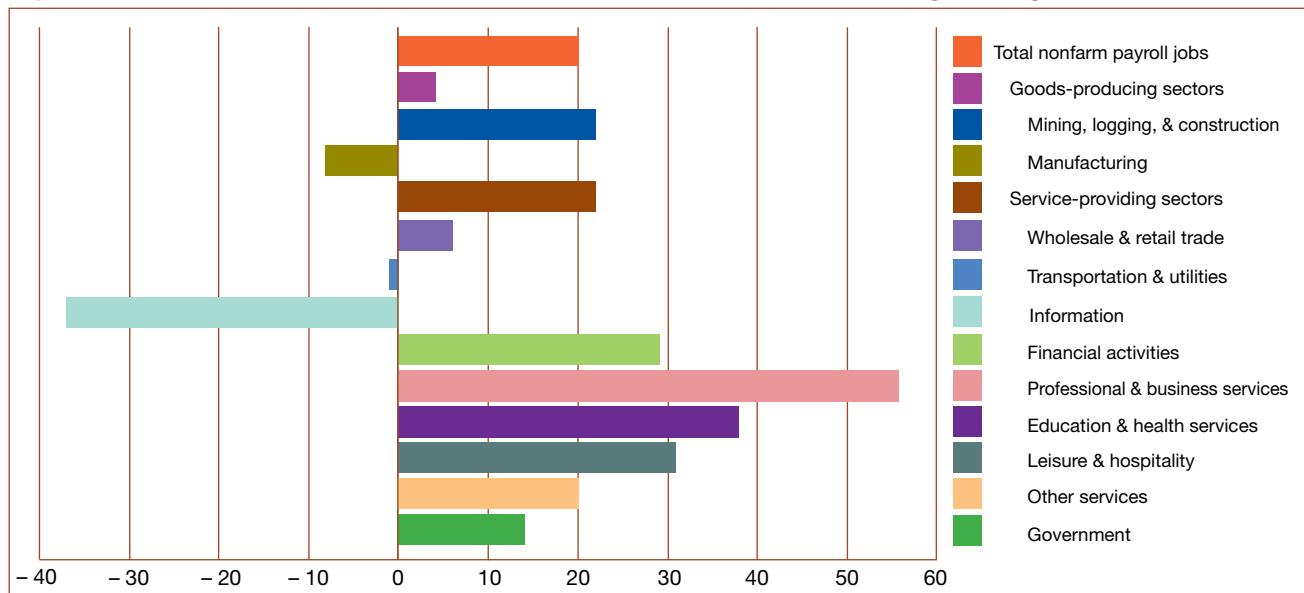
Economic Conditions *Continued*

corporate headquarters and adding 100 jobs during the past year, with 150 more jobs to be added by the end of 2017. Since 2000, the professional and business services sector has had the largest percentage gain in jobs of any employment sector in the HMA. From 2001 through the current date, nonfarm payrolls in the professional and business services sector increased by an average of 1,100 jobs, or 3.0 percent, annually. Much of the job growth in this sector is related to agriculture and bioscience research as a result of the state of Iowa being the second largest producer of agricultural goods—in terms of cash

receipts—in the nation, behind California. Figure 2 shows sector growth in the HMA since 2000.

The financial activities sector is one of the major contributors to the positive economic conditions in the Des Moines HMA. It is the second largest employment sector in the HMA—behind wholesale and retail trade—with 55,000 jobs, or 15.7 percent of all nonfarm payroll jobs (Figure 3). The financial activities sector share of nonfarm payroll jobs in the HMA is significantly more than the 5.7 percent at the national level and is nearly double the 8.2 percent

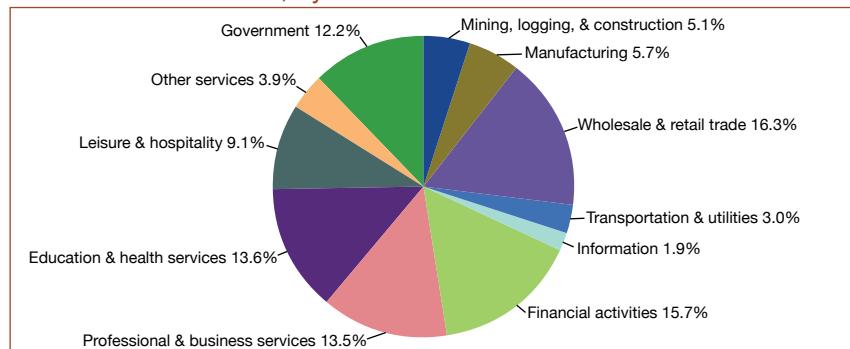
Figure 3. Sector Growth in the Des Moines-West Des Moines HMA, Percentage Change, 2000 to Current



Note: Current is based on 12-month averages through April 2016.

Source: U.S. Bureau of Labor Statistics

Figure 3. Current Nonfarm Payroll Jobs in the Des Moines-West Des Moines HMA, by Sector



Note: Based on 12-month averages through April 2016.

Source: U.S. Bureau of Labor Statistics

in the New York-Newark-Jersey City, NY-NJ-PA MSA, which typically is considered the financial hub of the United States. Because of its prevalence of higher-paying jobs, the financial activities sector has a significant impact on the local economy. Since 2001, employment in the financial activities sector has increased by 800 jobs, or nearly 1.7 percent, annually. Of the 10 largest private-sector employers in the HMA, 3 are in the financial activities sector. During the 12 months ending April 2016, the financial activities sector added the most jobs of any sector in the HMA, increasing by 1,900 jobs, or 3.6 percent. Part of that job growth is the result of increased employment at the Wells Fargo & Company Jordan Creek campus. In the spring of 2013, the company broke ground on a \$100 million expansion, which was completed in 2016; the expansion resulted in the addition of 1,000 new jobs during the past 12 months.

The government sector has a significant impact on the economy of the HMA, which includes the state capital of Des Moines. During the 12 months ending April 2016, government payrolls totaled 42,800 jobs, a decline of 100 jobs, or 0.2 percent, from the previous 12 months. All the job losses were in the state government subsector, which declined by 300 jobs, or 3.4 percent. These losses continue the trend of declining state government payrolls in the HMA since 2009; losses have averaged 200 jobs, or 2.7 percent, annually.

Like the most recent economic expansion, job growth through much of the 2000s was steady but not particularly strong. After nearly continuous job growth in the HMA during the 1990s, job growth continued during 2001 as nonfarm payrolls increased by 2,900 jobs, or 1.0 percent. Job growth was

led by the government and financial activities sectors, which increased by 1,200 jobs each, or 3.2 and 2.8 percent, respectively. From 2002 through 2003, nonfarm payrolls in the HMA declined by an average of 800 jobs, or 0.3 percent, annually. Many employment sectors in the HMA lost jobs during those years, but job losses were led by the manufacturing sector, which declined by an average of 900 jobs, or 4.4 percent, annually. Following that downturn, job growth occurred in the HMA from 2004 through 2008, with nonfarm payrolls increasing by an average of 6,600 jobs, or 2.2 percent, annually. The professional and business services sector, which added an average of 1,400 jobs, or 4.2 percent, annually led job growth. Large gains also occurred in the financial activities sector, which increased by an average of 1,300 jobs, or 2.8 percent, annually. In June 2004, Wells Fargo & Company announced plans to build its Jordan Creek campus in the city of West Des Moines, a \$120 million capital investment of four buildings with 960,000 square feet of office space that created 2,000 new jobs in the HMA. At the time of the announcement, Wells Fargo & Company had 3,300 employees spread throughout the HMA. Although the national economy entered a recession in December 2007, the impacts affected the HMA's economy mostly from 2009 through 2010, when nonfarm payrolls declined by an average of 5,100 jobs, or 1.6 percent, annually. Employment in the mining, logging, and construction sector declined by an average of 1,800 jobs, or 11.5 percent, annually as the national housing crisis caused home construction to decline sharply.

Economic conditions are expected to remain positive during the 3-year

forecast period. Nonfarm payrolls are expected to increase by 4,425 jobs, or 1.3 percent, annually. Job growth is likely to remain strong in the professional and business services sector partly because of a recent announcement by Cognizant Technology Solutions, a custom information technology

and consulting firm, that it would occupy two new buildings in the Grey's Landing development in the city of Des Moines, adding 1,000 new jobs. In addition, Excell Marketing, L.C., also located in the city of Des Moines, announced that it would add 60 jobs during the next 3 years.

Population and Households

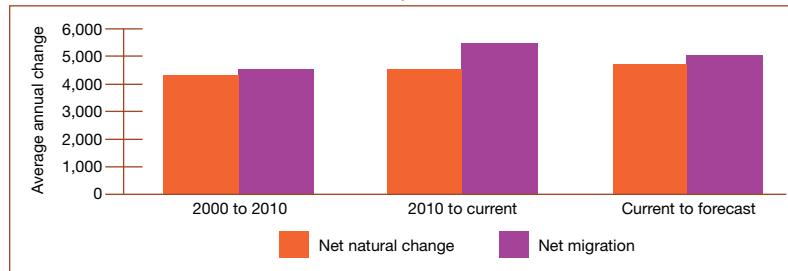
The current population of the Des Moines HMA is estimated at 630,200, an average increase of 9,950, or 1.7 percent, annually since April 2010. Net in-migration to the HMA has been strong since 2010, averaging 5,425 people annually and accounting for nearly 55 percent of all population growth since 2010 as strong job growth has attracted people to the HMA (Figure 4). From 2000 to 2010, population growth in the HMA averaged 8,825 people, or 1.7 percent, annually, with net in-migration averaging 4,500 people per year and accounting for 51 percent of population growth. The strongest period of population growth in the HMA was from 2004 to 2007 (July 1 census population estimates), when the population increased by an average of 10,800, or 2.1 percent, annually, with net in-migration averaging 6,150 and accounting for

nearly 57 percent of population growth as strong job growth brought people to the HMA.

Polk County, which includes the city of Des Moines, is the largest county in Iowa, with a population of more than 460,000, which accounts for more than 73 percent of the HMA population. Although Polk County is the largest county in the HMA, Dallas County is the fastest growing county and was the 10th-fastest in the nation from 2010 to 2015, with the population increasing 21.2 percent, from 66,100 to 80,100. The population of Warren County is increasing but at a much slower rate than that of either Polk or Dallas Counties. Madison and Guthrie Counties are more rural areas of the HMA and have had no population growth since 2010.

An estimated 247,500 households are currently in the Des Moines HMA, an average increase of 3,975, or 1.7 percent, annually since 2010. From 2000 to 2010, household growth in the HMA averaged 3,400, or 1.7 percent, annually. Renter households have accounted for 66 percent of all new household formations since 2010, causing the homeownership rate to decline from 71.4 percent in 2010 to 67.8 percent currently (Table DP-1 at

Figure 4. Components of Population Change in the Des Moines-West Des Moines HMA, 2000 to Forecast

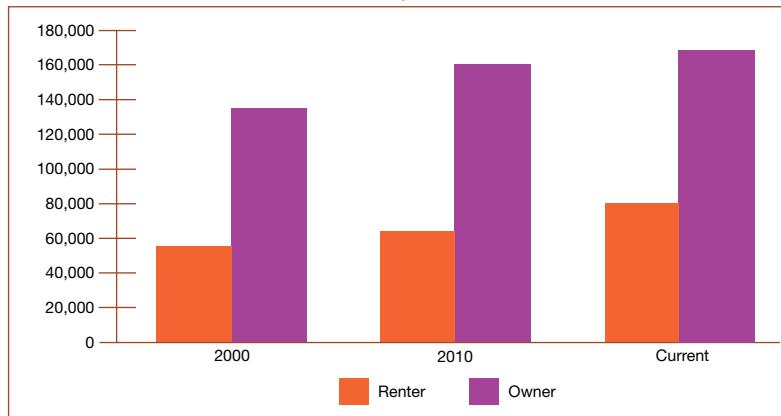


Notes: The current date is May 1, 2016. The forecast date is May 1, 2019.

Sources: 2000 and 2010–2000 Census and 2010 Census; current and forecast—estimates by analyst

Population and Households *Continued*

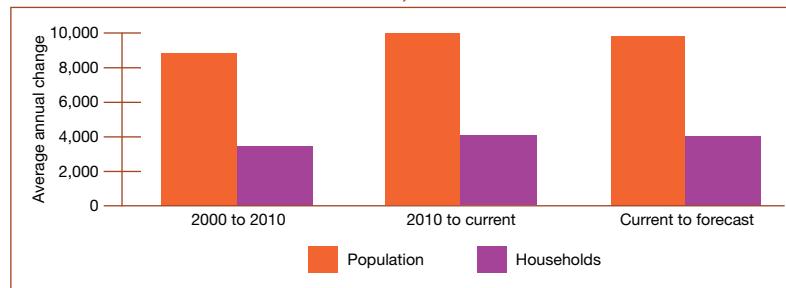
Figure 5. Number of Households by Tenure in the Des Moines-West Des Moines HMA, 2000 to Current



Note: The current date is May 1, 2016.

Sources: 2000 and 2010–2000 Census and 2010 Census; current—estimates by analyst

Figure 6. Population and Household Growth in the Des Moines-West Des Moines HMA, 2000 to Forecast



Notes: The current date is May 1, 2016. The forecast date is May 1, 2019.

Sources: 2000 and 2010–2000 Census and 2010 Census; current and forecast—estimates by analyst

the end of this report). That rate of decline is a reversal from 2000 through 2010, when only slightly more than 25 percent of all new households formed were renter households and the homeownership rate increased from 70.8 percent to 71.4 percent. Figure 5 shows the number of households by tenure in the HMA from 2000 to the current date.

During the 3-year forecast period, population and household growth are expected to remain positive but to slow slightly from the most recent trends. Population growth is estimated to average 9,725 people, or 1.5 percent, annually, whereas household growth is estimated at 3,900 households, or 1.6 percent, annually. Most of the population and household growth in the HMA is likely to occur along the Interstate 35 corridor in Dallas and Polk Counties during the next 3 years. Figure 6 shows population and household growth in the HMA from 2000 to the forecast date.

Housing Market Trends

Sales Market

The current sales housing market in the Des Moines HMA is balanced, with a 1.7-percent owner vacancy rate, down from 2.4 percent during April 2010. A 2.5-month supply of homes for sale existed in the HMA during April 2016, which is down from 3.4 months a year earlier and 8.6 months during April 2010 (Des Moines Area Association of Realtors®). Mortgage delinquency has remained well below the national average. As of April 2016, 2.0 percent of home loans in the HMA

were seriously delinquent (90 or more days delinquent or in foreclosure) or had transitioned into real estate owned (REO) status, down from 2.5 percent a year earlier and from a peak of 5.2 percent in January 2010 (CoreLogic, Inc.). That rate compares with the national and state rates of 2.9 and 2.0 percent during April 2016, which are down from 3.7 and 2.4 percent during April 2015 and from the peak of 8.6 and 4.5 percent, respectively, during January 2010.

Housing Market Trends

Sales Market *Continued*

During the 12 months ending April 2016, the sale of new homes (which includes single-family homes, townhomes, and condominiums) totaled 1,700, an increase of 250 homes sold, or more than 17 percent, from the previous 12 months (Metrostudy, A Hanley Wood Company). The number of new home sales is still well below the all-time peak of 4,275 homes sold during 2005. Following that peak, new home sales declined during the next 6 years by an average of 620 homes, or more than 21 percent, annually, to 1,100 homes sold in 2011. With improving economic conditions, the demand for new homes began to increase and, by 2013, totaled 1,450 homes sold, an average increase of 175 homes, or nearly 15 percent, annually. During 2014, the number of new homes sold declined by 100, or more than 6 percent, to 1,350 homes sold partly because of weather-related issues that delayed completion of new homes that year. The average sales price of a new home in the HMA during the 12 months ending April 2016 was \$300,700, which is at an all-time peak and up by \$18,200, or more than 6 percent, from the previous 12 months. During 2006, the average sales price of a new home was \$212,700, then the price declined during the next 3 years nearly 3 percent annually, to \$196,800 in 2009, as a result of the downturn in the national housing market. New home sales prices increased during the next 5 years by an average of \$16,500, or more than 7 percent, annually, to \$279,500 in 2014.

Sales of existing homes in the HMA increased significantly during the past 12 months and are at an all-time high, with 13,250 homes sold during the 12 months ending April 2016, an increase of 1,500 homes, or nearly 13

percent, from the previous 12 months. The previous peak level of existing home sales was in 2006, when sales totaled 12,900 homes. Beginning in 2007, existing home sales declined by an average of 920 homes, or more than 8 percent, annually, to 8,325 homes sold during 2011. With an improving economy, existing home sales in 2012 began to steadily increase and, during 2014, totaled 11,400 homes sold, an average increase of 1,025 homes, or 11 percent, annually. The average sales price of an existing home also reached an all-time peak, at \$172,700, during the 12 months ending April 2016, an increase of \$3,500, or 2 percent, from the previous 12 months. The average sales price of an existing home in 2005 was \$147,900 and, by 2008, had risen to \$162,400, an average increase of \$4,825, or more than 3 percent, annually. During 2009, the impacts from the economic downturn and national housing crisis put downward pressure on home prices, which fell to \$149,200, a decline of \$13,200, or 8 percent. Following that 1-year downturn, the average sales price of an existing home began to increase again and, by 2014, was up to \$167,300, an average increase of \$3,625, or slightly more than 2 percent, annually since 2009.

Single-family home construction activity, as measured by the number of homes permitted, totaled 3,500 homes during the 12 months ending April 2016, an increase of 250 homes, or 8 percent, from the previous 12 months (preliminary data). This current level of production is higher than the average of 3,025 homes permitted annually from 2012 through 2014. In 2000, approximately 2,575 single-family homes were permitted, and that number increased every year by an

Housing Market Trends

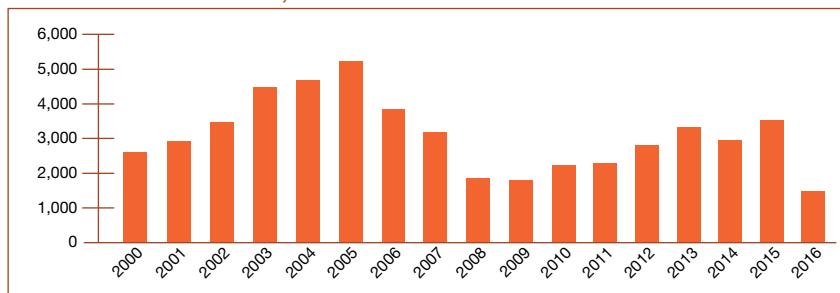
Sales Market *Continued*

average of 520 homes, or 15 percent, annually until peaking in 2005, when 5,175 single-family homes were permitted. As a result of a softening sales housing market, single-family home construction activity declined during the next 4 years by an average of 850 homes, or 23 percent, annually until 2009, when only 1,800 homes were permitted. During 2010 and 2011,

homebuilding began to increase again as the economy began to improve, and an average of 2,225 homes were permitted annually. Figure 7 shows the number of single-family homes permitted annually in the HMA.

New developments include Crosshaven, which is in Polk County, northwest of the city of Des Moines. The fourth and fifth phases of the development are ongoing, with only 17 of the 54 home sites remaining. Home prices in that development start at \$365,000 for a four-bedroom, two-bathroom home. Orchard View is a 30-home development in Warren County that started construction in early 2016. Home prices in that subdivision start at \$219,000 for a three-bedroom, two-bathroom home.

Figure 7. Single-Family Homes Permitted in the Des Moines-West Des Moines HMA, 2000 to Current



Notes: Includes townhomes. Current includes data through April 2016.

Sources: U.S. Census Bureau, Building Permits Survey; estimates by analyst

Table 4. Estimated Demand for New Market-Rate Sales Housing in the Des Moines-West Des Moines HMA During the Forecast Period

Price Range (\$)		Units of Demand	Percent of Total
From	To		
140,000	199,999	900	9.0
200,000	249,999	3,100	31.0
250,000	299,999	2,900	29.0
300,000	349,999	1,500	15.0
350,000	399,999	800	8.0
400,000	499,999	500	5.0
500,000	and higher	300	3.0

Notes: The 1,150 homes currently under construction and a portion of the estimated 6,900 other vacant units in the HMA will likely satisfy some of the forecast demand. The forecast period is May 1, 2016, to May 1, 2019.

Source: Estimates by analyst

During the 3-year forecast period, demand is estimated for 10,000 new homes (Table 1). The 1,150 homes under construction and some of the 6,900 other vacant units in the HMA that may reenter the market will satisfy a portion of the demand. More than 90 percent of the new home construction is likely to occur in Dallas and Polk Counties. Demand is expected to be greatest for new homes in the \$200,000-to-\$299,999 price range (Table 4).

Rental Market

The current rental housing market in the Des Moines HMA is balanced.

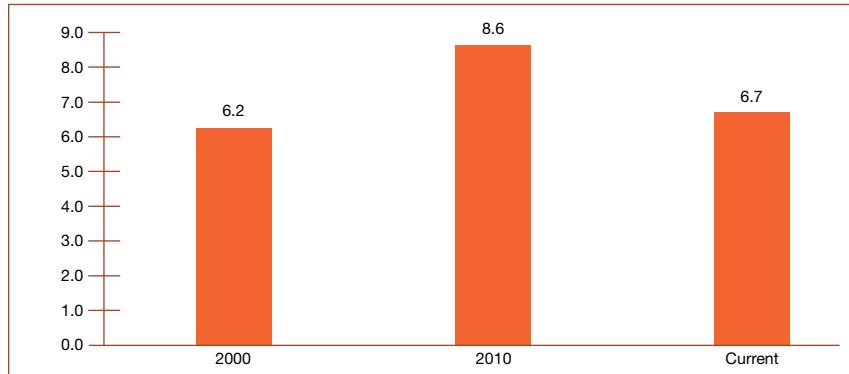
The overall rental vacancy rate (which includes single-family homes, mobile homes, and other rental units) is currently estimated at 6.7 percent, an improvement from April 2010, when the rate was 8.6 percent (Figure 8). Improving economic conditions and

increased in-migration to the HMA since 2012 have helped contribute to the declining vacancy rate. More than 33 percent of all renter households in the HMA lived in single-family homes in 2014, up from 31 percent in 2010 (2010 and 2014 American Community Survey 1-year data).

Housing Market Trends

Rental Market *Continued*

Figure 8. Rental Vacancy Rates in the Des Moines-West Des Moines HMA, 2000 to Current



Note: The current date is May 1, 2016.

Sources: 2000 and 2010–2000 Census and 2010 Census; current—estimates by analyst

The current apartment market in the HMA is also balanced as a result of a recent surge in production, which has helped alleviate previously tight conditions. The apartment vacancy rate during April 2016 was 6.5 percent, up from 4.8 percent in April 2015 (Reis, Inc.). During 2010, the apartment vacancy rate was 5.6 percent. Improving economic conditions, along with steady population growth, caused the market to tighten, and, by the end of 2013, the apartment vacancy rate was down to 3.8 percent. The current average rent for an apartment in the HMA is \$833, an increase of \$30, or 4 percent, from a year earlier. In 2010, the average rent in the HMA was \$711 and increased to \$773 during 2013, an average increase of \$21, or 3 percent, annually. Even with the increasing vacancy rate from 2014 through 2015, the large number of new units entering the market helped sustain the rate of rent growth, which increased by an average of \$23, or 3 percent, annually, to \$819 during 2015.

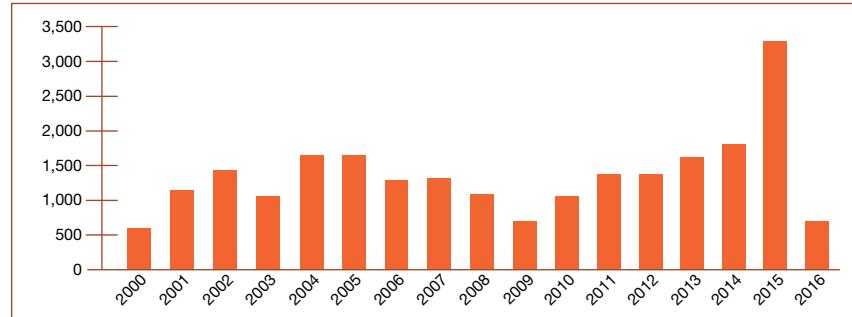
Multifamily construction activity, as measured by the number of multifamily units permitted, totaled 2,725 units during the 12 months ending April

2016, an increase of 1,100, or 68 percent, from the previous 12 months (preliminary data). During 2014, approximately 1,775 multifamily units were permitted, which was an all-time record in the HMA until 2015, when 3,300 units were permitted. The 3,300 units permitted during 2015 is double the previous peak of 1,650 units during 2005. From 2000 through 2003, an average of 1,050 multifamily units were permitted annually, and that number increased by 600 units, or 57 percent, to an average of 1,650 units permitted annually during 2004 and 2005, when the HMA had a period of strong population growth. Multifamily construction activity declined by 425 units, or 26 percent, and averaged 1,225 units permitted annually from 2006 through 2008 and dropped further to 680 units permitted during 2009 as a result of impacts from the recession and the housing crisis. In 2010, multifamily construction activity began to increase again and, by 2013, totaled 1,625 units permitted, which was just below the previous peak level in 2005. Figure 9 shows the number of multifamily units permitted annually since 2000.

Housing Market Trends

Rental Market *Continued*

Figure 9. Multifamily Units Permitted in the Des Moines-West Des Moines HMA, 2000 to Current



Notes: Excludes townhomes. Current includes data through April 2016.

Sources: U.S. Census Bureau, Building Permits Survey; estimates by analyst

Recent developments in the HMA include The Cascades at Jordan Creek, a 264-unit apartment development that opened in early 2016. This development includes one-, two-, and three-bedroom units with rents starting at \$985 for a one-bedroom unit, \$1,250 for a two-bedroom unit, and \$1,600 for a three-bedroom unit. The conversion of The Equitable Building is currently under way in downtown Des Moines. The 19-story highrise was built in 1924 and for 50 years was the tallest building in Iowa. When complete, The Equitable Building will consist of one-, two-, and three-bedroom units with rents ranging from \$1,000 to \$4,200. The renovation is expected to be complete in the early fall of 2016; the building is currently preleasing.

During the 3-year forecast period, demand is estimated for 3,600 new rental units (Table 1). Production is likely to slow each year of the forecast period from the current record levels of construction. The 2,200 units currently under construction will satisfy a significant portion of the demand, which will be greatest for one-bedroom units that rent from \$980 to \$1,179 per month. Demand for new market-rate apartment units will be strongest in the cities of Des Moines and West Des Moines during the next 3 years. Table 5 shows estimated demand for new market-rate rental housing in the HMA by number of bedrooms and rent level.

Table 5. Estimated Demand for New Market-Rate Rental Housing in the Des Moines-West Des Moines HMA During the Forecast Period

Zero Bedrooms		One Bedroom		Two Bedrooms		Three or More Bedrooms	
Monthly Gross Rent (\$)	Units of Demand	Monthly Gross Rent (\$)	Units of Demand	Monthly Gross Rent (\$)	Units of Demand	Monthly Gross Rent (\$)	Units of Demand
650 to 849	25	780 to 979	240	895 to 1,094	180	1,000 to 1,199	45
850 or more	15	980 to 1,179	730	1,095 to 1,294	620	1,200 to 1,399	80
		1,180 to 1,379	400	1,295 to 1,494	700	1,400 to 1,599	35
		1,380 or more	240	1,495 or more	260	1,600 or more	20
Total	35	Total	1,625	Total	1,750	Total	180

Notes: Numbers may not add to totals because of rounding. Monthly rent does not include utilities or concessions. The 2,200 units currently under construction will likely satisfy some of the estimated demand. The forecast period is May 1, 2016, to May 1, 2019.

Source: Estimates by analyst

Data Profile

Table DP-1. Des Moines-West Des Moines HMA Data Profile, 2000 to Current

	2000	2010	Current	Average Annual Change (%)	
				2000 to 2010	2010 to Current
Total resident employment	268,811	304,203	328,700	1.2	1.5
Unemployment rate	2.3%	5.8%	3.4%		
Nonfarm payroll jobs	291,700	315,800	350,300	0.8	2.0
Total population	481,394	569,633	630,200	1.7	1.7
Total households	189,371	223,268	247,500	1.7	1.7
Owner households	134,123	159,476	167,700	1.7	0.8
Percent owner	70.8%	71.4%	67.8%		
Renter households	55,248	63,792	79,800	1.4	3.7
Percent renter	29.2%	28.6%	32.2%		
Total housing units	199,393	240,203	263,000	1.9	1.5
Owner vacancy rate	1.6%	2.4%	1.7%		
Rental vacancy rate	6.2%	8.6%	6.7%		
Median Family Income	\$55,300	\$71,700	\$74,900	2.6	0.9

Notes: Numbers may not add to totals because of rounding. Employment data represent annual averages for 2000, 2010, and the 12 months through April 2016. Median Family Incomes are for 1999, 2009, and 2014. The current date is May 1, 2016.

Sources: U.S. Census Bureau; U.S. Department of Housing and Urban Development; estimates by analyst

Data Definitions and Sources

2000: 4/1/2000—U.S. Decennial Census
2010: 4/1/2010—U.S. Decennial Census
Current date: 5/1/2016—Analyst's estimates
Forecast period: 5/1/2016–5/1/2019—Analyst's estimates

The metropolitan statistical area definition in this report is based on the delineations established by the Office of Management and Budget (OMB) in the OMB Bulletin dated February 28, 2013.

Demand: The demand estimates in the analysis are not a forecast of building activity. They are the estimates of the total housing production needed to achieve a balanced market at the end of the 3-year forecast period given conditions on the as-of date of the analysis, growth, losses, and excess vacancies. The estimates do not account for units currently under construction or units in the development pipeline.

Other Vacant Units: In the U.S. Department of Housing and Urban Development's (HUD's) analysis, other vacant units include all vacant units that are not available for sale or for rent. The term therefore includes units rented or sold but not occupied; held for seasonal, recreational, or occasional use; used by migrant workers; and the category specified as "other" vacant by the Census Bureau.

Building Permits: Building permits do not necessarily reflect all residential building activity that occurs in an HMA. Some units are constructed or created without a building permit or are issued a different type of building permit. For example, some units classified as commercial structures are not reflected in the residential building permits.

As a result, the analyst, through diligent fieldwork, makes an estimate of this additional construction activity. Some of these estimates are included in the discussions of single-family and multifamily building permits.

For additional data pertaining to the housing market for this HMA, go to huduser.gov/publications/pdf/CMARtables_DesMoines_WestDesMoinesIA_16.pdf.

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This analysis has been prepared for the assistance and guidance of HUD in its operations. The factual information, findings, and conclusions may also be useful to builders, mortgagees, and others concerned with local housing market conditions and trends. The analysis does not purport to make determinations regarding the acceptability of any mortgage insurance proposals that may be under consideration by the Department.

The factual framework for this analysis follows the guidelines and methods developed by HUD's Economic and Market Analysis Division. The analysis and findings are as thorough and current as possible based on information available on the as-of date from local and national sources. As such, findings or conclusions may be modified by subsequent developments. HUD expresses its appreciation to those industry sources and state and local government officials who provided data and information on local economic and housing market conditions.

For additional reports on other market areas, please go to huduser.gov/portal/ushmc/chma_archive.html.