

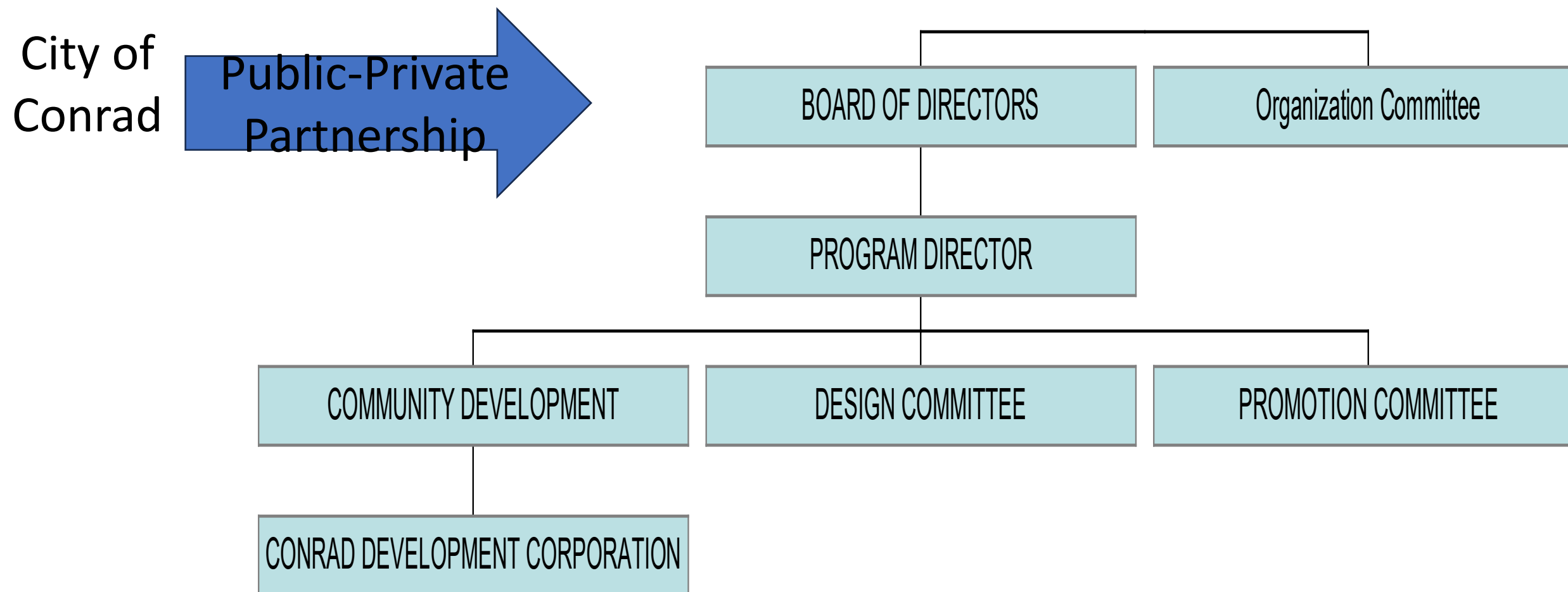
CONRAD IOWA

32 YEARS OF
COMMUNITY
INITIATED
HOUSING
DEVELOPMENT



Development Organizational Structure

Conrad Chamber Main Street



DEVELOPMENT HISTORY

- 1991 Wolf Creek Estates I 11 home sites – sold out in 15 months
- 1994 Wolf Creek Estates II 12 home sites – sold out in approx. 24 months
- 1994 Tucker Trail 14 home sites – sold out in approx. 24 months
- 2001 Wolf Creek Estates III 25 home sites – 2 sites left
- 2020 Catherine Farmer 50 sites 6 sold- 2 home fully constructed

CURRENT ASSESSED VALUE HOMES BUILT

\$17,244,260



OUR VALUE PROPOSITIONS

- Selling quality of life not home sites
 - Conrad video [IMAGINE // CONRAD, IOWA - YouTube](#)
- Larger lot sizes with full curb/gutter & utilities
- Basic services and specialty shops
- High percentage of owner-occupied homes
- Lowest property tax levy in the region
- Strong tax base with several major employers
- Strong Agri-Business presence
- **REBATES VS TAX ABATEMENT OR FREE LOTS**



REBATE STRUCTURE

FIRST THREE DEVELOPMENTS

- Lots priced at development cost (\$13-\$15K)
- \$1,000 rebate upon purchase of the lot, \$4,000 rebate when home is ready for occupancy

FOURTH DEVELOPMENT

- Cost per lot development – approx. \$25K
- No rebate. Lots priced at discounted price (\$18-\$20K)

FIFTH DEVELOPMENT

Lots priced at cost of development less City buydown

- \$1,000 rebate upon purchase of the lot 50% total rebate of lot price when home is ready for occupancy-generally limited to 12 months
- Total Rebate Available = \$17.5K-\$25K per lot

Financing

- City loans Development Corp money for land purchase
- City funds all infrastructure development via GO Bond issue
- City Debt is structured with a balloon or buydown on the front end to minimize tax levy impact
- Development Corp pays the City back as lots are sold less the rebate holdbacks.
- Any shortfall on repayment is made up through future TIF capture



Historical Demographics

38% built by existing residents

55% built by new families to the community

63% of new families have school age children

38% built by existing residents opened up low-moderate income homes for new and existing residents some of whom also have school age children

LESSONS LEARNED

- It takes a community to raise new housing development in rural communities
- CRITICAL- solid public-private partnership for success
- If you build it, they will not come – Spec builders and Developers
- **In our case** – rebates work better than discounts, tax abatements or free lots.
- Despite our best efforts, still can't crack the new rental housing dilemma in rural communities
- Strategically focus on strengthening your existing assets and be clear about your target market.

THANK YOU

