Housing Assessment – Third Quarter 2025
Moline Centre, Illinois

Prepared For:

RENEW MOLINE

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Introduction and Key Takeaways

Scope of Assessment

Renew Moline commissioned DiSalvo Development Advisors (DDA) to update rental housing market conditions and housing demand for Downtown Moline. The update considered the following factors:

1. Citywide and downtown rental housing market conditions
   - Occupancy rates (citywide and downtown area)
   - Rent levels by unit type
   - Other housing characteristics

2. Demographic and economic analysis update
   - Demographic 2025 estimates and 2030 projections
   - Employment trends

3. Downtown housing demand by rent level
   - Affordable housing
   - Market-rate housing

Key Takeaways

New market-rate rental housing should be the residential development priority, as the City of Moline is losing higher-income renter households to other communities due to the lack of new, modern housing alternatives (refer to page five). An unmet demand exists for 334 upscale market-rate units in Moline Centre.

- Approximately one-third of unmet demand will be addressed with two planned Class A projects.
  - 40-unit Dispatch adaptive reuse
  - 69-unit new construction mid-rise development on 6th Avenue
- Moline Centre and the riverfront provide the best opportunity to achieve the rent premiums necessary to attract rental housing developers and support the cost of new development.
  - Units with balconies and views of the river
  - Units within walking distance of restaurants and shops
  - Amenities such as fitness room, media room, covered parking, and concierge services
- It will be essential to market the River Edge Redevelopment Zone incentive program to developers for these priority areas.

Market demand for low-income housing remains high citywide at 340 units, particularly with the conversion of approximately 40% of the LIHTC units to market-rate housing.

- The planned 50-unit LIHTC project in Moline Centre is expected to receive a strong market response given the high occupancy rates in the area and large target market.
- LIHTC projects should be targeted for areas that would benefit from a catalyst for additional development.
- The downtown and riverfront areas are within one of Moline's two Qualified Census Tracts (QCTs), which offer the best opportunity to provide developers with additional subsidies for development.

Third Quarter 2025 Apartment Market Findings

DDA surveyed approximately 1,800 market-rate and affordable housing units within 50 properties in the City of Moline. The eight rental-assisted properties, including public housing and project-based Section 8, are reportedly fully occupied and operating from waiting lists. No rental-assisted units were identified in Moline Centre.

	Moline Centre			City of Moline		
Apartment Type	# Properties	# Units	Occupancy %	# Properties	# Units	Occupancy %
Market-Rate	15	282	95.0%	44	1,325	93.7%
Affordable	2	67	97.0%	6	476	97.1%
Rental-Assisted	-	-	-	8	721	100.0%

The City of Moline's market-rate rental housing occupancy rate has decreased to 93.7% (95.3% in 2020).

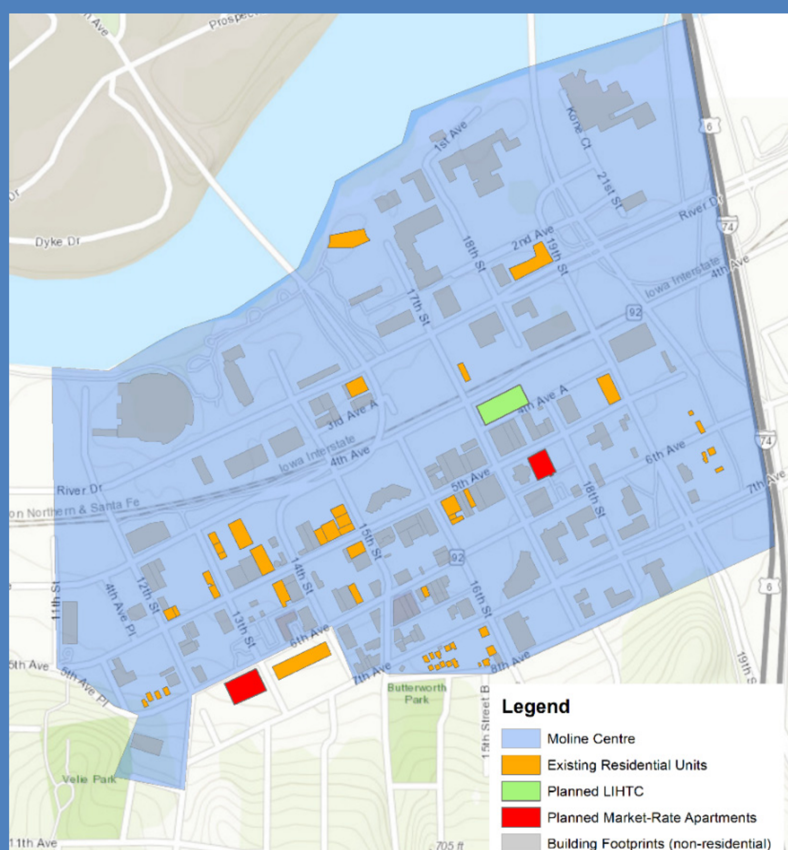
- Regional employment levels are slightly down, with notable reductions at John Deere
- Loss of an estimated 75 renter households since 2020 (217 households overall).

Moline Centre's market-rate rental housing occupancy rate is 95.0%.

- Six upscale units at Sohrbeck Lofts are the sole residential additions since 2020

There are three planned multifamily developments in Moline Centre:

- a 40-unit market-rate adaptive reuse (Dispatch building)
- a 69-unit new construction market-rate development on 6th Avenue
- a 50-unit workforce housing development across from the former JCPenney building



The overall occupancy level for properties operating under the Low-Income Housing Tax Credit program is 97.1%.

City of Moline Regional Comparison Highlights

Apartment properties were categorized based on rent levels, property age, condition/quality, and amenities. Brokers often use the classification system to communicate the type of property investment for potential buyers. A distribution of units by classification and area is provided below.

	Moline Centre		City of Moline	
Classification	# Units	Occupancy%	# Units	Occupancy %
A	23	95.7%	23	95.7%
B	53	100.0%	149	96.6%
C/D	211	93.8%	1,155	93.3%

Disclaimer: The classification ratings are subjective and are intended solely to segment groups of similar quality rentals throughout the city.

Nine of ten units in the City of Moline are estimated to be within the Class C/D category. This reflects the older age of rental housing stock compared to the outlying region (refer to pages 6 and 7, Regional Comparison Highlights). The occupancy rates are lowest among this class. A general description of each class is provided below.

Class A

Class A properties are typically newer properties with high-level finishes and premium amenities, such as in-suite washer/dryers, stainless steel appliances, and premium countertops. There are few units within this classification, and all are in Moline Centre.

Class B

Class B properties were typically built within the past 10 to 15 years and offer a relatively comprehensive amenity package, with rents below those of Class A units. Given the lack of recent multifamily development, there is also a limited base of Class B properties.

Class C/D

The remaining units in Classes C and D are among the oldest, generally of lower quality and rent levels. Class D includes properties that are not considered investment-grade properties, given their functional obsolescence, lack of significant deferred maintenance, and any "value add" potential.

A summary of rent levels by unit type and apartment classification is provided below.

Collected **Rent Range by Unit Type and Class (Median Rent)**						
	One-Bedroom		Two-Bedroom		Three-Bedroom	
Class	Downtown	City	Downtown	City	Downtown	City
A	-	-	-	-	$1,900 - $3,800 ($1,950)	-
B	$1,175 - $1,499 ($1,250)	$1,299 *	$1,275 - $1,500 ($1,425)	$1,299 - $1,499 ($1,399)	$1,400 - $1,600 ($1,500)	$1,599 *
C/D	$550 - $1,050 ($750)	$700 - $1,050 ($843)	$800 - $1,000 ($975)	$800 - $1,220 ($850)	$1,150 *	$850 - $1,095 *

* Too few units to identify a valid median rent.

City of Moline Regional Comparison Highlights

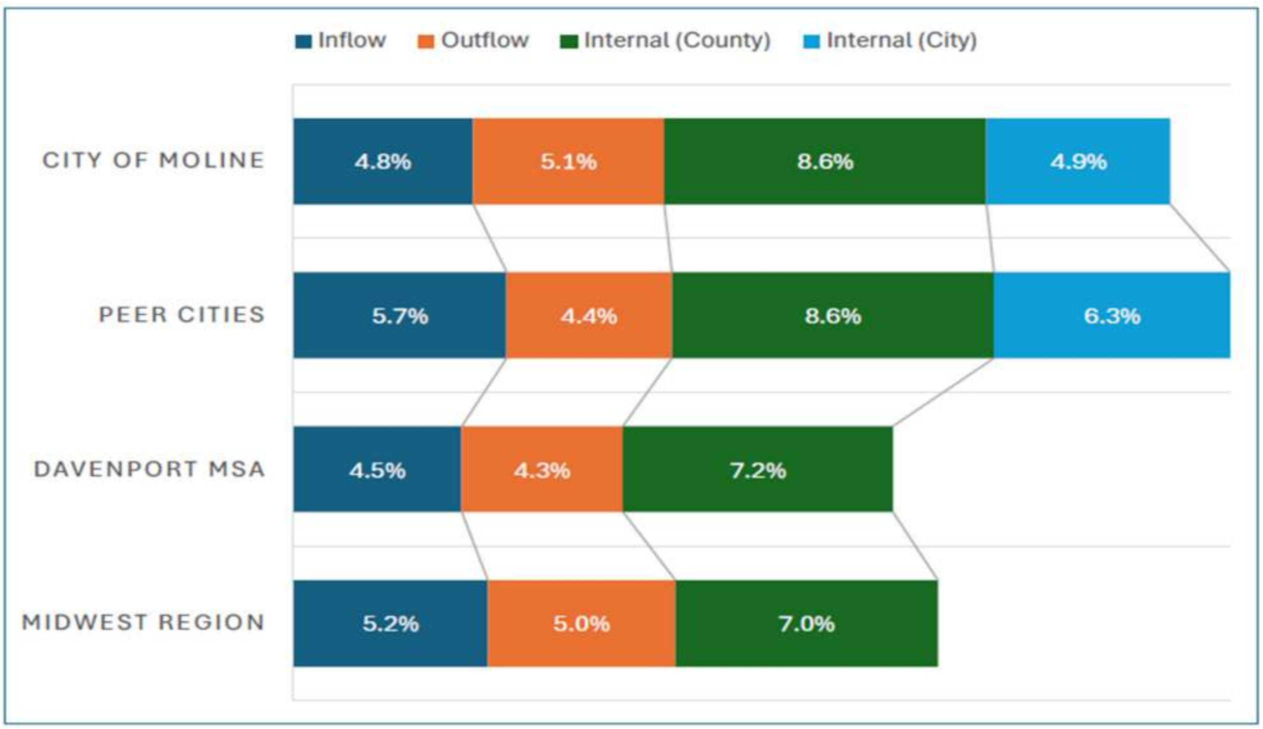
To better understand resident mobility and housing stock differences, the City of Moline was compared with peer communities in the region (East Moline, Rock Island, Bettendorf, and Davenport), the Davenport-Moline-Rock Island, IA-IL Metropolitan Statistical Area[1], and the Midwest Region[2]. Data was collected from the American Community Survey (2018-2022).

INFLOW - Persons attracted to move into your community are an essential mobility dynamic important to housing and economic long-term viability. A below-average inflow can indicate a lack of available housing options in the community.

OUTFLOW - Outflow represents a share of residents who leave the community for various reasons. Higher shares of residents leaving reflect a potential housing imbalance in the market, especially significant if the share exceeds inflow.

INTERNAL - With a person expected to move more than 11 times in their lifetime, a variety of housing options are necessary to retain residents.

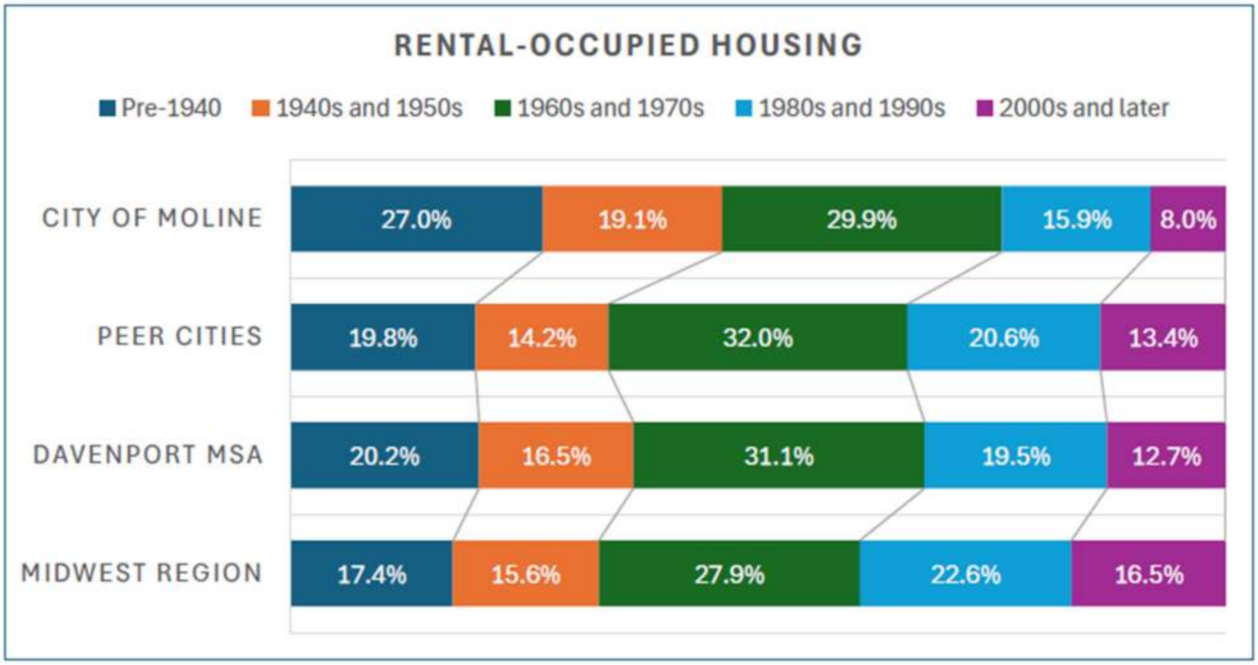
Residents are moving out of the City of Moline at a higher rate than the peer cities, the MSA, and the Midwest Region, while people are also moving into the city at a slower rate than the Peer Cities.



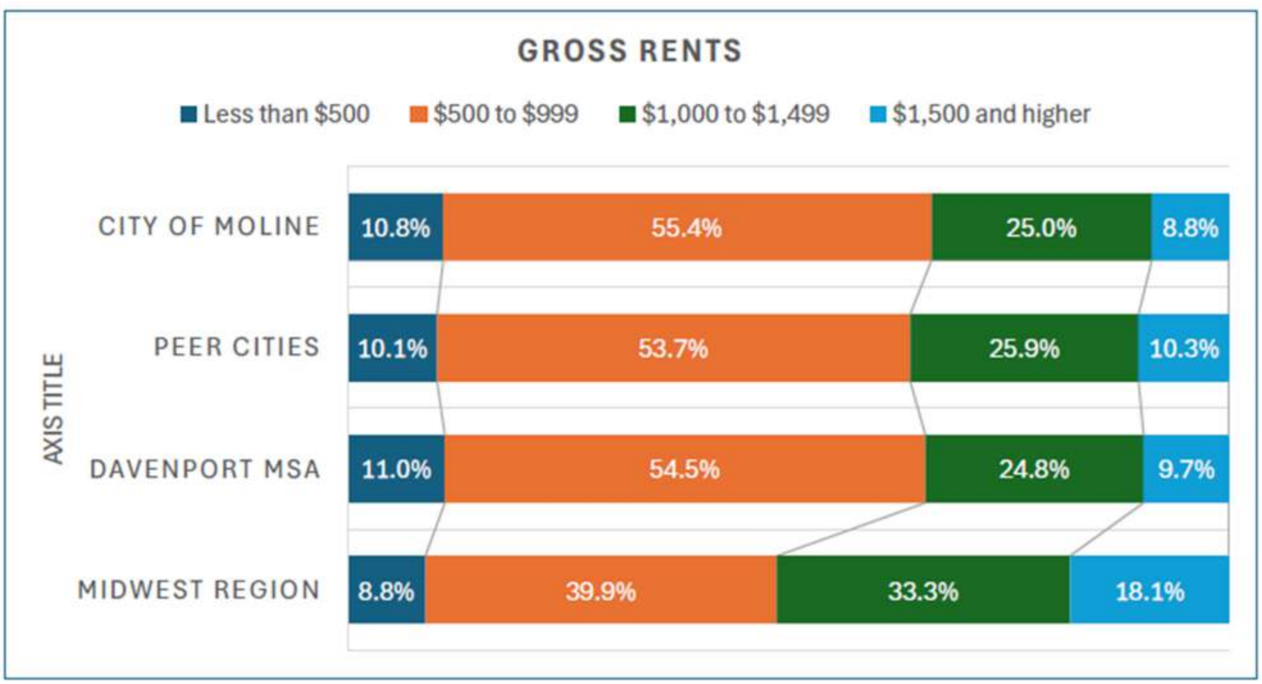
[1] The Davenport-Moline-Rock Island IA-IL MSA includes Scott County, Iowa and Henry, Mercer, and Rock Island Counties in Illinois.
[2] The Midwest region, as defined by the Census, includes the following 12 states: Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin

City of Moline Regional Comparison Highlights

The City of Moline has the oldest rental-occupied housing in the region, with 10 percentage points less housing built since the 1980s than its peer cities, and half the share of newer rentals compared to the Midwest Region (built since the 2000s).



Despite the older age of rental housing, gross rents are comparable to those in areas with newer housing, indicating that local demand has surpassed supply enough to pressure rents even among the older, lower-quality housing.



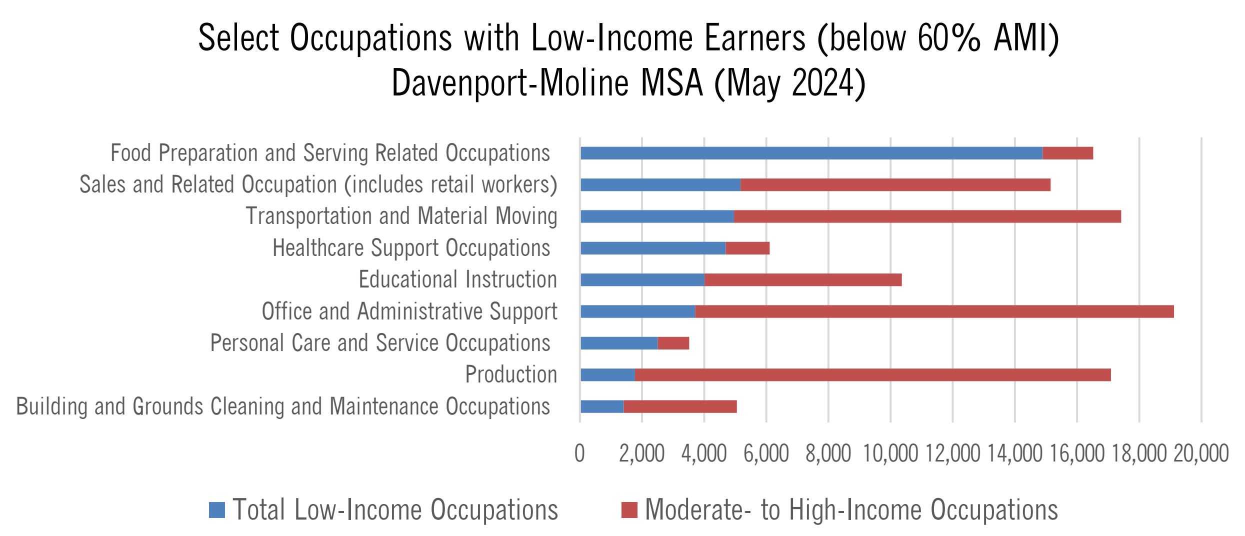
Low-Income Housing Tax Credit Program

The Low-Income Housing Tax Credit (LIHTC) program was established by the Tax Reform Act of 1986 to stimulate the development of affordable housing. The tax credits effectively serve to subsidize housing development in exchange for housing with below-market rents dedicated to lower-income households, typically those with incomes between 50% and 60% of Area Median Income (AMI).

Percent AMI	Maximum Allowable Income (2025)			
	One-Person HH	Two-Person HH	Three-Person HH	Four-Person HH
50%	$34,200	$39,100	$44,000	$48,850
60%	$41,040	$46,920	$52,800	$58,620

HH – Household
Source: HUD, Office of Management and Budget

A full-time employee in Moline earning minimum wage ($15) has an annual average income of $31,200, just below the one-person household income limit at 50% AMI. Approximately one-fourth of the occupations within the Metropolitan Statistical Area pay less than 60% of AMI for a one-person household. The chart below illustrates the share of low-income earners within select occupations.



Source: Bureau of Labor Statistics, Occupational Employment Survey (OES)

The top ten occupations in the region with low-income earners are listed below.

Top Low-Income Occupations	Annual Mean Wage
Fast Food and Counter Workers	$29,350
Cashiers	$30,740
Stockers and Order Fillers	$36,500
Waiters and Waitresses	$30,710
Home Health and Personal Care Aides	$34,050
Teaching Assistants, Except Postsecondary	$33,240
Nursing Assistants	$39,320
Cooks, Restaurant	$34,480
Bartenders	$29,780
Substitute Teachers, Short-Term	$39,910

LIHTC – Target Household Analysis

Illinois Housing Development Authority (IHDA) publishes the standards for a demand analysis within a market study. Capture rates are used to assess site-specific demand for a single development, calculating the ratio of the total planned LIHTC units to the total income-appropriate households in the Primary Market Area (i.e., total proposed LIHTC units divided by total low-income households). DDA has identified the City of Moline as the Primary Market Area. IHDA considers a 5% capture rate acceptable for family projects and a 7% capture rate acceptable for elderly projects.

Target Household Incomes - $31,405 to $58,620

For this analysis, the core AMI income levels of 50% and 60% were considered. Notably, in some instances, developers will seek income-averaging scenarios, in which the LIHTC project can include some units available to households with incomes from 30% to 80% AMI.

- Per IHDA, families can spend up to 35% of their income on gross rent (including utilities). The area's one-bedroom maximum gross rent of $916 at 50% AMI is affordable to a household earning $31,405/year.
- HUDS 2025 maximum income for a four-person household is $58,620.

Target Household Base (50% 0 60% AMI) - 3,230 households by 2030

In 2025, there are an estimated 3,474 households in the City of Moline with incomes between $31,405 and $58,620. By 2030, ESRI projects that the low-income household base will decline by 7%. Applying a 7% reduction to the target households yields 3,230 by 2030.

City of Moline	2025 (Estimated)		2030 (Projected)	
Households by Income	Number	Percent	Number	Percent
<$15,000	2,129	11.6%	1,975	10.8%
$15,000-$24,999	1,668	9.1%	1,353	7.4%
$25,000-$29,999	645	3.5%	565	3.1%
$30,000-$34,999	716	3.9%	626	3.4%
$35,000-$49,999	2,077	11.3%	1,932	10.6%
$50,000-$59,999	1,023	5.6%	978	5.4%
$60,000-$74,999	1,819	9.9%	1,740	9.5%
$75,000-$99,999	2,316	12.6%	2,308	12.7%
$100,000-$149,999	3,149	17.2%	3,384	18.6%
$150,000-$199,999	1,567	8.5%	1,854	10.2%
$200,000+	1,229	6.7%	1,511	8.3%
Total	18,338	100%	18,226	100%
Median Household Income	$66,943		$74,438	

Note: ESRI's income bands of $25,000 to $34,999 and $50,000 to $74,999 were broken into smaller income groups based on more detailed income distribution from the American Community Survey.
Sources: ESRI, Incorporated and American Community Survey 2019-2023 Table B19001

LIHTC – Capture and Penetration Rates Analysis

Capture Rate Analysis

Based on IHDA's capture rate methodology, there is potential demand for the development of up to 162 low-income units at a single development site. A site-specific project will also require capture rate assessments at each AMI level.

Target Households	IHDA's Acceptable Capture Rate	Potential Site Development (units)
3,230	5%	162

Penetration Rate Analysis

An acceptable overall penetration rate of affordable units in a market area should generally be under 25% (Source: IHDA).

Target Households	IHDA's Acceptable Penetration Rate	Total Overall Affordable Housing Support
3,230	25%	808 units

Before LeClaire's conversion to market-rate in 2014, there was an adequate base of low-income housing in the City of Moline. Combined with the recent conversion of Pheasant Ridge to market-rate, the citywide inventory has declined by 40%. In Downtown Moline, units participating in a low-income housing program decreased by 63%. There is currently an existing inventory of 468 low-income units, excluding assisted-living and project-based HUD rental-assisted units.

Project	Allocation Year	Total Units (incl. market-rate)	Low-Income Units Awarded	Low-Income Units Current
LeClaire	1995	113	110	**0**
Heartland Park	1999	100	100	100
Rock Ridge Commons (formerly Pheasant Ridge)	2005	216	216	**0**
Moline High School Loft	2006	60	54	54
Valley View	2009	192	192	192
Washington Square	2012*	10	3	3
Moline Enterprise Lofts	2012	69	62	62
Garfield School Sr. Residences	2019	57	57	57
	Total	817	794	468

*Neighborhood Stabilization Program 2 (NSP2) funds; 3 units at 50% AMI; 7 units at 120% AMI

There is an overall demand in the City of Moline for 340 Low-Income Tax Credit units.

Total Overall Affordable Housing Support	Total Existing Low-Income Units	Unmet LIHTC Unit Demand
808 units	468	340

DISCLAIMER: The demand analysis does not encompass all components of a comprehensive market study, as defined by IHDA. The DDA made general assumptions regarding the Primary Market Area, income, unit types, and rent levels to calculate potential low-income housing demand.

Moline Centre – Market-Rate Housing Analysis

Market-rate rental housing is non-subsidized residential property available to households in the open market, without government-mandated income or rent limitations. Unlike the rental-assisted and affordable housing target markets, households with higher incomes have choices, which may include, among other things, moving outside the area.

Target Market – 4,101 renter households with incomes above $50,000

New, high-quality, market-rate rental housing in Moline Centre is expected to attract residents primarily from the county. In Rock Island County, there are an estimated 4,101 one- and two-person renter households with incomes above $50,000 who can generally afford the cost of new construction market-rate housing. These households have typically incomes at and above 80% of AMI (1-person household is $54,270).

Below is a distribution of renter households by income and size estimated for 2025.

	Household Income Distribution by Household Size (2025 Estimated)				
Renter Household Income	**1-PHH**	**2-PHH**	**3-PHH**	**4+PHH**	**Total**
Less than $15,000	3,204	651	541	430	4,826
$15,000 - $24,999	1,716	463	157	385	2,720
$25,000 - $34,999	665	225	261	463	1,614
$35,000 - $39,999	462	327	200	169	1,158
$40,000 - $44,999	457	323	198	167	1,144
$45,000 - $49,999	365	258	158	134	915
$50,000 to $59,999	356	253	93	177	878
$60,000 to $74,999	564	401	147	280	1,393
$75,000 - $99,999	460	874	188	650	2,171
$100,000 - $149,999	245	664	248	315	1,472
$150,000 or more	142	142	165	113	562
Total	8,636	4,580	2,357	3,283	18,854

Sources: HUD Special Tabulations; ESRI, Incorporated; American Community Survey 2019-2023; and DDA

Based on established capture rates in other downtown markets, we expect the Moline Centre to attract 10% of the market-rate renters throughout the county, yielding support for up to 410 units. Considering the 76 existing Class A/B units downtown, there is a net demand for another 334 units in Moline Centre.

Target Market	Capture Rate	Moline Centre Market Support	Existing Class A/B units	Unmet Moline Centre Market-Rate Demand
4,101 Households	10%	410 units	76 units	334 units

The planned 40-unit Dispatch adaptive reuse development and 69-unit new construction project on 6th Avenue can accommodate one-third of the unmet demand in Moline Centre.

Downtown Rental Housing Inventory

Property	Estimated Rental Units
LeClaire Apartments	113
Moline Enterprise Lofts	69
5 & 15	31
Berglund Flats	28
Modern Townhomes	22
Phillips Lofts	18
Skinner Block Lofts	12
Hemingson	10
Washington Square	10
Boston Lofts	8
Pierr Block	8
Forrest	6
Sohrbeck Lofts	6
510-514 16th Street	5
Bent River	4
Paulsen Flats	4
Alsene/Sundene Flats	3
Birdsell	3
1229-1231 5th Avenue	2
1316 4th Avenue	2
GM Ford Block	2
1520 6th Avenue	1
1616 5th Avenue	1
Kone Condos	1
Total	369

Uses, Applications, and Assumptions

Although this report represents the best available attempt to identify the current market status and future market trends, it is important to note that most markets are continually affected by demographic, economic and developmental changes.

This study represents a compilation of data gathered from various sources, including properties surveyed, local records, interviews with local officials, real estate professionals, and the use of secondary demographic materials. Although we judge these sources to be reliable, it is impossible to authenticate all data. The analyst does not guarantee the accuracy of the data and assumes no liability for any errors in fact, analysis, or judgment. The conclusions contained in this report are based on the best judgments of the analysts; we make no guarantees or assurances that the projections or conclusions will be realized as stated.