



Dale Stonehocker, Associate Broker

2202 Woodlands Pkwy. Clive, IA 50325

<mailto:Dale@The-Buyers-Broker.com>

Call or Text (515-201-0574)

When you make your house payment, the lender will be collecting the principal and interest plus funding your escrow account and insurance. Your lender will fund the payment of those bills on your behalf. The biggest charge by far going into your escrow account is the property tax portion. When you applied for your mortgage, you qualified for the house payment, not the purchase price. Because property taxes have such an enormous impact on the house payment, neglecting to check property tax rates in the 44 tax districts in metropolitan Des Moines will have a major impact on what you can afford to purchase. Here's an example.

Assume that you're going to put down 20% of the purchase on a \$300,000 property. Assume that the interest rates are 4.75% on a 30-year conventional mortgage. Let's assume you have found a property in Windsor Heights. According to the tax table, the property taxes in Des Moines, Des Moines schools is 2.688% of the assessed value. Assume you also are considering Clive in the western suburbs – Dallas County portion (Waukee Schools). Your tax rate in Clive, Waukee Schools, is 1.948%. These rates apply to assessed value not the purchase price unless the home is new construction. Carefully look over the table below, followed by the tax rates in the 44 tax districts in Des Moines Metro.

	Des Moines	Clive
	Des Moines Schools	Waukee Schools
\$300,000 Assessed Value	\$ 300,000	\$ 300,000
Tax Rate	2.688%	1.948%
Annual Property Tax bill	\$ 8,064	\$ 5,844
Difference	\$ 2,220	
Monthly Difference	\$ 185	
Mortgage Payment, 4.75% APR		
20% Down Conventional 30 Years	\$ 240,000	\$ 240,000
Principle and Interest	\$1,252	\$1,252
Estimated Homeowners Insurance Monthly	\$ 75.00	\$ 75.00
Taxes	\$ 672	\$ 487
	\$ 1,999	\$ 1,814
Cost per \$1000 pf Purchase	\$ 6.66	\$ 6.05
Difference per \$1000 of Purchase	\$ 0.62	
Difference in Purchase power with a same house payment	\$ 18,500	
House payment funds this purchase	\$ 300,000	\$ 318,500

Do you want that \$18,500 lying on the table? You can buy a home in Clive and spend \$18,500 more on the purchase price, but you would put down \$3,7000 more to maintain the 20% rate for your conventional mortgage.

The next page will give you the consolidated tax rate for the 44 tax districts in the Des Moines Metro Area. It is certainly well worth your time to check the areas you are searching in and avoid high tax districts. If this is a tad confusing, call me or let's get together over a cup of coffee so I can help you understand.

Check out the next page.

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2019/2020 Residential Tax Rates Sorted from Worst to Best (Not Including Homestead and Potential VA Exemptions) By Dale Stonehocker

Rank Worst to Best	% of Assessed value Residential	City	School District	County	Consolidated* Tax Rate FY 2019 (\$1/\$1,000)	Consolidated Tax Rate FY 2020 (\$1/\$1,000)	Per \$100,000 of Assessed Value Residential*
1	2.705%	Windsor Heights	Des Moines	Polk	47.60660	47.53182	\$2,705
2	2.688%	Des Moines	Des Moines	Polk	47.82861	47.21727	\$2,688
3	2.673%	Des Moines	Johnston	Polk	47.57898	46.96233	\$2,673
4	2.645%	Des Moines	Carlisle	Polk	47.08139	46.46402	\$2,645
5	2.564%	Norwalk	Des Moines	Polk	45.08026	45.04356	\$2,564
6	2.532%	Des Moines	Norwalk	Warren	44.71610	44.48309	\$2,532
7	2.526%	Bondurant	Bondurant-Farrar	Polk	44.57455	44.37810	\$2,526
8	2.516%	Des Moines	Southeast Polk	Polk	45.72845	44.19637	\$2,516
9	2.513%	Des Moines	Des Moines	Warren	43.63268	44.15069	\$2,513
10	2.507%	Des Moines	Indianola	Warren	44.36793	44.04588	\$2,507
11	2.492%	Carlisle	Carlisle	Polk	44.19302	43.77465	\$2,492
12	2.470%	Des Moines	Carlisle	Warren	42.88546	43.39744	\$2,470
13	2.436%	Grimes	Johnston	Polk	42.93916	42.79751	\$2,436
14	2.412%	Norwalk	Norwalk	Warren	42.03525	42.37688	\$2,412
15	2.398%	Grimes	Dallas Center-	Polk	44.55904	42.12677	\$2,398
16	2.378%	Des Moines	West Des Moines	Polk	42.49787	41.77270	\$2,378
17	2.378%	Pleasant Hill	Des Moines	Polk	41.93286	41.77152	\$2,378
18	2.373%	Johnston	Johnston	Polk	41.57590	41.68670	\$2,373
19	2.372%	Windsor Heights	West Des Moines	Polk	41.87400	41.66725	\$2,372
20	2.362%	Des Moines	Saydel	Polk	42.11787	41.50041	\$2,362
21	2.358%	West Des Moines	Des Moines	Polk	42.24686	41.43552	\$2,358
22	2.336%	Ankeny	North Polk	Polk	41.53864	41.03466	\$2,336
23	2.317%	Carlisle	Carlisle	Warren	39.99709	40.70807	\$2,317
24	2.316%	Altoona	Bondurant-Farrar	Polk	40.81476	40.69730	\$2,316
25	2.311%	Urbandale	Johnston	Polk	40.12623	40.60958	\$2,311
26	2.300%	Urbandale	Urbandale	Polk	39.83949	40.40108	\$2,300
27	2.273%	Polk City	North Polk	Polk	40.41475	39.93293	\$2,273
28	2.273%	Urbandale	Dallas Center-	Polk	41.74611	39.93884	\$2,273
29	2.262%	Indianola	Indianola	Warren	38.91607	39.74512	\$2,262
30	2.252%	Ankeny	Ankeny	Polk	40.41291	39.56789	\$2,252
31	2.206%	Pleasant Hill	Southeast Polk	Polk	39.83270	38.75062	\$2,206
32	2.203%	West Des Moines	Norwalk	Warren	39.13435	38.70134	\$2,203
33	2.189%	Polk City	Ankeny	Polk	39.28902	38.46616	\$2,189
34	2.184%	Adel	ADM	Dallas	38.61341	38.37799	\$2,184
35	2.122%	Altoona	Southeast Polk	Polk	38.20639	37.27431	\$2,122
36	2.096%	Waukee	Waukee	Dallas	37.05454	36.81922	\$2,096
37	2.049%	West Des Moines	West Des Moines	Polk	36.91612	35.99095	\$2,049
38	2.016%	Urbandale	West Des Moines	Polk	35.04512	35.41995	\$2,016
39	2.004%	West Des Moines	Waukee	Dallas	36.21754	35.21382	\$2,004
40	1.992%	Clive	West Des Moines	Polk	35.12087	34.99570	\$1,992
41	1.988%	Ankeny	Saydel	Polk	35.35212	34.93466	\$1,988
42	1.981%	Urbandale	Dallas Center-	Dallas	36.52533	34.80211	\$1,981
43	1.981%	Urbandale	Waukee	Dallas	34.41092	34.80211	\$1,981
44	1.948%	Clive	Waukee	Dallas	34.43229	34.22197	\$1,948

Data Courtesy of Taxpayers Association of Central Iowa. Configured for Residential Tax Comparison Prepared and Present by Dale Stonehocker, Associate Broker, RE/MAX Precision 2202 Woodlands Pkwy., Clive, IA 50325 (515) 201-0574