

Market Assessment – Percival Heights (Berlin, CT)

I. Description Of Property

Subject Property Description & Location – Percival Heights is a 30 unit elderly complex located at 31 Colonial Drive, Berlin, CT. Sharing the site with Percival Heights, and in fact integrated into the same building, is the Berlin Senior Center.

Percival Heights is a single story complex built in 1985¹. Most of the 30 units are located in a double loaded section of the building leading north from the main entrance. This section incorporates a central interior hallway, but each unit also has its own private outside entrance. Additional units lead south from the Main entrance. Located in the same building but with a separate entrance is the Berlin Senior Center incorporating approximately 7,500 square feet of the main building which measures just over 20,260 square feet according to tax assessor data. Unit mix at Percival consists of 22 studios and 8 one-bedrooms, three of which are handicap units.

Each unit comes with a refrigerator and stove, while in-sleeve units provide air conditioning. Percival Heights has its own community space and laundry area as well as easy access to community space within Berlin Senior Center. There are 28 dedicated parking spaces for residents – which is slightly less than the number units, but plenty of parking on site associated with the parking needs of the senior center as well as a Athletic field – ball park (Petit Little League Complex) located adjacent to Percival Heights property.

Household rent for these units is determined as a portion of income, or base rent, whichever is greater. Household eligibility is restricted to persons 62 years or older, or younger persons if certified disabled. Units are restricted to households with incomes at 80% of AMI or below. Base rent is \$330 for the efficiency and \$380/m for the 1 bedroom. Utilities are included in the rent. The Subject Property was fully occupied as of 9-30-2012 according to property data submitted on Percival Heights.

Below is chart on unit mix.

Percival Heights

31 Colonial Drive
Berlin, CT, 06031

Type	Property Type	Baths	# of units	Living Area SF	Base Rate
Studio	Ranches	1	22	440 sf	\$330
1 Bedroom	Ranches	1	4	480 sf	\$380
1 Bedroom	Ranch	1	1	513 sf	\$380
1 Bedroom HDC	Ranches	1	3	556 sf	\$380
Total			30		

¹ Building age is derived from property data provided by Property Owner though it is noted that Tax Assessor data shows date of construction as 1982.

Additional Property Info	
Property Type	Elderly
Program	SR Elderly
Parking	23 (dedicated spaces)
Year Built	1985
# of Buildings	1 Building
Acres	5.76 acres
Handicap Units	3 (all 1 bedrooms)
Vacancy	0 (9-30-2012)
Waiting List	35 (combined waiting list)*
Owner	Berlin HA

* Waitinglist represents combined list with Marjorie Moore complex.

Subject Property Features and Amenities –

- Utilities Provided in Rent: *H&HW & Elec.*
- Refrigerator: *Yes*
- Stove: *Yes*
- Microwave: *No*
- Laundry Room: *Yes*
- Hook-Up: *No*
- Community Room: *Yes*
- Elevators: *N/A*
- Other: *On-site Senior Center*



Percival Heights
(west side)



Percival Heights
(east side)

II. Description of Site and Neighborhood

Map of the Area – Below is Exhibit 1 : Site Locator Map identifying the Subject Property in relation to surrounding transportation corridors, land uses and physical features. Note the Petit Little League Athletic Complex show to the southeast of the Subject Property shares same access road with Percival Heights.

Exhibit 1 – Subject Site Map



Neighborhood Description & Land Uses – The Subject Property is located within a predominantly residential neighborhood. Outside the Senior Center which shares the same building with Subject Property, the only other significant non-residential use in the immediate area is the adjacent Athletic fields consisting of two ball fields, batting/pitching cages, picnic tables-areas, refreshment stand and public restrooms. Berlin's main business center, inclusive of town hall and library is a short distance away via Percival Avenue (Route 71). Most of the nearby shopping and service opportunities are found on Farmington Ave approximately 1.5 miles from the Subject Property (5 minute drive).

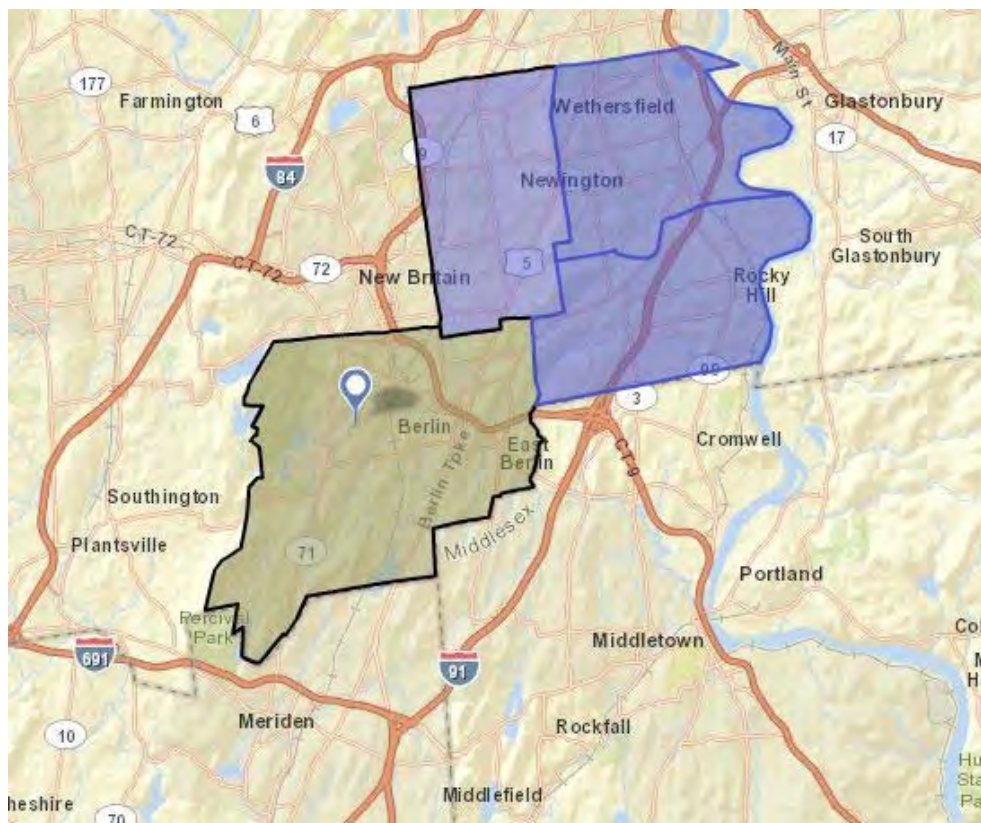
Access – Although located in an area of primarily single family homes, town services, library, and other community services are just 1 mile from Subject Site, while shopping, banking and other services are less than 1.5 miles on Farmington Avenue. Meanwhile Berlin

Turnpike (Route 5) offering expanded level of retail and services, as well as representing a major regional thoroughfare, is just over 3 miles from the property. Nearest interstate access is also 3 miles away with linkage to Route 9 providing connections to both I-84 to the west and I-91 to the east. There is no local bus service in the immediate area but the Senior Center does coordinate program for transportation services for shopping and medical visits. Nearest hospital is 4 miles north in New Britain (Hospital of Central Connecticut).

Delineation of Market Area – The primary Source Market Area (SMA) of demand for units at the Subject Property is defined as a four mile radius around Subject site in Berlin.

The Competitive Trade Area is the geographic area within which we expect the majority of prospective households to consider affordable housing alternatives. Factors that are considered in the establishment of the Competitive Trade Area include consistency in housing options, access to housing options, distance from the subject property and character of neighborhood. For purpose of this analysis, we have defined the Competitive Trade Area to be Berlin, and adjoining communities of Newington, Rocky Hill and Wethersfield.

Exhibit 2 – Competitive Trade Area Map



III. Economics & Demographics of Market Area

[PLEASE REFER TO MARKET BRIEF IN THE APPENDIX ON TRENDS RELATED TO ECONOMIC AND DEMOGRAPHIC TRENDS FOR THE AREA]

IV. Rental Survey

Housing Rental Survey Summary Analysis –

Until recently, Berlin was almost exclusively owner occupied with 88% of its units under ownership in 2000. Over the past decade, however, rental housing jumped by 52% - from 796 in 2000 to 1,216 in 2010. 95% of that shift can be explained by the addition of three new mixed-income affordable elderly complexes in Berlin adding nearly 400 new rental units. Approximately 80% of these units are at affordable rents, the balance are market rate. Outside of these three new complexes (and several that are in planning or development stage) , there is little in the way of professionally managed rental complexes in town with much of the rental product in town associated with private multi-family homes and condos.

We have thus expanded our rental survey of apartments into neighboring towns of Newington, Rocky Hill, and Wethersfield, with all three representing communities comparable to Berlin in household characteristics and income profile and also supporting a more diversified rental housing apartment market. While no true comparable to the Subject Property was identified, apartments selected for the survey reflected available market options based on pricing, amenities (basic) and configuration (flat style units). For the most part these properties tend to serve markets that largely fall between 50% to 80% AMI.

Below is a summary of the results of the rental survey within the market area.

Summary of Rental Market Analysis

A summary of the rental analysis indicates the following market factors:

- Six market rate apartments were identified in the Berlin Trade Area reflecting the market rate environment for alternative rental housing. Each property identified represent a market alternative for units at the Subject Property based on pricing, unit configurations, features and amenities for senior households at incomes of 80% AMI or less. Three of the apartments are located in Newington, two in Rocky Hill and one in Wethersfield. There were none (open age) in Berlin.
- The selected properties were built in the 1960s and 70s and therefore older than the Subject Property which was built in 1985. Five of the properties are Garden Apartments, while one is a four-story Mid-rise.
- Amenities are basic in most properties surveyed, generally limited to on-site laundry, storage, private decks or patios – with dishwashers, garbage disposals representing the biggest upgrade in the kitchen compared to Subject Property. Fenn-Woode in Newington and Elms Common in Rocky Hill each offer expanded recreational amenities that include fitness center and/or tennis- and in case of Elms Commons, a pool. On-site management – maintenance was reported in all six of the apartments surveyed.
- Average rent for studio and one bedroom was \$793/m and \$934/m, respectively. All but one of the complexes includes utilities in the rent.
- Unit size averaged 559 sf for the efficiency and 754 sf for the one bedroom with \$/sf calculating to \$1.44/sf for the studio and \$1.24/sf for the one bedroom.

- Vacancies or availabilities were identified in all apartment properties surveyed.

A summary of the analysis of rental data for apartment survey is provided in Table 1 below.

Table 1
Rental Survey Market Rate Apartment Alternatives– Berlin Trade Area

Property	Total Units	Prop. Type	Age	0 BR	0 BR size	\$/sf	1 BR	1BR size	\$/sf	Utilities In Rent	Unit Availability
Bradford Commons 1570 Willard Ave Newington, CT	137	Garden	1964				\$995	700	\$1.42	H&HW	Available
Cambridge Arms 20 Cambridge Ave Newington, CT	84	Garden	1968				\$940	850	\$1.10	H&HW	Available
Fenn-Woode 11 King Arthurs Way Newington, CT	133	Garden	1969	\$840	650	\$1.30	\$925	750	\$1.23	None	Available
Greenfield Village 41-A Marshall Rd Rocky Hill, CT	231	Garden	1970s				\$938	675	\$1.39	H&HW	Available
Elms Common 965 Elms Common Dr Rocky Hill, CT	216	Mid-Rise	1979	\$920	600	\$1.53	\$980	800	\$1.22	H&HW	Available
Goodwin Gardens 37 Fairway Dr Wethersfield, CT	50	Garden	1960-70s (est)	\$620	400	\$1.55	\$830	750	\$1.10	H&HW	Available
Average				\$793	559	\$1.44	\$934	754	\$1.24		

Source: Property Managers, Internet, Rental Agents

Survey of Affordable Elderly Housing– In order to better understand the options for senior housing, a survey was undertaken of affordable housing in Berlin. This survey identified 5 affordable housing properties in Berlin for the elderly, inclusive of the Subject Property, totaling 394 affordable units. Two of the five properties are owned and managed by the Berlin Housing Authority (PHA), totaling 70 units. In addition, over the last ten years, there has been a flurry of development of mixed income elderly rental in Berlin for seniors 55 and older. Affordable rents are distributed among households at incomes 25% to 60% AMI. Market rate units generally account for 20% of market mix in each of the mixed income projects. Metro Realty Group, a major developer of rental housing in Farmington Region including several in Berlin, has recently submitted a proposal for elderly housing targeting rehab of a former school².

Refer to Table 2.a below for results of survey of affordable senior housing projects in Berlin. Table 2.b provides the reported market rate rents found in the mixed income elderly complexes.

Table 2.a
Survey of Affordable Elderly Housing – Berlin

Property Name	Address	Owner	Public Funder	Deter. Of Rent	Elderly Units	Age	Vacancy/ Waitlist
Percival Heights (Subject Property)	31 Colonial Dr	Berlin HA	CHFA	Base Rent	30	1985	0*/35 WL**
Marjorie Moore Village	250 Kensington	Berlin HA	CHFA	Base Rent	40	1978	0*/ 35 WL**
Orchard Ridge	235 Webster	Metro Realty Group	CHFA/DECD	Mixed Income	100 Aff (+20 MR)	2002	0 -affordable
Sage Pond Place	1725 Berlin Tpke	Sage Pond Ltd Partner	CHFA	Mixed Income	68 Aff (+16 MR)	2006	2 available
Stonebridge	714 Wethersfield Ave	Metro Realty Group	CHFA	Mixed Income	156 Aff (+39 MR)	2008	0/5yrs- affordable
Total					394 (Aff)		

Source: Internet, Property Owners/Managers

*Vacancy is as of Sept 2012 as reported in annual Summary Tenant profile

** Berlin HA maintains a joint waiting list of 35 applicants for both of its elderly housing properties

Table 2.b
Affordable Elderly Housing in Trade Area with Market Rate Rents

	1 BR MR Rent	2 BR MR Rent
Orchard Ridge, Berlin	\$1,090/m	\$1,335/m
Sage Pond, Berlin	\$1,100/m	
Stonebridge, Berlin	\$1,090/m	\$1,335/m

² Metro Realty is also currently developing 88 units of Workforce Housing (open age) at Bacon Lane/Deming Road

V. Analysis of Current Tenant Base

Demographics-Economics-Rent Structure of Current Tenant Base:

- Total Units: **30**
- Total Occupied Units: **30**
- Total Residents: **31 (1 --dual/HHs)**
- Total # of Children: **0**
- Average Age: **78**
- % Minority: **0% (0 HH)**
- % of Disabled HH under 62: **10% (3 HHs)**
- % at Base Rent or below: **33% (10 HHs)**

- Income Below 25%AMI: **23% (7)**
- Income 25% at 50% AMI: **74% (22)**
- Income 50% AMI or greater: **3% (1)**
- Average Income: **\$17,913**
- Average Tenant Rent: **\$454/m, Studio/ \$488/m, 1 BR**

- Waiting List: **35/ 9(young disabled)** – a combined list all elderly prop.

Percival Heights - Income Distribution

Resident HH Income	Rent Equivalent	% of HH
< \$10,000	\$250	6%
\$10000-\$15000	\$250-\$375	37%
\$15000-\$20000	\$375-\$500	27%
\$20000-\$25000	\$500-\$625	17%
\$25000-\$30000	\$625-\$750	10%
>\$30000	>\$750	3%

VI. Conclusions/Recommendations

a. Rent Structure Opportunity

Market & Property Factors

Positives

- Berlin Senior Center on-site (in same building as Subject Prop.)
- Short drive to shops and services.
- All Ranch-style units
- Building relatively new (1985)
- Inside-Outside unit access design

Challenges

- 73% of units are studios
- Most 1 BRs at sizes well below market standard

Below is a summary of data compiled on Subject Property and average rents identified within various market segments. **Considering the size, age, layout, amenities and utility configuration of the subject units, a rental range of \$550 to \$600 for the studio unit and \$600 to \$650 for the small 1 bedroom would be considered competitive with the area inventory involving properties with basic amenities. The three larger 1 bedroom handicap units potentially extends the rent potential for the one bedroom to as high as \$700.** (Disclaimer – this is not a projection of what could be achieved at the subject property, which would need to consider income eligibility parameters, target market and policy goals of the program, nor an “estimate of rent value”³, but a statement of possible rent ranges that have the potential of being competitive in the marketplace if no affordable housing restrictions were in place).

Unit Type	Subject Property	Subject Property	Local Market Alternatives	Berlin MLS Multifamily	Berlin MLS Condo	Berlin Managed Apartments
	Contract Rent	Avg Rent	Avg Rent	Avg Rent	Avg Rent	Avg Rent
Studio	\$330	\$454	\$793			
1 BR	\$380	\$488	\$934	\$1050		NA
2 BR				\$1375	\$1571	

Tenant Base Trends

- No comparison could be made on trends in tenant income profile over a ten year period due to lack of data on Percival Heights for 2003. A comparison between 2011 and 2012 revealed a modest increase in higher income households in 2012 vs. 2011 – though it is noted the data for 2011 reflects 10% vacancy. It is also observed that 73% of the resident base falls within the mid-level income tier of 25%-50%AMI.

Percival Heights Resident HH Income	Year 2011	Year 2012
< 25%AMI	9	7
25-50% AMI	17	22
50%-80% AMI	1	1
Occupancy	90%	100%

Market Depth

³ Among Market Analysts and Appraisers the term “Estimate of Rent Value” has a distinct meaning calling for analytical process for determining value, typically requiring at a minimum a Rent Comparability Study. The “Estimate of Rent Value” study includes the use of a Rent Comparability Grid for valuing and documenting adjustments to comparables in order to calculate an “estimate of rent” for the Subject Property. The Market Assessment conducted herein is designed to offer a broad assessment of the market environment and a statement on possible rents for subject units potentially competitive within the marketplace, discounting any age or income restriction or other program parameter in affect at the subject property. These factors along with issues related to policy goals and market served would need to be considered as part of any final rent determination.

To evaluate the capacity for rent restructuring at the Subject property, we have performed a market penetration analysis. This type of analysis bases its assessment of potential market capture on the relationship between the size of the development and its target market, taking into consideration housing options likely to compete with the Subject Property.

The market penetration rate represents the share of eligible target market that the Subject Development must capture in order to achieve full/optimum occupancy, assuming all existing and planned facilities are operating at capacity.

As a first step in testing market depth for Rent Stratification, we must first estimate the number of renters from homeowners by income in the primary source market area (*in this case the Primary Source Market Area is defined as a four mile radius around the Subject Property*). We assume that most, if not all of the market for the available units will come from households renting homes, rather than from those who are homeowners. As this data is not available at town level for 2010, we start by using data from both 2010 Census and American Community Survey 2011 to arrive at distribution within the county, the lowest level for which current tenure HH data by income is available. Using that data, an adjustment factor was applied to better reflect the tenure base of the the Source Market Area (SMA)⁴.

	Hartford County Tenure Distribution		Adjustment Factor – Berlin Area	
Income Distribution	Rent	Own	Rent	Own
under 15,000	76%	24%	75%	25%
15000-25000	61%	39%	60%	40%
25000-35000	52%	48%	50%	50%
35000-50000	42%	58%	40%	60%

Source: US Census 2010, American Community Survey, 2011

The chart below reflects estimated distribution of senior households in the Berlin SMA by tenure and income. Based on our analysis of tenure by income, we estimate the primary Source Market Area contains 3123 households whose incomes fall within the income threshold for the target market of which 1763 are renters. Amplifying the numbers somewhat is the partial overlap of New Britain and Meriden within the Source Market Area into. The chart also shows current distribution within the Subject Property of senior tenants by income (excludes young disabled).

⁴ The adjustment was determined based on the ratio of ownership in the SMA to County home ownership.

Berlin	Source Mkt Senior HH 65+			Subject
Income Distrib	Total	Rent	Own	Property
				Senior Tenant Base
under 15,000	798	600	198	10
15000-25000	857	511	346	13
25000-35000	640	322	318	3
35000-50000	828	331	497	1
Total	3123	1763	1360	27
Young/Dis.				3
Vacancy				0
			Total Units	30

Source: US Census 2010, American Community Survey, 2011

Other Factors for Determining Market Depth

Other defining factors in determining market capacity of the source market for the proposed rental units of the Subject Property is overall rental turnover in the marketplace and expected absorption of units by source market renters.

- Based on discussions with area property managers and census data on mobility patterns, we have assumed a 30% turnover rate within the market place with respect to renters.
- Relative to market penetration, we have assumed that 80% of the units will be filled by residents in Berlin area.

As a rule, for housing projects looking to capture very low income households , market penetration rates of 10 to 20% attest to the project's potential feasibility (and often higher depending on an areas housing availability at such income levels) assuming most or all existing housing options are operating at capacity. As you ratchet up the income brackets and come closer to a household's financial ability to find housing in the broader market, more conservative penetration rates are applied to test feasibility/potential depth of market. Thus at income brackets \$25,000-\$50,000 rates of 3 to 5% are being applied to test market depth.

To assist in determining potential for rent structuring, we looked at both market depth on an annual based on assumption of turnover per year in the marketplace as well as the potential demand overall among all households 65+ within the source area in each bracket. Our analysis of potential demand annually was compared with estimate of senior households from source market currently in the property.

In the chart below are the results on the analysis for estimating demand on an annual basis. There is evident depth at the lower incomes levels \$25,000 and below with a source market potential for 34 units. While above \$25,000, the potential market base is estimated at 6 units based on a 3 to 5% penetration of market.

Berlin	Berlin SMA - 65+ Households				
Income Distr	Total	Rent	Turnover ratio	# Renters Moving	Current Senior HH Tenants
under 15,000	798	600	30%	180	10
15000-25000	857	511	30%	153	13
25000-35000	640	322	30%	97	3
35000-50000	828	331	30%	99	1
Young/disabled					3
Vacancy					0
Total	3123	1763	1360	529	30
Potential capture rates:		Annual Potential Capture Rate	Current # Senior HHs at Sub. Prop		
under 15,000	15%	22	10		
15000-25000	10%	12	13		
25000-35000	5%	4	3		
35000-50000	3%	2	1		
Total		40	27		

* Formula = (# Renters Moving X % from Source Mkt) X Potential Capture Rate

Source: US Census 2010, American Community Survey, 2011

In the chart below, we identify the capture potential for total number of 65+ households irrespective of turnover within the defined source market area at each income bracket.

Berlin SMA	Senior HH 65+		Aggregate Potential Capture Total HH 65+	
Income Distribution	Total	65+ HH Renters	Capture Rates	Total Senior HH Capture Potential
under 15,000	798	600	15%	90
15000-25000	857	511	10%	51
25000-35000	640	322	5%	16
35000-50000	828	331	3%	10
Total	3123	1763		167

Source: US Census 2010, American Community Survey, 2011

b. Recommendations for Improving Marketability

Based on a field inspection of the Subject Property, we identified no external property or building issues that would likely impede the marketability of Percival Heights to a more diversified income base. In fact, we believe the physical connection to the Senior Center plus the unique inside-outside access to units is a marketing plus for the Subject Property. Moreover, the property is relatively new and if residents enjoy watching young girls and boys playing baseball they are steps away from an impressive Little League Baseball complex.

We thus believe, without the benefit of viewing units, that any needed steps for improving marketability at Subject Property would be confined to interior improvements – including any upgrading kitchen appliances, new cabinets, ect. This issue becomes more pronounced when comparing the finish and features of the three most recently developed mixed-income elderly complexes in town, with each marketing to similar household base as Subject Property (25%AMI-60%AMI), discounting market rate households, and each offering higher grade kitchens and baths and other amenities not seen at Subject Property.

One area that would be hard to address but does represent a potential constraint in any goal to tap households at incomes over 40%-50% is the heavy concentration of studios within the complex. Even the few one bedrooms in the complex are quite undersized compared to the market. At 40%-50% AMI and up, rental alternatives exist in the marketplace for roomier 1 bedrooms, a unit type much preferred over studios if given a choice.

We do observe however that the Subject Property has had success both in maintaining full occupancy and in capturing households at the 25%-50% AMI level (73% of tenant base in 2012). Modest upgrades-improvements to individual units could possibly build on that success and possibly edge the distribution of tenants more towards the higher end of that scale.

c. Redevelopment Scenario

From a Market perspective, Percival Heights does not reflect a strong need for a redevelopment scenario.

APPENDIX
PROPERTY PHOTOS
MARKET BRIEF



Center View Manor
(Front)



Center View Manor
(back)



Woodmoor Village



Woodmoor Village
Community Bldg

Connecticut Towns: Market Assessment Briefs

Town: Berlin, CT
County: Hartford County

1. Economic Trends

Major Employers - Berlin

Employer	Sector
Northeast Utilities	utility
Town of Berlin	government
Corbin Russwin Inc.	manufacturer
Residential Management Services	human services
Comcast	communications

Source: CERC Town Profile 2012

Berlin is HQ for Northeast Utilities, CT's largest utility company and a major employer. In addition to town government, other major employers are Corbin Russwin/Assa Abloy, a manufacturer of locksets and door hardware, Residential Management Services, which provides services for impaired individuals and cable provider Comcast.

Key Job Sectors - Berlin

Industry Sector - 2011	% Share of Jobs
Manufacturing	17.2%
Retail Trade	8.8%
Health Care	6.5%
Administrative & Support	5.7%
Wholesale Trade	5.5%

Source: CT Dept. of Labor

Berlin's employment is based in health care, manufacturing and trade, with those sectors accounting for 32% of all employment. Retail Trade based jobs are largely located Berlin's Route 15 retail corridor.

Labor Force & Employment Trends

Labor Force +Employment	Berlin	Hartford County
Labor Force-2011	11,352	472,551
Unemployment -2011	7.6%	9.2%
Total Employment -Workplace	11,238	487,169
2005 - 2011 - Annual Growth	-0.2%	0.1%
2010 - 2011 - Annual Growth	-0.7%	1.1%

Source: CT Dept. of Labor

Berlin has been somewhat less impacted by the recession in terms of unemployment, with a 7.6% unemployment rate vs. 9.2% for Hartford County. However, jobs growth has been flat, especially recently.

Connecticut Towns: Market Assessment Briefs

Town: *Berlin, CT*
County: *Hartford County*

2. Demographic Trends

Population Trends

Population	Berlin	Hartford County
2000 Total population	18,215	857,183
2010 Total Population	19,866	894,014
Annual Percentage Growth	0.87%	0.42%
2011 Total Population (est)	20,095	894,443
2016 Total Population (proj.)	20,567	904,416
2011– 2016 Annual Rate	0.47%	0.22%

With its good commuting logistics and jobs base, Berlin has witnessed growth in population since 2000 at a faster rate than the county as a whole. This trend is expected to continue through 2016.

Source: 2010 Census, ESRI Business Systems

Household Trends

Household	Berlin	Hartford County
2000 Total Households	6,792	335,098
2010 Total Households	7,808	350,854
Annual Percentage Growth	1.40%	0.46%
2011 Total Households (est.)	7,885	351,028
2016 Total Households (proj.)	8,126	355,438
2011– 2016 Annual Rate	0.61%	0.25%

Consistent with population growth, households have witnessed even stronger growth since 2000, increasing by some 1,000 households. This has been made possible by large scale new residential development having taken place. Households are expected to continue increasing through 2016, adding an

Source: 2010 Census, ESRI Business Systems

Race & Ethnicity

% Share of Population

Population - 2010	Berlin	Hartford County
White Alone	94.9%	72.4%
Black Alone	0.7%	13.3%
Asian Alone	2.7%	4.2%
Hispanic (Any Race)	3.2%	15.3%

Both Berlin and the county have become more diverse over the past decade with increases in their minority population, although Berlin is still 95% white. Gains were seen in the Hispanic population with Berlin reporting a 113% increase and African-Americans a 75% increase.

Change - 2000 to 2010

White Alone	-2.2%	-5.9%
Black Alone	75.0%	13.7%
Asian Alone	58.8%	68.0%
Hispanic (Any Race)	113.3%	33.0%

Source: 2010 Census, ESRI Business Systems

Connecticut Towns: Market Assessment Briefs

Town: Berlin, CT
County: Hartford County

2. Demographic Trends (Cont'd)

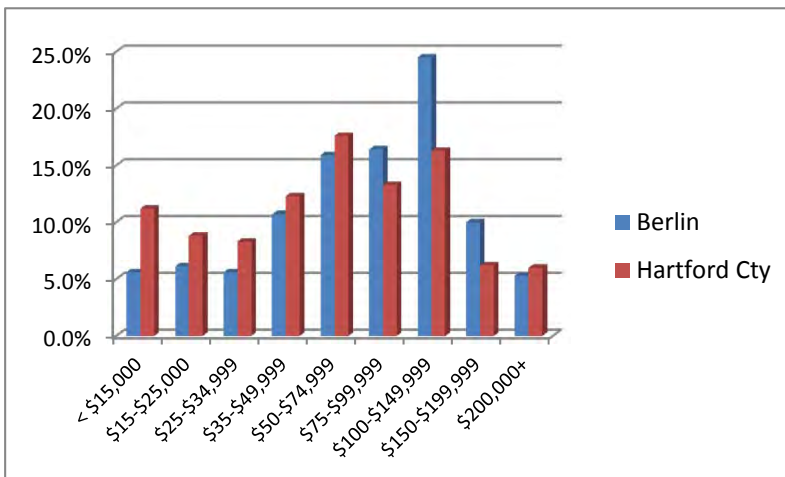
Median Income

Median HH Income	Berlin	Hartford County
2000	\$66,817	\$50,777
2011 (est.)	\$82,667	\$61,074
Annual Avg % Growth	2.2%	1.8%

Source: 2010 Census, ESRI Business Systems

Median Income in Berlin grew at a relatively robust rate of 2.2% in the last decade, ahead of the average annual rate of 1.8% for Hartford County.

HH Income Distribution (2011)



Source: 2010 Census, ESRI Business Systems

Data on Income distribution for Berlin reflects a wide range, with more concentration in higher income levels and less in lower levels than Hartford County. Households under \$35K are 17% vs. 28% for the county.

HH Income Distribution - 65+ (2010)

HH's	Berlin		Hartford Cty	
	65-74	75+	65-74	75+
Total HHs	864	1,040	39,468	41,833
< \$15,000	7.3%	14.5%	11.5%	19.5%
\$15-\$25,000	7.2%	14.1%	11.1%	16.2%
\$25-\$34,999	9.7%	13.0%	10.4%	12.7%
\$35-\$49,999	19.4%	20.2%	16.2%	14.1%
\$50-\$74,999	24.5%	18.3%	20.0%	15.0%
\$75-\$99,999	12.2%	6.4%	13.6%	10.3%
\$100-\$149,999	14.7%	8.5%	9.1%	6.1%
\$150-\$199,999	0.9%	2.4%	3.6%	3.2%
\$200,000+	4.1%	2.6%	4.4%	3.0%
Med Inc.	\$54,437	\$39,857	\$50,601	\$36,308

Source: 2010 Census, ESRI Business Systems

This relatively more affluent trend includes senior households as well, with both those 65-74 and 75+ households trending higher than Hartford County seniors.

Connecticut Towns: Market Assessment Briefs

Town: Berlin, CT
County: Hartford County

2. Demographic Trends (Cont'd)

Poverty Rates

Households - 2010	Berlin % Total	Hartford Ct % Total
Married Couple - Family	1.5%	1.1%
Other Family HHs (spouse not present)	1.8%	3.9%
Non-Family HHs	0.5%	5.2%
Poverty Ratio - Total	3.7%	10.2%

Source: ACS Population Survey, ESRI Business Systems

Households poverty rates in Berlin are low at 3.7% in 2010 compared to 10.2% in the County. Non-family households in poverty are low in Berlin, counter to the trend in some towns where this sector's rates are relatively high.

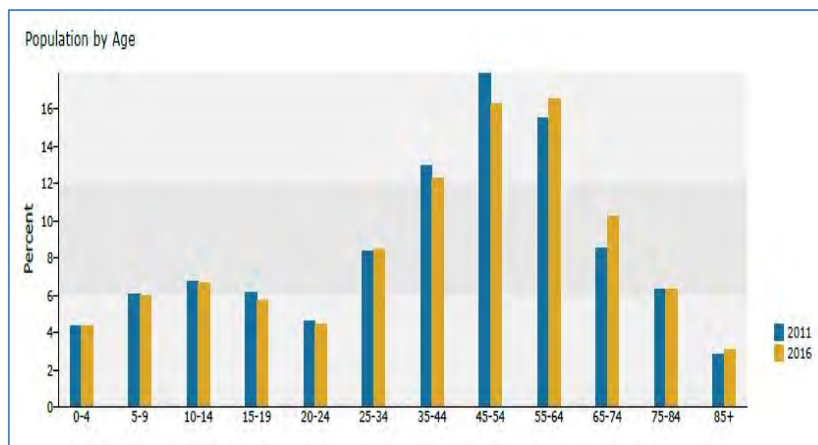
Age Trends

Population - 2010	Berlin % Total	Hartford Ct % Total
Age 18+	78.6%	77.2%
Age 65+	17.5%	14.6%
Age 75+	9.2%	7.4%
Median Age	45.5	39.9

Source: 2010 Census, ESRI Business Systems

Berlin's population profile is considerably older as compared to the county with a median age of nearly 46 vs. nearly 40 for the county. This trend has been influenced by recent growth in residential development age-restricted to 55+ or targeted to older buyers.

Age Distribution 2011-2016



Source: 2010 Census, ESRI Business Systems

The older cohort influence is shown in the age distribution chart, with growth coming in the 55+ groups. Meanwhile, there is a relatively small share of children and persons 25-34 (8%).

Connecticut Towns: Market Assessment Briefs

Town: *Berlin, CT*
County: *Hartford County*

3. Housing Trends

Tenure and Vacancy

HH's	Berlin		Hartford Cty	
	2000	2010	2000	2010
Own-Occp	88.3%	84.4%	64.2%	65.5%
Own-Units	5,996	6,592	215,275	229,920
Rent-Occp	11.7%	15.6%	35.8%	34.5%
Rent Units	796	1,216	119,823	120,934
Ttl Occp Units	6,792	7,808	335,098	350,854
Vacancy	2.3%	4.1%	5.1%	6.3%

Source: 2010 Census, ESRI Business Systems

Berlin housing expanded by 1000+ units over the last decade to accommodate the growth of households. Owner occupancy decreased to 84% and rental occupancy increased to 16%, but product was absorbed despite adverse market conditions recently. Vacancy in Berlin is just 4.1% vs. 6.3% countywide.

Housing Characteristics

% Share of Total Housing

Structure Type - 2010	Berlin	Hartford County
1 Detached	85.6%	55.0%
1-Attached	3.3%	5.5%
2-unit	3.8%	7.8%
3/4 unit	2.2%	10.0%
5+ units	5.1%	21.7%
Total Housing Units - 2010	7,310	374,249

Source: ACS Housing Surveys, ESRI Business Systems

Berlin's housing stock is 85% single family home based, but much of what was built over the past 10 years was multi-family or condominium. Berlin has good infrastructure along Route 15 for higher density development.

Rent-occupied Housing by Contract Rent

Renters with Contract Rent

Contract Rent - 2010 Distribution	Berlin	Hartford County
Under \$200	0.0%	6.9%
\$200-\$399	9.4%	8.7%
\$400-\$599	6.8%	14.6%
\$600-\$799	23.9%	28.0%
\$800-\$999	16.6%	21.8%
\$1000-\$1249	5.6%	10.5%
\$1250-\$1499	15.8%	3.4%
\$1500-\$1999	2.2%	1.3%
above \$2000	0.0%	1.2%
Median Contract Rent	\$800	\$733

Source: ACS Housing Surveys, ESRI Business Systems

Median rent in Berlin at \$800 trends higher than in Hartford County at \$733. The distribution generally ranges from \$600 up through \$1500.

Connecticut Towns: Market Assessment Briefs

Town: Berlin, CT
County: Hartford County

4. Rental Housing Market

Mfamily

BR	# of Prop	Avg List Price	Avg Rent Sale	Avg DOM	Rental Range
0	N/A				
1	N/A				
2	62	\$1,100	\$1,050	83	\$1000-1050
3	3	\$1,375	\$1,375	32	\$1175-\$1450
4	N/A				

Source: CT MLS

(Dom- Days on Market)

Condo

BR	# of Prop	Avg List Price	Avg Rent Sale	Avg DOM	Rental Range
0	N/A				
1	N/A				
2	7	\$1,571	\$1,571	26	\$1350-\$1800
3	N/A				
4	N/A				

Source: CT MLS

(Dom- Days on Market)