

Market Assessment – Marino Manor (Middletown, CT)

I. Description Of Property

Subject Property Description & Location – The Subject Property (Marino Manor) is a 40-unit Elderly Housing complex located at 1361 Randolph Road in Middletown, CT. Marino Manor is located roughly 2 miles south of the downtown in an area of predominantly upscale homes. The property was built in 1980 and consists of 7 brick faced ranch style buildings offering a mix of studios and 1 bedrooms. Included in the mix are four handicap units.

Each unit comes with a refrigerator and stove, while ac sleeves are available for air conditioning units. In addition there is a separate community building with laundry facilities. Parking at Marino Manor totals 50 spaces or 1.25 spaces per unit.

Household rent for these units is determined on a portion of income, or base rent, whichever is greater. Household eligibility is restricted to persons 62 or older, or younger persons if certified totally disabled. Income eligibility is restricted to households with incomes of 80% of AMI or below. Base rent is \$138/m for the efficiency and \$151/m for the 1 bedroom. Utilities are paid by the tenant but a utility allowance of \$60/m is provided for studio and one bedroom. Vacancy at the Subject Property stood at 3 units at 09-30-2012; however, the Middletown Housing Authority reports a waiting list of 45 households that can be used for filling units.

Below is chart on unit mix.

Marino Manor
1361 Randolph Rd
Middletown, CT 06457

Type	Property Type	Baths	# of units	Living Area SF	Base Rate
Efficiency	Ranches	1	28	475 sf	\$138
1 Bedroom	Ranches	1	12	500 sf	\$151
Total			40		

Additional Property Info	
Property Type	Elderly
Program	SR Elderly
Parking	33
Year Built	1980
# of Buildings	7
Acres	4.3
Handicap Units	4
Vacancy	3 (9-30-2012)
Waiting List	45
Owner	Middletown HA

Subject Property Features and Amenities –

- Utilities Provided: *Tenant pays H&HW & Elec. (Utility Allow. \$60-studio & 1BR)*
- Refrigerator: *Yes*
- Stove: *Yes*
- Microwave: *No*
- Laundry Room: *Yes*
- Hook-Up: *No*
- Community Room: *Yes*
- Elevators: *N/A*
- Other:



Marino Manor - front



Marino Manor- back

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.

Exhibit 1 – Subject Site Map



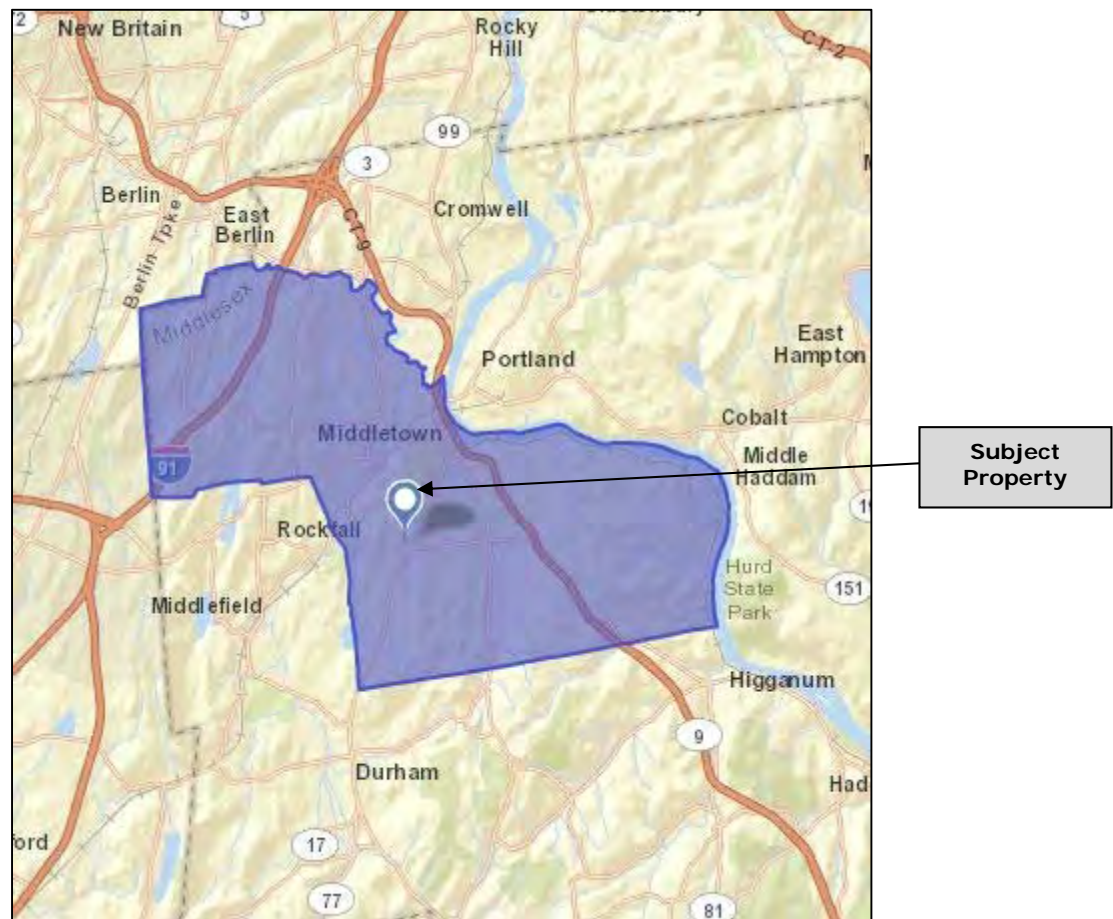
Neighborhood Description & Land Uses – The Subject Property is located off Randolph Street which runs into South Main St (Route 17), a major north-south corridor for the town. The immediate neighborhood west of Route 17 is predominantly residential, much of it upscale housing – with Wadsworth Falls State Park situated at the terminus of Randolph Street (1.5 miles) west of the site. Immediately adjacent to the property is Monarca Place, a HUD-funded 3-story, 16 unit complex for persons “Sensory Impaired”. It is one of four such federally funded special purpose housing in the country. To the north is Middlesex Hospital (1.5 mile) and the downtown (2 miles) both off Route 17. Wesleyan University is also located nearby with its main campus just to the west of the downtown. Much of the shopping and service opportunities in the area can be found in the downtown or off Washington Street to north and west 3 miles.

Access – Marino Manor is well situated to most major routes in the area. As noted above South Main St (Route 17) links with the downtown 2 miles north. Meanwhile, Randolph Rd continues east across Route 17 and eventually intersects with Route 9, a north-south limited access highway. Access to I-91 is more distant requiring an 8 mile drive. Bus service was observed on Route 17 – South Main – though no bus stops were noted nearby the Subject Property.

Delineation of Market Area – The primary **Source Market Area (SMA)** of demand for units at the Subject Property is defined as six mile radius around Subject site which includes all of Middletown and portions of adjacent towns.

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** is Middletown.

Exhibit 2 – Competitive Trade Area Map



II. Economics & Demographics of Market Area

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

III. Rental Survey

Housing Rental Survey Summary Analysis –

The City of Middletown has had a tradition of supporting rental housing and as a result contains a broad mix of market rate rental options from basic affordable to newer upscale luxury, as well as a strong base in condo and private multi-family rentals. In fact Middletown serves as one of the largest sources of rental housing on the 1-91 corridor between Hartford and New Haven. Rental occupancy in the city equaled 46% in 2010 and totaled over 9,100 units representing a slight decrease in rental share but an increase in the total number of units rented.

Our survey of Middletown apartments focused on older more basic apartment complexes in town (dates are estimated based on field inspection), though some of the larger properties contained more expanded amenities. While no true comparable to the Subject Property was identified, i.e – ranch style units, apartments selected for the survey reflected available market options based on unit type, 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 Middletown reflecting the market rate environment for alternative rental housing to the Subject Property. Each property was chosen based on pricing, unit type and configurations, features and amenities for senior households at incomes of 80% AMI or less.
- Based on field research – most of the complexes were built in the 1960s and 1970s, though two are rehabs in the 80s. Three of the properties are garden apartments; two are rehabs – one a former school and the other a 100-year old former factory building. The remaining property, Stonegate, is a 179-unit mid-rise complex located just south of the Subject Property. Reportedly this apartment caters to many older residents.
- Amenities are basic in four of the surveyed complexes, generally limited to on-site laundry, storage, private decks or patios – with dishwashers and garbage disposals representing the biggest upgrade in the kitchen. Ridgefield Apts and Stonegate, the two largest complexes, offer the most extensive recreational amenity package with a pool and fitness center. On-site management – maintenance is provided in five of the six apartments surveyed.
- Average rent for studio and one bedroom was \$701/m and \$803/m, respectively. Two of the six complexes include utilities in the rent.
- Unit size averaged 525 sf for the efficiency and 710 sf for the one bedroom.

- Vacancies were identified in all six apartment properties surveyed.

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

Table 1
Rental Survey Market Rate Apartment Alternatives– Middletown, CT

Property	Total Units	Prop. Type	Age	0 BR	0 BR size	\$/sf	1 BR	1BR size	\$/sf	Utilities In Rent	Unit Availability
Burgundy Apts 104 Meeting Hse Rd Middletown, CT	102	Garden	70's	\$700	500	\$1.40				No	Available
Ridgefield Apts 131 Ridgefield Dr Middletown, CT	262	Garden	70's	\$705	550	\$1.28	\$880	700	\$1.25	No	Available
Stonegate 1150 South Main Middletown, CT	179	Mid-Rise	70's				\$825	782	\$1.05	H&HW	Available
The Wilcox 309 South Main Middletown, CT	81	Historic Rehab	1980s rehab				\$715	570	\$1.25	No	Available
Highview Apts 124 Thomas St Middletown, CT	88	Garden	60's				\$795	750	\$1.06	H&HW	Available
Woodrow Wilson 339 Hunting Hill Middletown, CT	66	1933;	1985 rehab	\$700	525	\$1.33	\$800	750	\$1.06	No	Available
Average				\$701	525	\$1.33	\$803	710	1.13		

Source: Property Managers, Internet, Rental Agents

Survey of Affordable Elderly Housing– In order to better understand the options for senior housing in Middletown, a survey was undertaken of affordable housing in the area. This survey identified 11 affordable housing properties in Middletown for the elderly, inclusive of the Subject Property, totaling 680 units. Two of these properties are owned and managed by the Middletown Housing Authority (MHA). Seven of the properties are HUD funded with rents based on 30% of income. Where information could be collected all but the Subject Property reported no vacancies. Even with the Subject Property it is presumed the vacancies have since been filled given a waiting list of 45 households was reported as of 09-30-2012.

Refer to Table 2 below for results of survey of affordable senior housing projects in Middletown.

Table 2
Survey of Affordable Elderly Housing – Middletown, CT

Property Name	Address	Owner	Public Funder	Deter. Of Rent	Elderly Units	Age	Vacancy/ Waitlist
Marino Manor (Subject Property)	1361 Randolph St	Middletown HA	CHFA	Base Rent	40	1981	3/45 WL
Sbona Tower	40 Broad St	Middletown HA	HUD	30% Inc	126		
Heritage Commons	38 Boston Rd	Boston Rd Assoc	CHFA	Base Rent	89		
Luther Manor Congregate	624 Congdon St	Lutheran Hsing	CHFA	Base Rent	45	1990	0/18 WL
Luther Ridge	628 Congden St	Lutheran Hsing	HUD	30% Inc	45		0/3 months
South Green	65 Church St	South Green LP	HUD	30% Inc	125		0/6 months
Stonycrest Towers	352 Newfield St	Stonycrest Realty	HUD	30% Inc	40		0/18 months
St Lukes	144 Broad St	St. Lukes Home Inc	HUD	30% Inc	25		
Shiloh Manor	330 Butternut St	Shiloh Manor Inc	HUD	30% Inc	40		0/NA
Newfield Towers	220 Newfield St	Newfield Realty	HUD	30% Inc	40		0/18 months
Old Middletown Apts	251 Court St	Old Middltwn HS Assoc	HUD	30% Inc	65		0/NA
Total					680		

Source: Internet, Property Owners/Managers

IV. Analysis of Current Tenant Base

Demographics-Economics-Rent Structure of Current Tenant Base:

- Total Units: **40**
- Total Occupied Units: **37**
- Total Residents: **39 (2 --Joint/HHs)**
- Total # of Children: **0**
- Average Age: **73**
- % Minority: **11% (4 HH)**
- # of Disabled HH under 62: **22% (8 HHs)**
- % at Base Rent or below: **8% (3 HHs)**

- Income Below 25%AMI: **57% (21)**
- Income 25% at 50% AMI: **43% (16)**
- Income 50% AMI or greater: **0% (0)**
- Average Income: **\$14,216**
- Average Tenant Rent: **\$271/m, Studio/ \$352/m, 1 BR**

- Waiting List: **45/ 26 (young disabled)**

Marino Manor - Income Distribution

Resident HH Income	Rent Equivalent	% of HH
< \$10,000	\$250	19%
\$10000-\$15000	\$250-\$375	43%
\$15000-\$20000	\$375-\$500	24%
\$20000-\$25000	\$500-\$625	6%
\$25000-\$30000	\$625-\$750	8%
>\$30000	>\$750	0%

V. Conclusions/Recommendations

a. Rent Structure Opportunity

Market & Property Factors

Positives

- Stable residential location
- All Ranch-style units
- Relatively good access to shopping and services
- Exterior Grounds and Buildings well-maintained

Challenges

- Large number of affordable housing options
- 70% of units are the less desirable efficiency.

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 \$625 for the studio and \$600 to \$675 for the 1 bedroom would be considered competitive with the area inventory involving properties with basic amenities.** (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”¹, 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	Middletown MLS Multifamily	Middletown MLS Condo	Middletown Managed Apartments
	Contract Rent	Avg Rent	Avg Rent	Avg Rent	Avg Rent	Avg Rent
Studio	\$138	\$271	\$701			\$736
1 BR	\$151	\$352	\$803	\$799	\$831	\$1023
2 BR				\$1069	\$1196	\$1203

Tenant Base Trends

- Between 2003 and 2012, Marino Manor reported a 32% drop in the number of households at incomes of 25% AMI or less.
- Meanwhile, a corresponding gain in households of 128% was reported for those at the 25%-50% AMI level.
- Neither time period reported any households over 50% AMI.

Marino Manor Resident HH Income	Marino Year 2003	Marino Year 2012
< 25%AMI	31	21
25-50% AMI	7	16
50%-80% AMI	0	0
Occupancy	95%	92%

Source: 2003 & 2012 Summary Tenant Profile

¹ Among Market Analysts and Appraisers the term “Estimate of Rent Value” has a distinct meaning calling for an 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 need to be considered as part of any final rent determination.

Market Depth

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 six 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)².

	Middlesex County Tenure Distribution		Adjustment Factor – Middletown Area	
Income Distribution	Rent	Own	Rent	Own
under 15,000	56%	44%	61%	39%
15000-25000	55%	45%	60%	40%
25000-35000	32%	68%	40%	60%
35000-50000	40%	60%	22%	78%

Source: US Census 2010, American Community Survey, 2011

The chart below reflects estimated distribution of senior households in the Middletown SMA by tenure and income. Based on our analysis of tenure by income, we estimate the primary Source Market Area contains 4607 households whose incomes fall within the income threshold for the target market of which 2128 are renters. The chart also shows current distribution within the Subject Property of senior tenants by income (excludes young disabled).

² The adjustment was determined based on the ratio of ownership in the SMA to County home ownership.

Middletown Income Distrit	Source Mkt Area - Senior HH 65+			Subject Property
	Total	Rent	Own	Senior Tenant Base
under 15,000	1134	687	447	21
15000-25000	1324	797	527	6
25000-35000	960	383	577	2
35000-50000	1189	262	927	0
Total	4607	2128	2479	29
Young/Dis.				8
Vacancy				3
			Total Units	40

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 70% of the units will be filled by residents in Middletown 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 44 units. While above \$25,000, the potential market base is estimated at 7 units based on a 3 to 5% penetration of market.

Middletown	Middletown SMA - 65+ Households				
Income Distr	Total	Rent	Turnover ratio	# Renters Moving	Current Senior HH Tenants
under 15,000	1134	687	30%	206	21
15000-25000	1324	797	30%	239	6
25000-35000	960	383	30%	115	2
35000-50000	1189	262	30%	78	0
Young/disabled					8
Vacancy					3
Total	4607	2128	2479	638	40
Potential capture rates:		Annual Potential Capture Rate	Current # Senior HHs at Sub. Prop		
under 15,000	15%	25	21		
15000-25000	10%	19	6		
25000-35000	5%	5	2		
35000-50000	3%	2	0		
Total		50	29		

* 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 within the defined source market area at each income bracket.

Middletown Area	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	1134	687	15%	103
15000-25000	1324	797	10%	80
25000-35000	960	383	5%	19
35000-50000	1189	262	3%	8
Total	4607	2128		210

Source: US Census 2010, American Community Survey, 2011

b. Recommendations for Improving Marketability

Based on a field inspection of the Subject Property, Marino Manor appears to be a well-maintained and nicely laid-out. It is also located in a well-established, upscale, somewhat bucolic residential community. There is even a dairy farm further up the road towards Middlefield. Yet the Marino Manor is within reasonable access to local retail and services, including health care, with Middlesex Hospital less than 1.5 mile from the property. We believe, without the benefit of viewing units, that any needed steps for improving marketability at Marino Manor would be confined to interior improvements – including any upgrading kitchen appliances, new cabinets, ect. Although the fact that these are relatively new properties suggests any obsolescence or maintenance issues are likely to be more into the future.

We do observe, however, that the 1 Bedrooms are attracting a significantly higher income tenant compared to the efficiency with average HH income of \$16,800 vs an average of \$9,268 for the efficiency. Of course there is a slightly higher base rent for the 1 bedroom, but this would not be enough to explain the large difference in average income between the two unit types. And the difference in size between the two unit types is reportedly only 25 square feet – about the size of a half bathroom. It's possible that the preferred 1 BRs are being directed by the property owner towards higher income prospects. But assuming this is not the case it would suggest that prospects with higher incomes are holding out for the 1 BRs. In light of the income differential, consideration might be given to evaluating opportunities for converting or expanding efficiencies to 1 BRs. One property owner accomplished this by targeting end units. Another owner merely added partitions in the studio to separate the bedroom area from the rest of the unit. These latter units were still marketed as studios, but garnered considerable more interest compared to those without this enhancement.

One other improvement that might be considered if not already, are any improvements to heating and cooling and energy efficiency with rising utility costs shaping up to be a big concern for seniors on fixed incomes.

c. Redevelopment Scenario

From a Market perspective, Marino Manor does not reflect a strong need for a redevelopment scenario.

APPENDIX

PROPERTY PHOTOS
MARKET BRIEF



Marino Manor



Community Bldg

Connecticut Towns: Market Assessment Briefs

Town: Middletown, CT
County: Middlesex County

1. Economic Trends

Major Employers - Middletown

Employer
Aetna
Pratt & Whitney
Middlesex Hospital
Connecticut Valley Hospital
Wesleyan University

Source: CERC Town Profiles - 2012

Middletown is Middlesex County's largest community and employment center. Anchoring the job base in town are divisions of Aetna and Pratt & Whitney, a major liberal arts university with over 3,000 students, a state hospital and a regional acute care hospital.

Key Economic Sectors - Middletown

Industry Sector - 2011	% Share of Jobs
Health Care	21.4%
Manufacturing	21.2%
Retail Trade	6.4%
Accom. & Food Services	5.5%
Educational Services	***
Government	21.20%

Source: CT Dept. of Labor

Health care and manufacturing account for 43% of Middletown's employment. Government contributes another 21% - mostly in state jobs associated with Connecticut Valley Hospital. Jobs data on Education is shielded to maintain Wesleyan's privacy on employment but it is estimated that the college contributes up to 5-6% of

Labor Force & Employment Trends

Labor Force +Employment	Middletown	Middlesex County
Labor Force-2011	27,144	95,001
Unemployment -2011	8.6%	7.6%
Total Employment -Workplace	26,913	64,554
2005 - 2011 - Annual Growth	-2.0%	-1.0%
2010 - 2011 - Annual Growth	1.2%	0.9%

Source: CT Dept. of Labor

Middletown's resident labor force reported unemployment of 8.6% - higher than Middlesex overall.

The city did benefit from job gains in 2011, however has lost over 3,600 jobs since 2005.

Connecticut Towns: Market Assessment Briefs

Town: Middletown, CT
County: Middlesex County

2. Demographic Trends

Population Trends

Population	Middletown	Middlesex County
2000 Total population	43,167	155,071
2010 Total Population	47,648	165,676
Annual Percentage Growth	1.04%	0.66%
2011 Total Population (est)	47,686	166,127
2016 Total Population (proj.)	48,621	170,141
2011– 2016 Annual Rate	0.39%	0.48%

Source: 2010 Census, ESRI Business Systems

Middletown witnessed a very healthy gain in population of 10.3% for the period 2000 to 2010 spurred in part by increase in student enrollment at Wesleyan. Projections call for a moderate rate over the near term through 2016.

Household Trends

Household	Middletown	Middlesex County
2000 Total Households	18,553	61,341
2010 Total Households	19,863	67,202
Annual Percentage Growth	0.71%	0.92%
2011 Total Households (est.)	19,865	67,391
2016 Total Households (proj.)	20,315	69,334
2011– 2016 Annual Rate	0.45%	0.58%

Source: 2010 Census, ESRI Business Systems

Households expanded as well last decade - though not as high in rate as population - with many of the expanded student body living on campus and thus not treated as HHs by census.

Race & Ethnicity

% Share of Population

Population - 2010	Middletown	Middlesex County
White Alone	75.7%	89.2%
Black Alone	13.4%	4.7%
Asian Alone	4.2%	2.6%
Hispanic (Any Race)	8.0%	4.7%

Change - 2000 to 2010

White Alone	-5.4%	-2.3%
Black Alone	8.9%	6.8%
Asian Alone	55.6%	62.5%
Hispanic (Any Race)	50.9%	56.7%

Source: 2010 Census, ESRI Business Systems

Middletown is a relatively diverse community with 8% Hispanics, 13% African American and 4% Asian. The later saw the greatest increase on a percentage basis last decade.

Connecticut Towns: Market Assessment Briefs

Town: Middletown, CT
County: Middlesex County

2. Demographic Trends (Cont'd)

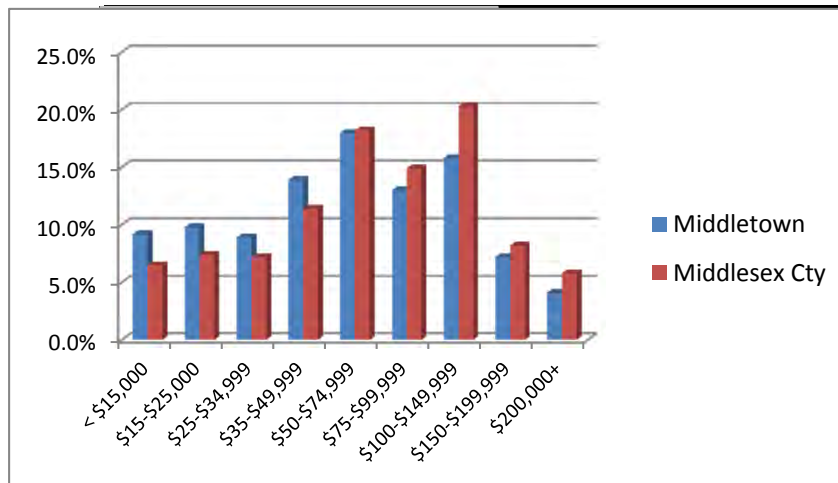
Median Income

Median HH Income	Middletown	Middlesex County
2000	\$47,811	\$59,175
2011 (est.)	\$59,079	\$73,499
Annual Avg % Growth	2.1%	2.2%

Middletown's income is more moderate with median income of \$59,079, below both the county and state .

Source: 2010 Census, ESRI Business Systems

HH Income Distribution (2011)



19% of Middletown's households maintain incomes of under \$25,000. This compares to 13% for the county. 22% earn between \$25,000 to \$50,000..

HH Income Distribution - 65+ (2010)

HH's	Middletown		Middlesex County	
	65-74	75+	65-74	75+
Total HHs	1,939	1,950	39,468	41,833
< \$15,000	13.3%	19.3%	11.5%	19.5%
\$15-\$25,000	16.1%	24.4%	11.1%	16.2%
\$25-\$34,999	7.4%	10.5%	10.4%	12.7%
\$35-\$49,999	11.0%	14.1%	16.2%	14.1%
\$50-\$74,999	22.3%	12.6%	20.0%	15.0%
\$75-\$99,999	9.5%	6.8%	13.6%	10.3%
\$100-\$149,999	9.1%	5.6%	9.1%	6.1%
\$150-\$199,999	7.3%	3.7%	3.6%	3.2%
\$200,000+	3.9%	3.1%	4.4%	3.0%
Med Inc.	\$51,543	\$30,367	\$50,601	\$36,308

A significant portion of Middletown's senior households earn under \$25,000 calculated at 37% of households 65+. 21% (835 HH) earn between \$25,000 and \$50,000.

Source: 2010 Census, ESRI Business Systems

Connecticut Towns: Market Assessment Briefs

Town: Middletown, CT
County: Middlesex County

2. Demographic Trends (Cont'd)

Poverty Rates

Households - 2010	Middletown % Total	Middlesex Ct % Total
Married Couple - Family	0.7%	0.5%
Other Family HHs (spouse not present)	3.2%	1.5%
Non-Family HHs	7.4%	3.9%
Poverty Ratio - Total	11.2%	6.0%

Poverty rate in Middletown is high at 11.2%, with most impact felt by non-family households .

Source: ACS Population Survey, ESRI Business Systems

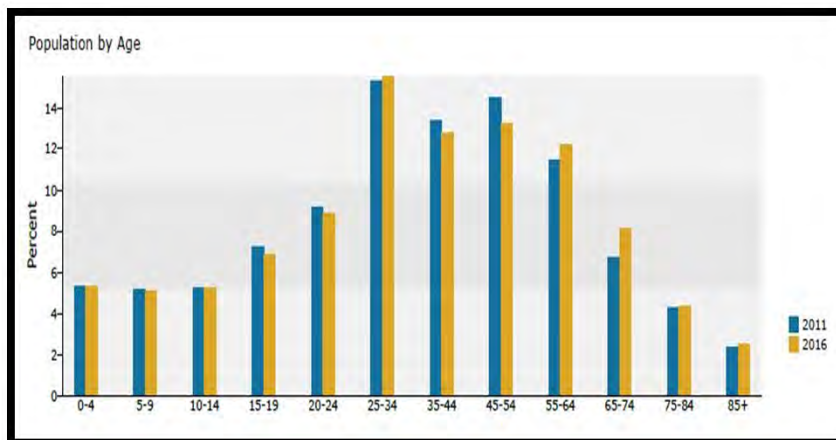
Age Trends

Population - 2010	Middletown % Total	Middlesex Ct % Total
Age 18+	80.9%	78.8%
Age 65+	13.2%	15.5%
Age 75+	6.7%	7.4%
Median Age	37.0	43.0

Due to the Wesleyan University factor, Middletown reflects a younger age profile with median age at 37 compared to 43 for the county.

Source: 2010 Census, ESRI Business Systems

Age Distribution 2011-2016



Source: 2010 Census, ESRI Business Systems

The graph to the left highlights the effect the student population at Wesleyan has on age distribution with a spike at the 25-34 age cohort. Notably this age bracket is expected to see a slight increase by 2016. However, more significant increase in share will be seen in the 65+ population - from 13.2% in 2010 to 15% in 2016.

Connecticut Towns: Market Assessment Briefs

Town: Middletown, CT
County: Middlesex County

3. Housing Trends

Tenure and Vacancy

HH's	Middletown		Middlesex County	
	2000	2010	2000	2010
Own-Occp	51.3%	53.8%	72.1%	74.4%
Own-Units	9,514	10,683	61,341	49,976
Rent-Occp	48.7%	46.2%	27.9%	25.6%
Rent Units	9,041	9,180	17,116	17,226
Ttl Occp Units	18,555	19,863	61,341	67,202
Vacancy	5.8%	6.4%	8.8%	10.2%

Source: 2010 Census, ESRI Business Systems

Middletown's tenure is weighted towards ownership but not by much: 46% rental - 54% ownership. As seen in other communities, rental share dipped but overall numbers increased. Meanwhile vacancy Middletown was moderately higher in 2010 compared to 2000 - but not at a level that would meaningfully disrupt

Housing Characteristics

% Share of Total Housing

Structure Type - 2010	Middletown	Middlesex County
1 Detached	46.8%	71.2%
1-Attached	4.6%	3.7%
2-unit	8.5%	4.8%
3/4 unit	7.9%	4.7%
5+ units	32.1%	15.6%
Total Housing Units - 2010	21,223	74,837

Source: ACS Housing Surveys, ESRI Business Systems

Middletown is one of the few mid-size communities in the state (Manchester being the other) where there has been active development of apartments over the last 25 years (and condos before that) Thus you see a housing profile where high density housing is almost on par with single detached.

Rent-occupied Housing by Contract Rent

Renters with Contract Rent

Contract Rent - 2010 Distribution	Middletown	Middlesex County
Under \$200	5.7%	4.5%
\$200-\$399	7.2%	6.1%
\$400-\$599	10.1%	9.0%
\$600-\$799	33.2%	28.2%
\$800-\$999	21.3%	21.6%
\$1000-\$1249	10.7%	13.3%
\$1250-\$1499	3.8%	4.4%
\$1500-\$1999	3.3%	4.0%
above \$2000	1.1%	1.9%
Median Contract Rent	\$746	\$791

Source: ACS Housing Surveys, ESRI Business Systems

Middletown's very diverse rental market - both assisted and market rate produces a near perfect bell curve in rent rate distribution - with top of the curve seen at \$600-\$1000 and tails thinning out at high end at over \$2000 and low end below \$200/m. Median rent in Middletown was estimated at \$746.

Connecticut Towns: Market Assessment Briefs

Town: *Middletown, CT*
County: *Middlesex County*

4. Rental Housing Market

Mfamily

BR	# of Prop	Avg List Price	Avg Rent Sale	Avg DOM	Rental Range
0	N/A				
1	20	\$807	\$799	63	\$600-1200
2	23	\$1,074	\$1,069	75	\$750-\$1500
3	10	\$1,128	\$1,120	79	\$900-\$1500
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	17	\$837	\$831	32	\$695-\$1300
2	39	\$1,203	\$1,196	40	\$850-\$1500
3	6	\$1,344	\$1,328	21	\$1150-\$1700
4	N/A				

Source: CT MLS

(Dom- Days on Market)

Apartments

	# of Prop	Avg Studio BR rent	Avg One BR rent	Avg Two BR rent	Avg Three BR rent
<i>Apartments</i>	15	\$736	\$1,023	\$1,203	\$1,340

Source: AMS, Property Mgrs., Internet, RE Journals