

Market Assessment – Beechwood Gardens (New Haven)

I. Description Of Property - Moderate Rental Developer

Subject Property Description & Location – Beechwood Gardens is an 82 unit moderate rental apartment complex located in the Edgewood neighborhood of New Haven. The Subject property takes up an entire city block bordered by Whalley Avenue, Pendleton Street, Eldert Street and Hubinger Street. All of the units at Beechwood are two bedrooms townhouses distributed among 10 rowhouse buildings built in 1970.

According to property data provided, units come with refrigerator and stove. There was no data on number of parking spaces but field visit indicated the presence of off-street parking that included a limited number of garage spaces. Information was also unavailable on community room or laundry facilities though none was identified in field visit.

As a state Moderate Rental Program project, eligibility is based on 100% of HUD's defined Area Median Income or less if a loan program (or grant-loan) or 80% if a straight grant as determined by adjusted gross income. Once admitted, household income can rise to 125% of HUD's defined "very low" income limit before being subject to surcharge or eviction. Rent is based on percentage of adjusted gross income (minus utility allowance) or base rent, whichever is greater. There are no age restrictions under this program.

Base rents as of September 2012 were \$675/m for the two bedroom. It is noted that a review of the rent roll data indicated this rent was applied to each household irrespective of household's income base (i.e. tenant rent equaled base rent in all cases). Data was unavailable regarding utilities and rent rolls indicated no provision of utility allowance. In September 2012, significant vacancies were noted at the Subject Property equaling 26 units translating to an 81% occupancy. Oddly at the same time a waitlisting list of 9 households was reported by property owner. It is understood that the property owner of Beechwood Gardens is under an agreement with HUD to address lead based hazards in the property.

Below is chart on unit mix.

Beechwood Gardens

604 Whalley Ave
New Haven, CT, 06511

Type	Property Type	Baths	# of units	Living Area SF	Base Rate
2 Bedroom	RowHouse	1	82	800 sf	\$675
Total			82		

Additional Property Info

Property Type	Family
Program	SR Moderate Rental Developer
Year Built	1970
Parking	N/A (some garages)
# of Buildings	10 Buildings
Acres	N/A
Handicap Units	N/A
Vacancy	26 (9-30-2012)
Waiting List	--
Owner	Beechwood Gardens Apt. LP

Subject Property Features and Amenities –

- Utilities Provided in Rent: *Unknown*
- Refrigerator: *Yes*
- Stove: *Yes*
- Microwave: *No*
- Laundry Room: *Unknown*
- Hook-Up: *No*
- Community Room: *Unknown*
- Elevators: *N/A*
- Other: *Limited # of Garages*



Beechwood Garden
Hubinger St



Beechwood Gardens
Pendleton Street

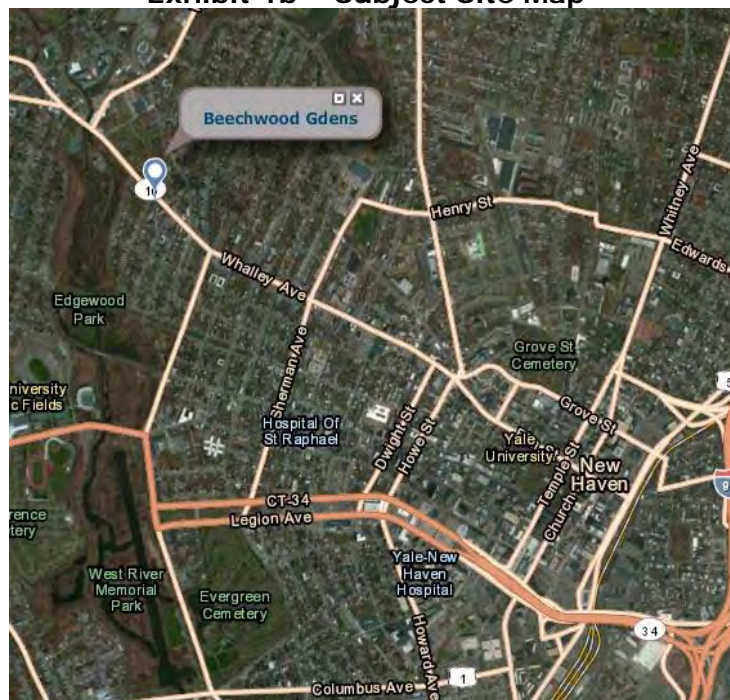
II. Description of Site and Neighborhood

Map of the Area – Below is Exhibit 1a & 1b : Site Locator Map identifying the Subject Properties in relation to surrounding transportation corridors, land uses and physical features.

Exhibit 1a – Subject Site Map



Exhibit 1b – Subject Site Map





Neighborhood Description & Land Uses – The Subject Property is located off Whalley Avenue which is a major commercial corridor for the city. Ample retail and service opportunities are available on the corridor including a full service Stop and Shop supermarket less than a mile southeast from the property. Additional shopping can be found northwest of Subject property in neighboring Westville Village and Amity neighborhood. Meanwhile Downtown New Haven is 1.5 miles southeast of Beechwood Gardens. Just to the north of the Property is Edgewood Park, a 120-acre city park designed by Frederick Law Olmsted, Jr which includes playgrounds, recreational fields, basketball, tennis and Bocci courts, and picnic areas.

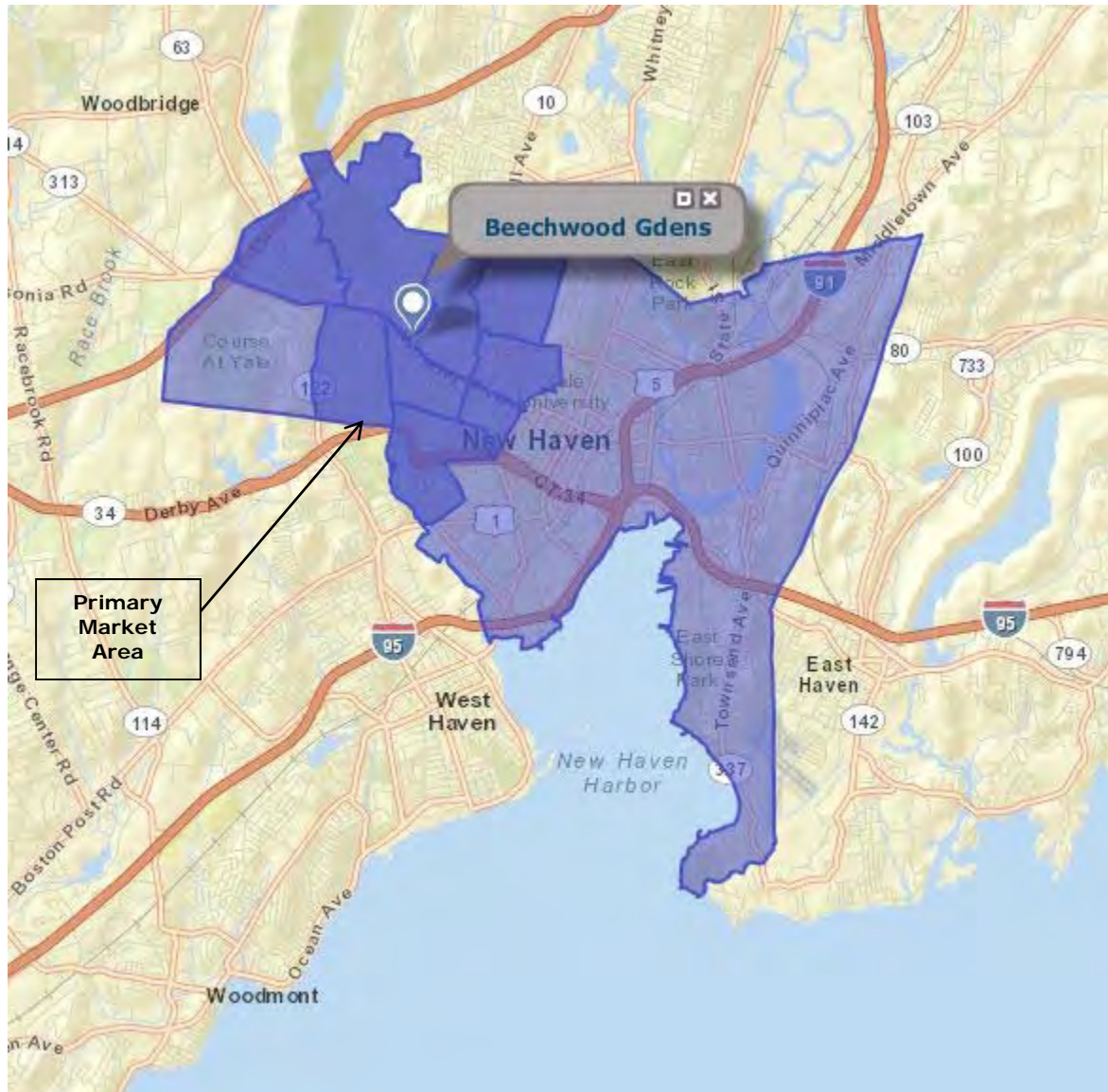
Access – The Subject Property fronts Whalley Avenue (Route 10) representing one of the busiest corridors in New Haven in terms of traffic. This corridor connects with Wilbur Cross Highway 1.7 miles north of Beechwood. Going south, Whalley merges into the Downtown 1.5 miles from the Subject Property. Access points to Interstate 95 and 91 are just over two miles. New Haven has a well-developed public bus system that includes frequent stops along Whalley Avenue including a bus stop in front of Beechwood Apartments.

Delineation of Market Area – The primary Source Market Area (SMA) of demand for units at the Subject Property is defined as a nine Census Tract area that includes the neighborhoods of Edgewood (Subject Property location), West Rock, Beaver Hills, West River, Newhallville, Dwight, and Dixwell.

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 New Haven, with primary focus on the neighborhoods of Edgewood (Subject Property location), West Rock, Beaver Hills, West River, Dwight, and Dixwell.

Refer to Exhibit 2 on following page for map of the Competitive Trade Area.

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 –

New Haven is overwhelmingly rental with occupancy of 70.5% in 2010 – barely unchanged from a decade ago. Its rental market, however, is very diversified – both in housing type and rent structure by neighborhood. Not surprisingly the downtown, including much of the area around Yale University, supports some of the highest rents in the city. It is also where some of the newest rental housing apartments have come on line in recent years. Other high rent districts can be found in the neighborhoods of Wooster Square, an upscale historic district on the outskirts of the downtown, as well as East Rock and Prospect Hill, areas containing much of the city's most expensive single family homes and also heavily influenced by Yale market. In all three of these neighborhoods, the most common rental housing type is a 2-4 unit private multi-family home or small low-rise apartment.

For most other areas of the central city including the neighborhood of the Subject property, rent support is more modest reflecting the income and demographic characteristics of its population. Product mix in this area for market rate rental is mostly confined to multi-family homes and older apartments while rents can be $\frac{1}{4}$ to $\frac{1}{2}$ of what is achieved in neighborhoods noted above.

In order to best reflect the rental capacity of the Subject Property we have chosen to focus on apartments located in the neighborhood of the Subject Property (Edgewood), as well as the neighborhoods of West Rock, Dwight, Dixwell, West River and Beaver Hills (*refer to neighborhood map on following page*). Based on a review of apartments in this targeted area, seven complexes were identified deemed most relevant to the Subject Property in terms of product type and pricing potential.

NEW HAVEN

**Edgewood Neighborhood
(Subject Property)**



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:

- Eight apartment rentals were surveyed in New Haven focusing on the neighborhoods of Edgewood, West Rock, West River, Beaver Hills, Dwight and Dixwell. Each property identified represent a market alternative for units at the Subject Property based on pricing, unit configurations, features and amenities for family households.
- Five of the eight apartments surveyed were built between 1948 and 1968, with the remaining three dating to the 1920s. Three of the properties are rowhouses similar to the Subject Property, with the balance representing a mix of garden and low rise apartments.
- In all eight complexes, the features and amenities offered are generally basic, typically limited to standard appliances, on-site laundry, off-site parking, decks-patios, and storage.

- The average rent for a two bedroom calculated to \$965/month. Two of the complexes include utilities in the rent.
- Five of the eight complexes indicated unit availability.

On the following page, Table 1 summarizes the Rental Survey of Market Rate Apartments Alternatives in New Haven.

Table 1

Rental Survey Market Rate Apartment Alternatives– New Haven /Edgewood

Property	Total Units	Age	Prop. Type	2 BR	2 BR size	\$/SF	Utilities In Rent	Unit Availability
Diamond Ridge Apts 115 Diamond St New Haven, CT	62	1950	Rowhouse	\$950	900	\$1.05		Available
Brenden Towers 461 Whalley Ave New Haven, CT	60	1968	LowRise	\$850				
Pendleton Apts 115 Pendelton St New Haven, CT	30	1926	LowrRise	\$925				
Ramsdell Apts 101 Ramsdell St New Haven, CT	27	1962	Garden	\$995			H&HW	Available
Colby TH 31 Colby Ct New Haven, CT	34	1950	Rowhouse	\$1100	700	\$1.57	H&HW	
Norton Apts 287 Norton St New Haven, CT	27	1900	LowRise	\$950	710	\$1.33		Available
Sherman Apts 80 Sherman Ave New Haven, CT	18	1920	LowRise	\$950	750	\$1.26		Available
Sherman Court 39 Sherman Ct New Haven, CT	27	1948	Rowhouse	\$1000	845	\$1.18		Available
Average				\$965	781	\$1.27		

Source: Property Managers, Internet, Rental Agents

Survey of Affordable Family Housing– Survey of Affordable Family Housing– In order to better understand the options for affordable family housing in New Haven, a survey was undertaken of assisted housing in open age complexes in New Haven. Not surprisingly, New Haven contains a considerable number of affordable housing properties representing a mix of housing authority, non-profit and private owned properties. In total we identified 14 family properties in the Edgewood market area, including the Subject property, totaling 571 units. Throughout the city there are 75 affordable family properties totaling 4,519 units.

Refer to Table 2 on below for results of survey of affordable family housing complexes in Edgewood Neighborhood Market Area.

Table 2
Survey of Affordable Family Housing – Edgewood Neighborhood*

Property Name	Address	Owner	Public Funder	Deter. Of Rent	Family Units	Age
Beechwood Garden** (Subject Property)	604 Whalley Ave	Beechwood Gardnes LP	CHFA	Base Rent	82	1970
Blake St Homes	220 Blake St	Blake St Homes LP	CHFA	Base Rent	9	
Canterbury Coop	545 Sherman Ave	Canterbury Grdn Coop Inc	HUD		25	
Dwight Coop Homes	99 Edgewood Ave	Dwight Housing Coop Inc.	HUD		80	1969
Legion Ave Court	466 Legion Ave	LEG WH LLC	CHFA/HUD		27	1900
Norton Number One	1 Norton St	Venture Assoc	CHFA/HUD		12	1920
Presidential Gardens	573 Dixwell	Pres. Assoc. LP	HUD	Income	63	
Seabury Coop	400 Elm St	Seabury Coop Inc	HUD		18	
Sherman Manor	390,402 Sherman Ave	Home Inc	CHFA	Base Rent	7	1910
St. Martin TH	200 Goffe St	Martin-Conn LP	HUD	Income	63	1967
Valley TH	210-240 Valley St	New Haven HA	HUD	Income	39	1965
Victory Gardens	309 Dixwell Ave	Victory Gardens Inc.	HUD	Income	41	2005
Westville Manor	2-77 Lodge St	New Haven HA	HUD	Income	151	1950
Westwood Village	161-170 Shelton Ave	Village West LP	CHFA/HUD		48	1981
Total/Neighb.					571	
Total/City				75 Properties	4,519	

Source: Property Owners/Managers, Internet

* Edgewood Neighborhood includes the following New Haven neighborhoods: Edgewood, Dixwell, Dwight, Newhallville, Edgewood, and West River, West Rock

** Beechwood Gardens reported a vacancy of 26 units in September 2012

V. Analysis of Current Tenant Base

Demographics-Economics-Rent Structure of Current Tenant Base:

- Total Units: **82**
- Total Occupied Units: **56** * As of 9-30-2012
- Total Residents: **111 (42 –2+ HHs)**
- Total # of Children: **29**
- Average Age: **49**
- % Minority: **93% (52 HH)**
- % of HH over 61: **19% (11 HHs)**
- % at Base Rent or below: **100% (56 HHs) ***

- Income Below 25%AMI: **24% (16)**
- Income 25% at 50% AMI: **36% (24)**
- Income 50% AMI or greater: **40% (26)**
- Average Income: **\$36,012**
- Average Tenant Rent: **<\$625, 2 BR>**
- Waiting List: **9 (as of 9-30-2012)**

*** All Tenants pay base Rent \$675/m according to Tenant Profile Rent roll**

Beechwood Gardens - Income Distribution

Resident HH Income	Rent Equivalent	% of HH
< \$10,000	\$250	5% (3)
\$10000-\$15000	\$250-\$375	0% (0)
\$15000-\$20000	\$375-\$500	7% (4)
\$20000-\$25000	\$500-\$625	7% (4)
\$25000-\$30000	\$625-\$750	8% (15)
\$30000-\$35000	\$750-\$875	8% (15)
\$35000-\$40000	\$875-\$1000	8% (15)
\$40000-\$50000	\$1000-\$1250	21% (12)
>\$50000	>\$1250	16% (9)

VI. Conclusions/Recommendations

a. Rent Structure Opportunity

Market & Property Factors

Positives

- Close to shops and services
- Townhouse style unit
- Complex near public bus line
- Garages

Challenges

- High Vacancy
- Evidence of deferred maintenance
- One unit type
- Offstreet parking appears tight

Below is a summary of data compiled on Subject Property and average rents identified within various market segments.

Based on review of the market and considering the size, age, layout, amenities and utility configuration of the subject units, a rental range of \$775 to \$850 for the two bedroom at the Subject Property 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	New Haven MLS Multifamily	New Haven MLS Condo	New Haven Managed Apartments
	Base Rent	Avg Ten. Rent	Avg Rent	Avg Rent	Avg Rent	Avg Rent
Studio						\$867
1 BR				\$1057	\$1487	\$1117
2 BR	\$625	\$625	\$965	\$1220	\$1705	\$1426

¹ 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.

Tenant Base Income Trends

- No comparison of tenant income profiles for the Subject Property for the years 2003 and 2012 could be undertaken due to lack of data for 2003.

Beechwood Gardens Resident HH Income	Year 2003 # of tenants	Year 2012 # of tenants
< 25%AMI	N/A	24% (16)
25-50% AMI	N/A	36% (24)
50%-80% AMI	N/A	40% (26)
Occupancy Rate	N/A	81%

Source: CHFA Tenant Profile Report

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 the New Haven/Edgewood Market Area consisting of the neighborhoods of Edgewood, West River, Dwight, Dixwell, Beaver Hills, West Rock and Westville*). 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.

	New Haven County Tenure Distribution		Adjustment Factor – New Haven/Edgewood	
Income Distribution	Rent	Own	Rent	Own
under 15,000	77%	23%	90%	10%
15000-25000	63%	37%	84%	16%
25000-35000	53%	47%	79%	21%
35000-50000	42%	58%	74%	26%

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

Source: US Census 2010, American Community Survey, 2011

The chart below reflects estimated distribution of family households in the Newhaven/Edgewood SMA by tenure and income. Based on our analysis of tenure by income, we estimate the primary Source Market Area contains 9666 households whose incomes fall within the income threshold for the target market of which 8017 are renters. The chart also shows current distribution within the Subject Property of family households by income. It is noted that according to rent roll for September 2012, a total of 10 households at the Subject Property reported incomes exceeding \$50,000.

NH/Edgewood	Source Mkt HH 18-74			Subject Property
Income Distribution (Adj. Gross)	Total	Rent	Own	
under 15,000	3602	3235	367	3
15000-25000	2041	1706	335	8
25000-35000	1784	1412	372	16
35000-50000+*	2239	1663	576	29
Total	9666	8017	1649	56
Vacancy				26
			Total Units	82
*Note: 10 HHs reported earnings above \$50,000				

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 NH/Edgewood SMA.

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 18-74 years of age 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. Notably in terms of market depth, we identify highest counts at the lower incomes levels \$25,000 and below. At incomes below \$25,000, source market potential shows 157 units. While above \$25,000, the potential market base is estimated at 29 units based on a 3 to 5% penetration of market. *Capture rates assumes the current rent structure is altered to reflect stratified rents as opposed to a single set rent as presently reflected in tenant profile rent roll.*

NH/Edgewood	Source Market - HH 18-74 Years				
Income Distribution (Adj. Gross)	Total	Rent	Turnover ratio	# Renters Moving	Current HH Tenants
under 15,000	3602	3235	30%	970	3
15000-25000	2041	1706	30%	512	8
25000-35000	1784	1412	30%	424	16
35000-50000+	2239	1663	30%	499	29
					56
Vacancy					26
Total	9666	8017	1649	2405	82
Potential capture rates:		Annual Potential Capture Rate	Current # HHs at Sub. Prop	Rent Equivalent	
under 15,000	15%	116	3	<\$375/m	
15000-25000	10%	41	8	\$375/m-\$625/m	
25000-35000	5%	17	16	\$625/m-\$875/m	
35000-50000+	3%	12	29	\$875/m-\$1250/m+	
Total		186	56		

* 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 households below age 75 within the defined source market area at each income bracket without consideration to turnover.

NH/Edgewood	HH 18-74		Aggregate Capture Potential Total HH	
Income Distribution	Total	HH Renters	Capture Rates	Total HH Capture Potential
under 15,000	3602	3235	15%	485
15000-25000	2041	1706	10%	171
25000-35000	1784	1412	5%	71
35000-50000+	2239	1663	3%	50
Total	9666	8017		776

Source: US Census 2010, American Community Survey, 2011

b. Recommendations for Improving Marketability

Beechwood Gardens reported a relatively high vacancy in the Fall of 2012 which may have been associated with a HUD decree to undertake lead abatement at the complex. A change in ownership at the complex might also have impacted occupancy. In any event, market demand for the units, which are all 2BR townhouses according to property data, should be reasonably strong based on market penetration analysis. Moreover, rent roll data reflects a high percentage of renters at incomes over \$25,000 (80%) and nearly 20% at over \$50,000 suggesting market appeal of the product at Beechwood is not limited to just the low income. Of course an additional appeal is that rent is set at \$675/m for all HHs at Beechwood, which for those earning \$50,000 is half of what a household would pay at 30% of income and well below the market for such units³.

Based on both market data and the present income profile at Beechwood, stratified rents would appear potentially possible for the Subject Property but physical upgrades and improvements to the property (in addition to lead abatement) would likely need to be undertaken. A field inspection of the Subject Property indicated the exterior of buildings and grounds (exclusive of roofs which could not be inspected) appear to be in fair condition – though signs of deferred maintenance was observed. We believe, however, without the benefit of viewing units, that most needed steps for improving marketability at the Subject Property would be largely confined to interior improvements – including upgrades in kitchens and appliances, upgrading cabinets and flooring, improvements to baths, ADA upgrades, HVAC, etc.

c. Redevelopment Scenario

From a Market perspective, Beechwood Gardens does not reflect a strong need for a redevelopment scenario – though if high vacancies at the Subject Property are more the result of market factors and not the result of on-going lead abatement remediation efforts as assumed, some consideration might be given to this approach.

³ There is some question as to how this conforms to the State Moderate Rental Program where rent is determined either on base rent or 30% of HH income, whichever is higher.

APPENDIX

PROPERTY PHOTOS

MARKET BRIEF



Beechwood Gardens
Whalley Ave



Beechwood Gardens
Interior Courtyard



Beechwood Gardens
Parking with Garages



Beechwood Gardens
Handicap Access Unit

Connecticut Towns: Market Assessment Briefs

Town: *New Haven*
County: *New Haven County*

1. Economic Trends

Major Employers - New Haven

Employer
Yale University
Yale-New Haven Hospital
The Hospital of Saint Raphael
AT&T
Southern Connecticut State University

Source: CERC Town Profiles - 2012

New Haven's local economy is essentially defined by Health and Education - with top employers in each. Yale-New Haven Hospital recently completed a merger with St Raphael's Hospital thus establishing a structure for maintaining both hospitals. Education facilities include Yale, Southern Connecticut State, Albertus Magnus, and Gateway Community College which recently completed a move downtown.

Key Job Sectors - New Haven

Industry Sector - 2011	% Share of Jobs
Health Care	26.5%
Food Services	4.9%
Technical Services	4.1%
Retail Trade	4.1%
Education	****
Government	15.4%

Source: CT Dept. of Labor

Total workforce in New Haven was 75,640 in 2011. Health care accounts for 1/4 of all jobs, with estimates for education adding another 20%. Although DOL data does not disclose the info for education, Yale University reportedly has a workforce of over 9,000 - with Gateway, Southern, and Albertus contributing 5,000+.

Labor Force & Employment Trends

Labor Force +Employment	New Haven	New Haven County
Labor Force-2011	59,910	457,666
Unemployment -2011	12.8%	9.7%
Total Employment -Workplace	78,640	348,985
2005 - 2011 - Annual Growth	1.2%	-0.5%
2010 - 2011 - Annual Growth	2.0%	1.0%

Source: CT Dept. of Labor

Although New Haven's economic base is relatively stable, unemployment in the city is significant averaging 12.8% in 2011, a slight reduction from the 13.1% reported for 2010.

Fueled by stable growth in education and health care, overall job growth has remained steady in the city since 2005 in the face of a recession and slowdown and showed an increase of 2% in 2011.

Connecticut Towns: Market Assessment Briefs

Town: *New Haven*
County: *New Haven County*

2. Demographic Trends

Population Trends

Population	New Haven	New Haven County
2000 Total population	123,626	824,008
2010 Total Population	129,779	862,477
Annual Percentage Growth	0.50%	0.46%
2011 Total Population (est)	128,990	862,441
2016 Total Population (proj.)	129,101	871,880
2011– 2016 Annual Rate	0.02%	0.22%

Source: 2010 Census, ESRI Business Systems

New Haven's population grew in 2000-2010 period reversing a negative trend posted in the 90s. Part of this population growth was supported by increased enrollment at Yale, Albertus and Southern. Going forward, however, projections call for flat growth.

Household Trends

Household	New Haven	New Haven County
2000 Total Households	47,094	319,040
2010 Total Households	48,877	334,502
Annual Percentage Growth	0.38%	0.48%
2011 Total Households (est.)	48,620	334,488
2016 Total Households (proj.)	48,698	338,444
2011– 2016 Annual Rate	0.03%	0.24%

Source: 2010 Census, ESRI Business Systems

Households also expanded in the city at a rate of 0.4% last decade - but like population, the trend through 2016 will remain flat.

Race & Ethnicity

% Share of Population

Population - 2010	New Haven	New Haven County
White Alone	42.6%	74.8%
Black Alone	35.4%	12.7%
Asian Alone	4.6%	3.5%
Hispanic (Any Race)	27.4%	15.0%

Change - 2000 to 2010

White Alone	-2.1%	-6.4%
Black Alone	-5.3%	12.4%
Asian Alone	15.0%	45.8%
Hispanic (Any Race)	28.0%	48.5%

Source: 2010 Census, ESRI Business Systems

New Haven is very diverse community with one-third African American and 27% Hispanic (any race). Hispanics grew in numbers and share - while African Americans dropped in both.

Connecticut Towns: Market Assessment Briefs

Town: *New Haven*
County: *New Haven County*

2. Demographic Trends (Cont'd)

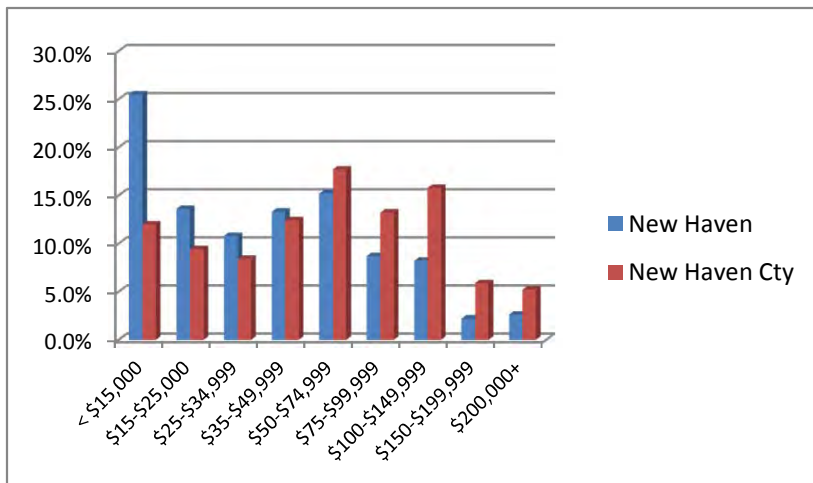
Median Income

Median HH Income	New Haven	New Haven County
2000	\$29,586	\$48,834
2011 (est.)	\$35,122	\$58,775
Annual Avg % Growth	1.7%	1.9%

New Haven's income profile is low to moderate with median well below the county at \$35,122.

Source: 2010 Census, ESRI Business Systems

HH Income Distribution (2011)



26% of New Haven HHs operate on incomes below \$15,000 annually. Nearly 40% are at incomes of under \$25,000. By comparison, the county reports 21% at under \$25,000.

Source: 2010 Census, ESRI Business Systems

HH Income Distribution - 65+ (2010)

HH's	New Haven		New Haven Cty	
	65-74	75+	65-74	75+
Total HHs	4,270	4,397	36,177	40,068
< \$15,000	28.4%	38.4%	12.9%	21.8%
\$15-\$25,000	17.3%	17.1%	12.5%	18.0%
\$25-\$34,999	10.8%	8.3%	11.1%	11.1%
\$35-\$49,999	11.2%	6.3%	15.2%	12.9%
\$50-\$74,999	13.8%	12.3%	19.1%	14.0%
\$75-\$99,999	7.2%	9.3%	12.8%	10.0%
\$100-\$149,999	6.0%	4.3%	8.7%	5.5%
\$150-\$199,999	3.0%	1.4%	3.6%	3.3%
\$200,000+	2.3%	2.6%	4.1%	3.4%
Med Inc.	\$28,366	\$20,798	\$47,829	\$33,930

One third of New Haven's senior HH's age 65+, or 33%, report earnings of under \$15,000 annually. 50% earn under \$25,000.

Source: 2010 Census, ESRI Business Systems

Connecticut Towns: Market Assessment Briefs

Town: *New Haven*
County: *New Haven County*

2. Demographic Trends (Cont'd)

Poverty Rates

Households - 2010	New Haven % Total	New Hav.Ct % Total
Married Couple - Family	2.5%	1.4%
Other Family HHs (spouse not present)	7.9%	3.9%
Non-Family HHs	12.7%	5.3%
Poverty Ratio - Total	23.1%	10.6%

Source: ACS Population Survey, ESRI Business Systems

Poverty rates in New Haven are excessive hitting non-family HHs hardest (elderly mostly - but also includes student HHs) and single headed HHs- primarily female. With respect to the later it is noted that the ratio is falling from 2000 levels.

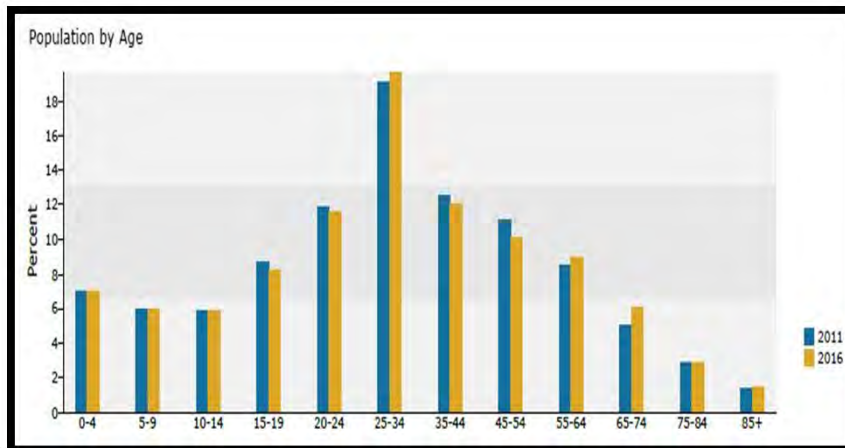
Age Trends

Population - 2010	New Haven % Total	New Hav.Ct % Total
Age 18+	77.2%	77.6%
Age 65+	9.2%	14.4%
Age 75+	4.3%	7.3%
Median Age	29.9	39.2

Source: 2010 Census, ESRI Business Systems

New Haven's population is young driven by both concentrations of large education facilities and young workers choosing to live in the city. New Haven's minority population also tends to be younger.

Age Distribution 2011-2016



Source: 2010 Census, ESRI Business Systems

Projections for New Haven point to additional gains in the 25-34 and 55+ age bracket. The share of 65+ base is projected to increase somewhat from 9.3% in 2010 to 10.5% in 2016.

Connecticut Towns: Market Assessment Briefs

Town: *New Haven*
County: *New Haven County*

3. Housing Trends

Tenure and Vacancy

HH's	New Haven		New Haven Cty	
	2000	2010	2000	2010
Own-Occp	29.6%	29.5%	63.1%	63.4%
Own-Units	13,923	14,420	201,317	212,169
Rent-Occp	70.4%	70.5%	36.9%	36.6%
Rent Units	33,141	34,457	117,723	122,333
Ttl Occp Units	47,065	48,877	319,040	334,502
Vacancy	11.0%	11.1%	6.4%	7.6%

Source: 2010 Census, ESRI Business Systems

Only 29% of New Haven's housing was owner occupant in 2010, a ratio largely unchanged from 2000 (though overall #s increased).

Vacancy continues to be an issue in the city in 2010, as it was in 2000. Over the years the city has instituted a program for seizing and selling or demolish long

Housing Characteristics

% Share of Total Housing

Structure Type - 2010	New Haven	New Haven County
1 Detached	20.1%	54.3%
1-Attached	4.2%	5.8%
2-unit	18.2%	9.2%
3/4 unit	23.1%	10.8%
5+ units	9.3%	19.9%
Total Housing Units - 2010	54,967	362,004

Source: ACS Housing Surveys, ESRI Business Systems

Reflecting the tenure base of the city, attached housing predominates in the city, most of it clustered in 2-4 family homes.

Rent-occupied Housing by Contract Rent

Renters with Contract Rent

Contract Rent - 2010 Distribution	New Haven	New Haven County
Under \$200	7.2%	5.6%
\$200-\$399	7.6%	6.6%
\$400-\$599	9.3%	10.9%
\$600-\$799	24.1%	25.5%
\$800-\$999	26.5%	25.2%
\$1000-\$1249	13.5%	11.6%
\$1250-\$1499	5.8%	6.1%
\$1500-\$1999	2.3%	2.8%
above \$2000	0.7%	1.3%
Median Contract Rent	\$802	\$794

Source: ACS Housing Surveys, ESRI Business Systems

New Haven's rental market is deep and diversified ranging from deeply subsidized housing to luxury. Most contract rents, however, center between \$600 to \$1200, with median estimated at \$802, slightly higher than the county overall.

Connecticut Towns: Market Assessment Briefs

Town: *New Haven*
County: *New Haven County*

4. Rental Housing Market

Mfamily

BR	# of Prop	Avg List Price	Avg Rent Sale	Avg DOM	Rental Range
0					
1	37	\$1,080	\$1,057	45	\$650-\$1800
2	53	\$1,273	\$1,220	56	\$625-\$2300
3	14	\$1,491	\$1,470	84	\$900-\$2100
4					

Source: CT MLS

(Dom- Days on Market)

Condo

BR	# of Prop	Avg List Price	Avg Rent Sale	Avg DOM	Rental Range
0					
1	15	\$1,527	\$1,487	59	\$950-\$2500
2	34	\$1,714	\$1,705	60	\$990-\$2750
3					
4					

Source: CT MLS

(Dom- Days on Market)

Managed Apartments

	# of Prop	Avg Studio BR rent	Avg One BR rent	Avg Two BR rent	Avg Three BR rent
<i>Apartments</i>	17	\$867	\$1,117	\$1,426	\$1,593

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