

Market Assessment – Londonberry Gardens (New London)

I. Description Of Property - Moderate Rental Developer

Subject Property Description & Location – Londonberry Gardens is an 86 unit privately-owned moderate rental apartment complex located along the northern edge of New London. The Subject property covers an entire neighborhood block bounded by 3rd Avenue to the east, 4th Avenue to the west, Terrance Boulevard to the south and Phillips Street to the north. Unit mix at Londonberry consists of one, two and three bedrooms distributed among 11 rowhouse buildings built in 1956.

According to property data provided, units come with refrigerator and stove. Property data also indicated the presence of laundry facilities on site. Off street parking totals 95 spaces equating to 1.1 spaces per household.

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 ranged from \$605/m to \$695/m. It is noted that a review of the rent roll data indicated this rent range was applied to each household irrespective of household's income base (i.e. with few exceptions tenant rent equaled base rent in except when a housing voucher was involved). Utilities are not included in rent (other than water) however utility allowances ranging from \$139/m to \$216/m are applied. In September 2012, significant vacancies were noted at the Subject Property equaling 26 units translating to an 70% occupancy. Somewhat at odds with this data, a waiting list of 27 households was also reported during the same period.

Below is chart on unit mix.

Londonberry Gardens

220 Third Ave
New London, CT, 06320

Type	Property Type	Baths	# of units	Living Area SF	Base Rate	Utility Allowance
1 Bedroom	Rowhouse	1	18	N/A	\$605	\$139-\$177
2 Bedroom	Rowhouse	1	58	741	\$625	\$139-\$216
3 Bedroom	Rowhouse	1	10	797	\$695	\$139-\$216
Total			86			

Additional Property Info

Property Type	Family
Program	SR Moderate Rental Developer
Year Built	1956
Parking	95
# of Buildings	11 Buildings
Acres	N/A
Handicap Units	8
Vacancy	26 (9-30-2012)
Waiting List	27
Owner	Vesta Corporation

Subject Property Features and Amenities –

- Utilities Provided in Rent: *None (Utility Allowance ranging \$139-\$216/m)*
- Refrigerator: *Yes*
- Stove: *Yes*
- Microwave: *No*
- Laundry Room: *Yes*
- Hook-Up: *No*
- Community Room: *Unknown*
- Elevators: *N/A*
- Other:



Londonberry Gardens
3rd Avenue



Londonberry Gardens
4th Avenue

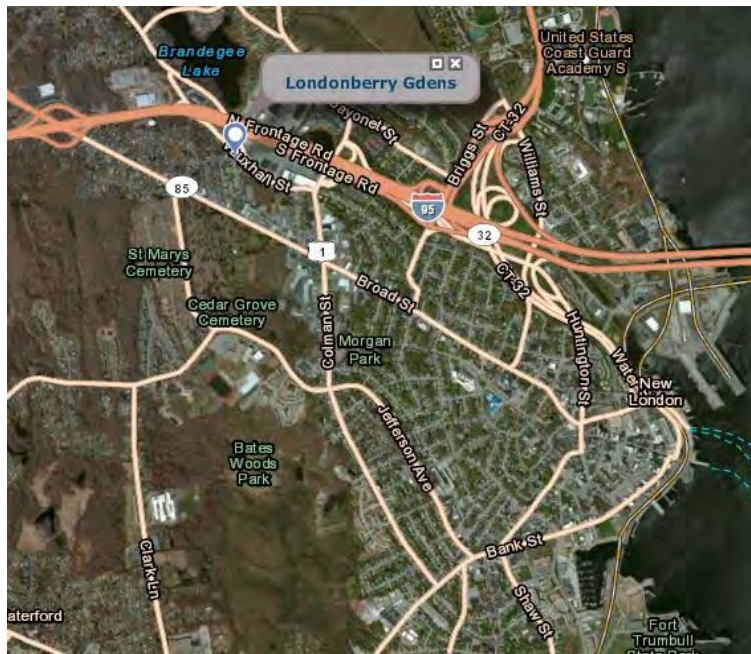
II. Description of Site and Neighborhood

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 within a residential section of New London bracketed by I-95 to the north and Broad Street (Route 85) to the south. Much of the surrounding housing is comprised of modest single family homes and duplexes. Retail and service opportunities, including supermarkets, are plentiful nearby with plazas located on either side of I-95 accessible within minutes from the Subject Property. For more expanded shopping options Crystal Mall (800,000 sf) and Waterford Commons (300,000 sf) are both 1.5 miles from Londonberry Gardens in nearby Waterford. The closest public schools to the Subject Property are Edgerton Elementary School (0.7 miles) and New London High School (0.9 miles).

Access – Access is excellent at the Subject Property. The I-95 interchange is minutes from Londonberry with connections at Interchange 82 and 83. Meanwhile Broad Street (Route 85) a major commercial corridor for the city is just south of the property providing links to Downtown and lower New London. Local and regional bus service is available to residents at Londonberry with bus stops located on Phillips Street which intersects with 3rd and 4th Avenue. Local bus service provides links to most major shopping areas in the area as well as the downtown where transfers can be made to destinations that include Norwich, Groton, Lisbon and the casinos.

Delineation of Market Area – The primary Source Market Area (SMA) of demand for units at the Subject Property is defined as the City of New London.

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 London.

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 London is a small city of 27,620 residents, though by no means the smallest in the state with that honor being held by Winsted (Litchfield County) at 7,321 in 2010. It is however one of the smallest communities in the state in terms of area at 5.5 square miles. This however has not crimped population growth with New London's population up 7% in 2010 over 2000 levels. Household growth on the other hand expanded by less than 2%.

An influential factor on housing demand in New London, and for that matter, much of the New London region has been the defense industry and more specifically Electric Boat and the Naval Submarine Base, both in Groton. Together they employ over 22,000 workers and military personnel. Closely following in importance has been the gaming industry (Mohegan Sun and Foxwoods Casino) and tourism. All three industries have generated high demand for rental housing, which in New London accounts for 62% of the housing, essentially the same ratio as it was in 2000.

In New London, approximately 25% of rental housing is assisted housing. Of the remaining 4,800 rental units, approximately 30 to 40% is linked to professionally managed apartment complexes in town, many of which sprang up in the 1960s and 70s. Notably very few converted to condominiums during the heated condo market of the 1980s as witnessed in many other urban areas of the state thus preserving this base of rentals for the region. The balance of the rental market in New London is associated with private multi-family homes – generally 2-4 units. Overall, New London's rental market tends to be more affordable compared to neighboring Groton, which also supports a well-established rental market in professionally managed apartments. Outside of New London, Groton, and Norwich 14 miles north, very little exists in Southeast Connecticut in terms of established managed apartment rental market.

Our survey of New London apartments focused on older more basic apartment complexes in the city, though some of the larger properties contained more expanded amenities. While no true comparable to the Subject Property was identified (containing mostly townhouse units), apartments selected for the survey reflected available market options based on unit type, pricing, amenities (basic) and configuration (mostly flat style units). For the most part these properties tend to serve markets whose incomes 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:

- Eight apartment rentals were surveyed in New London. Each property identified represent a market alternative for units at the Subject Property based on pricing, unit configurations, features and amenities for family households.
- Six of the eight apartments surveyed were built between 1962 and 1974, with the remaining two dating to the early 1900s. Four of the properties are lowrises, four are garden apartments and one is a midrise.

- 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. Nutmeg Woods is the only complex with expanded recreational amenities that includes a pool.
- The average rent among the the eight complexes calculated to \$837/m for the 1 bedroom, \$977/m for the 2 Bedroom and \$1246/m for the 3 bedroom. All but one complex included utilities in the rent.
- All eight complexes indicated unit availability.

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

Table 1
Rental Survey Market Rate Apartment Alternatives– New London

Property	Total Unit	Age	Prop. Type	1BR	1 BR size	\$/SF	2 BR	2 BR size	\$/SF	3 BR	3 BR size	\$/SF	Utilities In Rent
Eagle Pointe 8 B Michael Rd New London, CT	204	1974	Garden	\$838	650	\$1.29	\$943	767	\$1.23	\$1080	1140	\$0.95	HHW
Faire Harbour 11 Anthony Rd New London, CT	171	1974	Garden	\$900	670	\$1.34	\$940	760	\$1.24	\$1260	1088	\$1.16	HHW
Gull Harbor 83 Mansfield Rd New London, CT	65	1975	Low-rise	\$760	625	\$1.22							HW
Nutmeg Woods 84 Hawthorne New London, CT	382	1969	Low-rise	\$816	510	\$1.60	\$906	740	\$1.22	\$1400	1170	\$1.20	HHW
Villages At Shore Landing 5 Nob Hill New London, CT	520	1962	Low-Rise	\$835	560	\$1.49	\$949	800	\$1.19				
Oneco Apts 1512 Oneco New London, CT		1964	Garden	\$849	600	\$1.42	\$999	820	\$1.22				HHW
Highland Apts 43 Granite St New London, CT	31	1920	Garden	\$899	650	\$1.38	\$1099	850	\$1.29				HHW
Crocker House 35 Union St New London, CT	171	1900	Mid-Rise	\$800	624	\$1.28	\$1000	950	\$1.05				HHW
Average				\$837	611	\$1.38	\$977	812	\$1.21	\$1246	1132	\$1.10	

Source: Property Managers, Internet, Rental Agents

Survey of Affordable Family Housing– Survey of Affordable Family Housing– In order to better understand the options for family housing in Norwich, a survey was undertaken of affordable housing for families in the city. In total we identified 9 affordable family properties in New London, including the Subject property, totaling 1,168 units. Three of the properties are owned and managed by New London Housing Authority.

Refer to Table 2 on below for results of survey of affordable family housing complexes in New London.

Table 2
Survey of Affordable Family Housing – New London

Property Name	Address	Owner	Public Funder	Deter. Of Rent	Family Units	Age
Londonberry Gardens* (Subject Property)	210 3 rd Ave	Vesta Corp.	CHFA	Base Rent	86	1956
Amber-Washington Apts	73 Washington St	73/86 Wash. LLC	DECD		28	1930
Bates Woods Ext.	Ledge, Jefferson, et al	New London HA	CHFA	Base Rent	160	1940
Briarcliff	Coleman, Redden, et al	New London HA	CHFA	Base Rent	142	1951
Huntington Towers	149 Huntington	Huntington Tower Assoc.	CHFA/HUD		120	1983
Jefferson Gardens	97 Chester St	Jefferson Garden Assoc.	HUD	Income	204	
Phoenix House	34 Jay St	Women's Center of SouthEast CT	CHFA		9	1990
Thames River Apts	40 Crystal Ave	New London HA	HUD	Income	125	1965
Winthrop Squire	47 Federal St	Thames River Assoc. LP	HUD	Income	294	
Total Family/City					1,168	

Source: Property Owners/Managers, Internet

* Londonberry Gardens reported 26 units vacant in September 2012

V. Analysis of Current Tenant Base

Demographics-Economics-Rent Structure of Current Tenant Base:

- Total Units: **86**
- Total Occupied Units: **60** * As of 9-30-2012
- Total Residents: **115 (33-2+ HHs)**
- Total # of Children: **36**
- Average Age: **46**
- % Minority: **93% (56 HH)**
- % of HH over 61: **8% (5 HHs)**
- % at Base Rent or below: **93% (56 HHs)**

- Income Below 25%AMI: **22% (13)**
- Income 25% at 50% AMI: **68% (41)**
- Income 50% AMI or greater: **10% (6)**
- Average Income: **\$25,562**
- Average Tenant Rent: **<\$629/m,1 BR>, <\$603/m,2BR>, <\$630/m,3BR)**
- Waiting List: **27 (as of 9-30-2012)**

Londonberry Gardens - Income Distribution

Resident HH Income	Rent Equivalent	% of HH
< \$10,000	\$250	2% (1)
\$10000-\$15000	\$250-\$375	10% (6)
\$15000-\$20000	\$375-\$500	10% (6)
\$20000-\$25000	\$500-\$625	28% (17)
\$25000-\$30000	\$625-\$750	25% (15)
\$30000-\$35000	\$750-\$875	10% (6)
\$35000-\$40000	\$875-\$1000	12% (7)
>\$40000	\$1000+	3% (2)

VI. Conclusions/Recommendations

a. Rent Structure Opportunity

Market & Property Factors

Positives

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

Challenges

- High Vacancy (Sept 2012)
- Some evidence of deferred maintenance
- Age of property

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 present size, age, layout, amenities, condition and utility configuration of the subject units, a rental range of \$725 to \$800 for the one bedroom, \$850 to \$925 for the two bedroom and \$980 to \$1030 for the three 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 London MLS Multifamily	New London MLS Condo	New London Managed Apartments
	Base Rent	Avg Ten. Rent	Avg Rent	Avg Rent	Avg Rent	Avg Rent
Studio						
1 BR	\$605	\$629	\$837	\$832	\$875	\$830
2 BR	\$625	\$603	\$977	\$868	\$1283	\$1014
3 BR	\$695	\$630	\$1246	\$1044		\$1190

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.

Londonberry Gardens Resident HH Income	Year 2003 # of tenants	Year 2012 # of tenants
< 25%AMI	N/A	22% (13)
25-50% AMI	N/A	68% (41)
50%-80% AMI	N/A	10% (6)
Occupancy Rate	N/A	70%

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 New London*). 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 London County Tenure Distribution		Adjustment Factor – City of New London	
Income Distribution	Rent	Own	Rent	Own
under 15,000	63%	37%	79%	21%
15000-25000	59%	41%	76%	24%
25000-35000	44%	56%	68%	32%
35000-50000	43%	57%	67%	33%

Source: US Census 2010, American Community Survey, 2011

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

The chart below reflects estimated distribution of family households age 18-74 in the New London SMA by tenure and income. Based on our analysis of tenure by income, we estimate the primary Source Market Area contains 5729 households whose incomes fall within the income threshold for the target market of which 4117 are renters. The chart also shows current distribution within the Subject Property of family households by income

N. London	Source Mkt HH 18-74			Subject
Income Distribution (Adj. Gross)	Total	Rent	Own	Property
under 15,000	1343	1055	288	7
15000-25000	1282	977	305	23
25000-35000	1212	818	394	21
35000-50000	1892	1267	625	9
Total	5729	4117	1612	60
Vacancy				26
			Total Units	86

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 New London 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 61 units.

While above \$25,000, the potential market base is estimated at 19 units based on a 3 to 5% penetration of market.

N. London	Source Market - HH 18-74 Years				
Income Distribution (Adj. Gross)	Total	Rent	Turnover ratio	# Renters Moving	Current HH Tenants
under 15,000	1343	1055	30%	316	7
15000-25000	1282	977	30%	293	23
25000-35000	1212	818	30%	246	21
35000-50000+	1892	1267	30%	380	9
					60
Vacancy					26
Total	5729	4117	1612	1235	86
Potential capture rates:		Annual Potential Capture Rate	Current # HHs at Sub. Prop		
under 15,000	15%	38	7		
15000-25000	10%	23	23		
25000-35000	5%	10	21		
35000-50000+	3%	9	9		
Total		80	60		

* 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.

N. London	HH 18-74		Aggregate Capture Potential Total HH	
Income Distribution	Total	HH Renters	Capture Rates	Total HH Capture Potential
under 15,000	1343	1055	15%	158
15000-25000	1282	977	10%	98
25000-35000	1212	818	5%	41
35000-50000+	1892	1267	3%	38
Total	5729	4117		335

Source: US Census 2010, American Community Survey, 2011

b. Recommendations for Improving Marketability

Londonberry Gardens reported a very high vacancy rate of 30% in the Fall of 2012. While inquiries were made to property owner regarding the reason, no explanation was provided. Somewhat at odds with the high vacancy was the data from property owner indicating a waiting list of 27 households. Without a better understanding of the cause of the vacancy, whether market-related or due to upgrade of units requiring vacating units – or both, it is difficult to provide any recommendations on areas for improving marketability.

However based on both market data and the present income profile at Londonberry, it would appear that stratified rents would potentially be possible for the Subject Property



subject to improvements to the property. Based on a field inspection of the Subject Property, the exterior of buildings and grounds appear to be in fair condition – though some 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, Londonberry Gardens does not reflect a strong need for a redevelopment scenario unless it is determined that the high vacancy reported in September 2012 is primarily due to market-related issues.

APPENDIX

PROPERTY PHOTOS

MARKET BRIEF



Londonberry Gardens
3rd Ave



Londonberry Gardens
Rear of Buildings



Londonberry Gardens
Inner Courtyard Parking



Londonberry Gardens
Handicap Access Unit

Connecticut Towns: Market Assessment Briefs

Town: *New London, CT*
County: *New London County*

1. Economic Trends

Major Employers - New London

Employer
Lawrence and Memorial Hospital
Connecticut College
U.S. Coast Guard Academy
AT&T
City of New London

New London's top employers are found in health, education and government. At one time it also included pharmaceuticals, but Pfizer R&D recently closed its operation in New London following a stalled redevelopment plan and moved most of its 1400 employees to an office it owned in Groton.

Source: CERC Town Profiles - 2012

Pfizer Global Research & Development

Key Job Sectors - New London

Industry Sector - 2011	% Share of Jobs
Health Care	29.1%
Retail Trade	9.3%
Educational Services	8.8%
Food Services	8.7%
Other Services	3.4%
Government	13.2%

Health care jobs accounts for 1 out three jobs in New London - primarily associated with Lawrence Memorial Hospital. Educational services at 8.8% is somewhat understated and likely closer to 12% as it does not include figures for US Coast Guard Academy which fall under government.

Source: CT Dept. of Labor

Labor Force & Employment Trends

Labor Force +Employment	New London	New London County
Labor Force-2011	14,592	151,676
Unemployment -2011	11.2%	8.6%
Total Employment -Workplace	14,688	123,703
2005 - 2011 - Annual Growth	-1.0%	-0.7%
2010 - 2011 - Annual Growth	-4.4%	-0.3%

Source: CT Dept. of Labor

New London is experiencing both high resident unemployment and erosion of its job base. The later can be partially explained by the Pfizer pull-out , but education and health care, normally stable sectors, have also slipped since 2005.

Connecticut Towns: Market Assessment Briefs

Town: *New London, CT*
County: *New London County*

2. Demographic Trends

Population Trends

Population	New London	New London County
2000 Total population	25,671	259,088
2010 Total Population	27,620	274,055
Annual Percentage Growth	0.73%	0.58%
2011 Total Population (est)	27,920	273,987
2016 Total Population (proj.)	29,048	277,493
2011– 2016 Annual Rate	0.80%	0.26%

Source: 2010 Census, ESRI Business Systems

The 2010 population data for New London revealed the city reversed for the first time in 40 years a decline in population going back to the 1960s. Projections indicate further positive growth to 2016.

Household Trends

Household	New London	New London County
2000 Total Households	10,181	99,835
2010 Total Households	10,373	107,029
Annual Percentage Growth	0.19%	0.72%
2011 Total Households (est.)	10,507	107,029
2016 Total Households (proj.)	10,971	108,858
2011– 2016 Annual Rate	0.88%	0.34%

Source: 2010 Census, ESRI Business Systems

Household also expanded last decade, though at a lower rate than population. Projections point to an increased rate of growth 2011-2016.

Race & Ethnicity

% Share of Population

Population - 2010	New London	New London County
White Alone	60.4%	82.2%
Black Alone	17.4%	5.8%
Asian Alone	2.6%	4.2%
Hispanic (Any Race)	28.3%	8.5%

Change - 2000 to 2010

White Alone	-4.9%	-5.5%
Black Alone	-6.5%	9.4%
Asian Alone	18.2%	110.0%
Hispanic (Any Race)	43.7%	66.7%

Source: 2010 Census, ESRI Business Systems

Hispanics (any race) make up much of the minority population in New London, while blacks represent 17% - down from 19% in 2000.

Connecticut Towns: Market Assessment Briefs

Town: *New London, CT*
County: *New London County*

2. Demographic Trends (Cont'd)

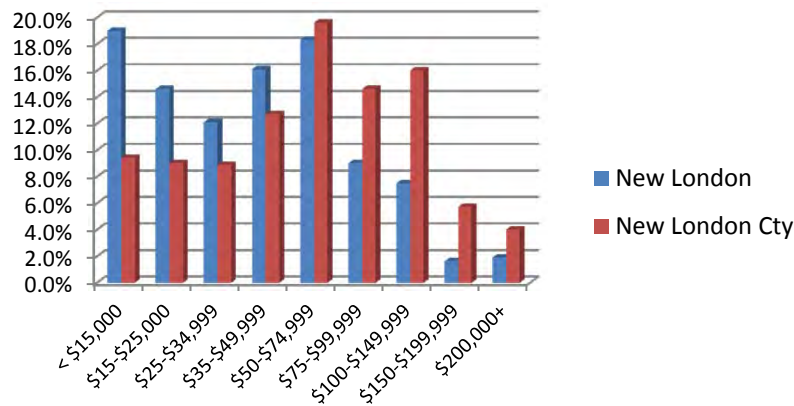
Median Income

Median HH Income	New London	New London County
2000	\$33,917	\$50,659
2011 (est.)	\$38,123	\$60,209
Annual Avg % Growth	1.1%	1.7%

Income in New London is low to moderate with median income at \$38,123.

Source: 2010 Census, ESRI Business Systems

HH Income Distribution (2011)



34% of New London's HHs earn less than \$25,000 represent, while 45% report incomes of under \$35,000.

Source: 2010 Census, ESRI Business Systems

HH Income Distribution - 65+ (2010)

HH's	New London		New London Cty	
	65-74	75+	65-74	75+
Total HHs	941	1,072	11,730	11,669
< \$15,000	19.2%	24.3%	9.7%	19.7%
\$15-\$25,000	12.5%	22.2%	9.8%	16.7%
\$25-\$34,999	7.4%	16.0%	10.9%	11.8%
\$35-\$49,999	19.0%	13.2%	14.9%	14.5%
\$50-\$74,999	18.6%	10.4%	23.9%	16.4%
\$75-\$99,999	12.3%	8.7%	14.7%	9.3%
\$100-\$149,999	6.1%	1.1%	7.8%	4.7%
\$150-\$199,999	3.0%	0.7%	4.1%	3.2%
\$200,000+	1.8%	3.3%	4.3%	3.7%
Med Inc.	\$42,139	\$26,624	\$53,297	\$36,351

40% of the city's senior HHs 65+ (798 HHs) receive income of less than \$25,000. 28% earn between 25,000 to \$50,000.

Source: 2010 Census, ESRI Business Systems

Connecticut Towns: Market Assessment Briefs

Town: *New London, CT*
County: *New London County*

2. Demographic Trends (Cont'd)

Poverty Rates

Households - 2010	New London % Total	New Lon. Ct % Total
Married Couple - Family	1.5%	0.8%
Other Family HHs (spouse not present)	5.1%	2.5%
Non-Family HHs	9.2%	3.8%
Poverty Ratio - Total	15.8%	7.1%

Source: ACS Population Survey, ESRI Business Systems

Poverty rates are very high in New London affecting mostly non-family households, but also single-headed family HHs.

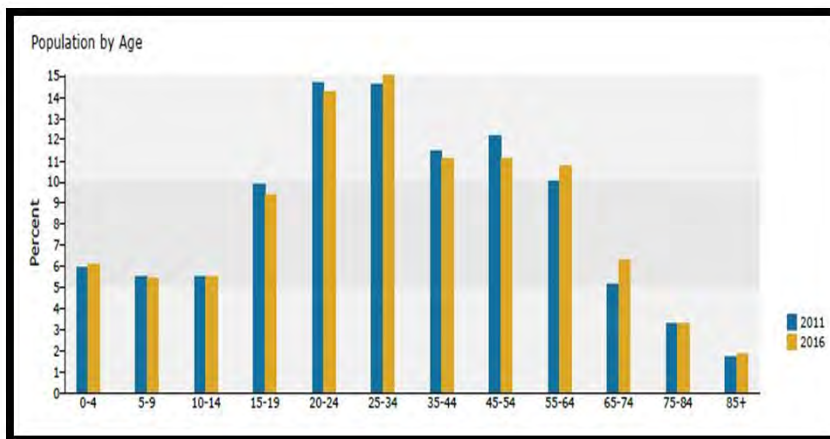
Age Trends

Population - 2010	New London % Total	New Lon. Cty % Total
Age 18+	79.6%	78.3%
Age 65+	10.0%	14.2%
Age 75+	5.0%	6.7%
Median Age	30.4	40.4

Source: 2010 Census, ESRI Business Systems

New London's profile is younger than the county with median age at 30.4 vs. 40.4 for the county. This is partly explained by the presence of several colleges and US Coast Guard Academy in city.

Age Distribution 2011-2016



Source: 2010 Census, ESRI Business Systems

Future growth in age cohorts is projected for 25-34 age group and 55 and older. The 65+ population is expected to increase from a 10% share in 2010 to 11.4% in 2016.

Connecticut Towns: Market Assessment Briefs

Town: *New London, CT*
County: *New London County*

3. Housing Trends

Tenure and Vacancy

HH's	New London		New London Cty	
	2000	2010	2000	2010
Own-Occp	37.9%	37.7%	66.7%	67.7%
Own-Units	3,861	3,908	66,562	72,518
Rent-Occp	62.1%	62.3%	33.3%	32.3%
Rent Units	6,323	6,465	33,273	34,539
Ttl Occp Units	10,184	10,373	99,855	107,057
Vacancy	11.9%	12.4%	9.8%	7.6%

Source: 2010 Census, ESRI Business Systems

Rental dominates in New London with 62%, but last decade saw net increases in occupancy in both ownership and rental.

Vacancy was found to be elevated in 2010, even above what was reported in 2000. At such levels, rent and price appreciation in housing become difficult.

Housing Characteristics

% Share of Total Housing

Structure Type - 2010	New London	New London County
1 Detached	31.3%	65.0%
1-Attached	4.0%	3.5%
2-unit	17.9%	8.6%
3/4 unit	14.4%	6.9%
5+ units	32.4%	16.0%
Total Housing Units - 2010	11,840	120,994

Source: ACS Housing Surveys, ESRI Business Systems

Close to one-third of the city's housing is found in single detached, while over 40% is found in smaller multi-family properties of 2 to 9 units.

Rent-occupied Housing by Contract Rent

Renters with Contract Rent

Contract Rent - 2010 Distribution	New London	New London County
Under \$200	7.2%	4.3%
\$200-\$399	6.4%	8.0%
\$400-\$599	11.1%	10.6%
\$600-\$799	31.5%	24.6%
\$800-\$999	25.3%	22.9%
\$1000-\$1249	13.3%	14.3%
\$1250-\$1499	1.4%	5.2%
\$1500-\$1999	0.8%	3.9%
above \$2000	1.1%	1.3%
Median Contract Rent	\$761	\$800

Source: ACS Housing Surveys, ESRI Business Systems

New London market rents tend to be more moderate compared to adjoining towns - with ranges typically falling between \$700 to \$900/m. Median Income in New London was estimated at \$761, compared to \$800 for the county.

Connecticut Towns: Market Assessment Briefs

Town: *New London, CT*
County: *New London County*

4. Rental Housing Market

Mfamily

BR	# of Prop	Avg List Price	Avg Rent Sale	Avg DOM	Rental Range
0					
1	17	\$832	\$832	53	\$695-\$1100
2	21	\$877	\$868	68	\$700-\$1050
3	13	\$1,037	\$1,044	58	\$600-\$1400
4					

Source: CT MLS

(Dom- Days on Market)

Condo

BR	# of Prop	Avg List Price	Avg Rent Sale	Avg DOM	Rental Range
0					
1	9	\$875	\$875	79	\$700-\$950
2	15	\$1,296	\$1,283	56	\$950-\$1550
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>	8	***	\$830	\$1,014	\$1,190

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