

Connecticut Towns: Market Assessment Briefs

Town: Colchester, CT
County: New London County

1. Economic Trends

Major Employers - Colchester

Employer	Sector
Alpha Q	manufacturing
Harrington Court/ Genesis Elder C	health services
Laidlaw	transportation
Liberty Specialty Care Center	health services
M&J Bus Company	transportation

Colchester, traditionally a farming and market town serving the area between Hartford and New London, has become more residential in recent decades. Local employers include Alpha Q, a manufacturer of aerospace equipment, two bus services and healthcare providers.

Source: CERC, Town Profile 2012

Major Industries -Colchester

Industry Sector - 2011	% Share of Jobs
Health Care	17.1%
Retail Trade	16.9%
Wholesale Trade	10.2%
Food Service	9.9%
Construction	4.6%

Colchester has witnessed a continued diversity of its job base from its former agricultural past with Health Care and Social Services & Retail Trade becoming key components of the town's economic base. High value manufacturing also contributes the local economy.

Source: CT Dept. of Labor

Labor Force & Employment Trends

Labor Force - 2011	Colchester	New London County
Labor Force	9,307	151,676
Unemployment	7.9%	8.6%
Total Employment	3,490	123,703
2005 - 2011 - Annual Growth	0.4%	-0.7%
2010 - 2011 - Annual Growth	-1.6%	-0.3%

Colchester has been impacted by the recession and the sluggish recovery that followed. Unemployment in 2011 averaged 7.9%. This compares to 8.6% for the county and 8.9% for the state. Job losses accelerated -1.6% between 2010-2011, according to the state Dept. of Labor, and Colchester trails the county in rate of recovery .

Source: CT Dept. of Labor

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2. Demographic Trends

Population Trends

Population	Colchester	New London County
2000 Total population	14,551	259,088
2010 Total Population	16,068	274,055
Annual Percentage Growth	1.00%	0.56%
2011 Total Population (est)	16,202	273,987
2016 Total Population (proj.)	16,729	277,493
2011– 2016 Annual Rate	0.64%	0.26%

Source: 2010 Census, ESRI Business Systems

Colchester has been gaining in popularity as a bedroom community over the past 25 years due to its good commuter location relative to both Hartford and New London, witnessing a sizable wave of new construction (mainly ownership) and population influx. Consequently, it has grown faster than the county and is expected to continue growing over the forecast period.

Household Trends

Household	Colchester	New London County
2000 Total Households	5,225	99,835
2010 Total Households	5,915	107,057
Annual Percentage Growth	1.25%	0.72%
2011 Total Households (est.)	5,963	107,029
2016 Total Households (proj.)	6,187	108,858
2011– 2016 Annual Rate	0.75%	0.34%

Source: 2010 Census, ESRI Business Systems

Consistent with the growing population trends, Colchester has expanded households in recent years and is expected to continue growing as families move in to take advantage of good schools and affordable ownership housing. Colchester has also been popular as a location for 55+ development and downsizing seniors.

Race & Ethnicity

% Share of Population

Population - 2010	Colchester	New London County
White Alone	93.9%	82.2%
Black Alone	1.6%	5.8%
Asian Alone	1.4%	4.2%
Hispanic (Any Race)	3.3%	8.5%

Change - 2000 to 2010

White Alone	-1.7%	-5.5%
Black Alone	14.3%	9.4%
Asian Alone	133.3%	110.0%
Hispanic (Any Race)	73.7%	66.7%

Source: 2010 Census, ESRI Business Systems

Colchester's ethnic makeup has not changed much, being predominantly white. However, minority representation is increasing, especially Asian and Hispanic, albeit from very small bases.

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2. Demographic Trends (Cont'd)

Median Income

Median HH Income	Colchester	New London County
2000	\$64,670	\$50,659
2011 (est.)	\$81,815	\$60,209
Annual Avg % Growth	2.4%	1.7%

Median Income in Colchester grew at an annual rate of 2.4% in the last decade, bettering the average annual rate for the county at 1.7%. Median income is a substantial 36% higher than the county's.

Source: 2010 Census, ESRI Business Systems

HH Income Distribution (2011)

HH Income Distribution	Colchester	New London County
<u>2011 Total Households</u>	<u>5,963</u>	<u>107,029</u>
< \$15,000	6.0%	9.4%
\$15-\$25,000	7.4%	9.0%
\$25-\$34,999	4.8%	8.9%
\$35-\$49,999	9.4%	12.7%
\$50-\$74,999	16.6%	19.6%
\$75-\$99,999	17.0%	14.6%
\$100-\$149,999	25.0%	16.0%
\$150-\$199,999	8.4%	5.7%
\$200,000+	5.4%	4.0%

Data on Income for Colchester reveals a fairly broad range of households income, mainly ranging from \$50K to \$150K or middle to upper middle households. However, 28% of households do fall below \$50K.

HH Income Distribution - 65+ (2010)

HH's	Colchester		New London Cty	
	65-74	75+	65-74	75+
Total HHs	<u>434</u>	<u>375</u>	<u>11,730</u>	<u>11,669</u>
< \$15,000	8.5%	29.1%	9.7%	19.7%
\$15-\$25,000	6.9%	16.0%	9.8%	16.7%
\$25-\$34,999	10.1%	6.9%	10.9%	11.8%
\$35-\$49,999	16.8%	5.3%	14.9%	14.5%
\$50-\$74,999	23.3%	9.1%	23.9%	16.4%
\$75-\$99,999	11.5%	8.3%	14.7%	9.3%
\$100-\$149,999	15.0%	4.5%	7.8%	4.7%
\$150-\$199,999	4.1%	8.8%	4.1%	3.2%
\$200,000+	3.7%	12.0%	4.3%	3.7%
Med Inc.	<u>\$55,865</u>	<u>\$31,612</u>	<u>\$53,297</u>	<u>\$36,351</u>

Colchester's seniors 65-74 are relatively well-off, although this is less true for those 75+. Median income falls from \$56K for those 65-74 to \$32K for those 75+. Significantly, 29% of seniors 75+ have incomes lower than \$15K, vs. 20% for the county.

Source: 2010 Census, ESRI Business Systems

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2. Demographic Trends (Cont'd)

Poverty Rates

Households - 2010	Colchester % Total	New Lon.Ct % Total
Married Couple - Family	0.7%	0.8%
Other Family HHs (spouse not present)	1.0%	2.5%
Non-Family HHs	0.9%	3.8%
Poverty Ratio - Total	2.7%	7.1%

Households poverty rates in Colchester are very low at 2.7% in 2010 compared to 7.1% in the County. Female headed and non-family households are not more likely to be in poverty here than married households.

Source: ACS Population Survey, ESRI Business Systems

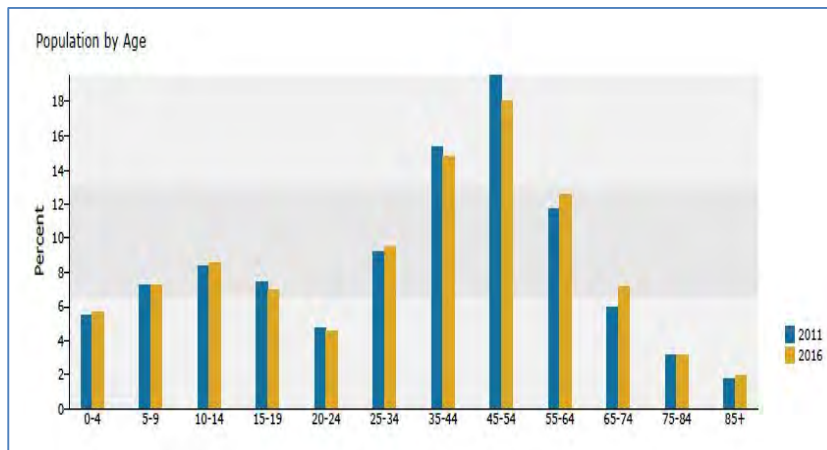
Age Trends

Population - 2010	Colchester % Total	New Lon.Ct % Total
Age 18+	73.6%	78.3%
Age 65+	10.7%	14.2%
Age 75+	5.0%	6.7%
Median Age	40.6	40.4

Colchester's median age of 40.6 and age distribution is not significantly different from that of the county overall.

Source: 2010 Census, ESRI Business Systems

Age Distribution 2011-2016



Source: 2010 Census, ESRI Business Systems

While Colchester will continue to gain population 55+ through 2016, it will also see increases in the youngest and school-aged cohorts, consistent with the towns popularity with families and its well-regarded schools.

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3. Housing Trends

Tenure and Vacancy

HH's	Coventry		New London Cty	
	2000	2010	2000	2010
Own-Occp	77.1%	79.1%	66.7%	67.7%
Own-Units	4,027	4,678	66,562	72,518
Rent-Occp	22.9%	20.9%	33.3%	32.3%
Rent Units	1,198	1,237	33,273	34,539
Ttl Occp Units	5,225	5,915	99,855	107,057
Vacancy	3.4%	4.3%	9.8%	7.6%

Source: 2010 Census, ESRI Business Systems

The majority of Colchester's housing market is ownership with 79% in 2010. This is a slight increase from 2000 when it stood at 77%. Just 21% are renters. In contrast, the county reported a ratio of 68% ownership vs. 32% rental in 2010. Overall vacancy in Colchester is low at 4.3% at last census, propitious for rent growth.

Housing Characteristics

% Share of Total Housing

Structure Type - 2010	Colchester	New London County
1 Detached	74.2%	65.0%
1-Attached	3.7%	3.5%
2-unit	7.9%	8.6%
3/4 unit	5.6%	6.9%
5+ units	8.7%	16.0%
Total Housing Units - 2010	6,182	120,994

Source: ACS Housing Surveys, ESRI Business Systems

Colchester's housing stock is overwhelmingly single family residential, with condominiums accounting for much of the 1 attached and 2-4 family units. Multi-family of 5+ units aggregated 8.7% or 500+ units in Colchester.

Rent-occupied Housing by Contract Rent

Renters with Contract Rent

Contract Rent - 2010 Distribution	Colchester	New London County
Under \$200	1.7%	4.3%
\$200-\$399	5.4%	8.0%
\$400-\$599	17.4%	10.6%
\$600-\$799	17.9%	24.6%
\$800-\$999	36.6%	22.9%
\$1000-\$1249	10.9%	14.3%
\$1250-\$1499	4.4%	5.2%
\$1500-\$1999	0.7%	3.9%
above \$2000	0.0%	1.3%
Median Contract Rent	\$822	\$800

Source: ACS Housing Surveys, ESRI Business Systems

Median rent in Colchester at \$822 is a bit higher than the county median at \$800. Price support is good to approximately \$1000. Countywide, price support runs a little higher. This is likely due to renters opting for homeownership in Colchester rather than accepting higher priced rentals.

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4. Rental Housing Market

Mfamily

BR	# of Prop	Avg List Price	Avg Rent Sale	Avg DOM	Rental Range
0	N/A				
1	N/A				
2	12	\$923	\$927	39	\$900-\$1095
3	2	\$1,150	\$1,150	47	\$950-\$1350
4	N/A				

Source: CT MLS

(Dom- Days on Market)

Condo

BR	# of Prop	Avg List Price	Avg Rent Sale	Avg DOM	Rental Range
0	N/A				
1	N/A				
2	12	\$1,290	\$1,277	42	\$995-\$1650
3	N/A				
4	N/A				

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>Apts</i>	3		\$810	\$995	\$1,045

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