

## MIDDLETOWN STATISTICS REPORT- JANUARY 2010

### Highlights

- ↑ Local Economy- The November unemployment rate dropped to 7.1% from 7.7% the previous month and down from a peak in June of 8.2%. Much of the decline, 59%, however has been the result of shrinking labor force and only 41% has been the result of job growth. Looking forward there is the possibility to reverse this trend, seeing that December saw a steady growth in job opportunities.
- ↔ Housing- Single Family and Condo sales prices are now valued at fair value or slightly overvalued, as compared to 2010 fair market rents. Prices compared to income still report that prices are overvalued, however due to the weak job market, these income/price estimations are likely too high. Sales of single family homes and condos were strong, buoyed by government subsidies, shrinking inventories to a level that will likely keep prices stable through the winter. However, foreclosures are up 211% from the previous month and set a new monthly record for 2009 and 2008 56 new filings.
- ↔ Web Presence- Search volumes are down from November, but stronger than a year ago within Connecticut. Middletown's presence on search engines edged up modestly, due mostly to a 7% increase via Google.

### Local Economy

#### Main Street Storefronts Count (141)

	Dec 2009	Sept 2009	June 2009	Dec 2009- Vacancies	#	%
Vacancies	9%	10%	9%	North of Wash. St.	4	6.5%
Restaurants	21%	21%	20%	Wash. St to College St.	6	12.8%
Retail	26%	26%	30%	South of College St.	3	9%
Other	44%	43%	41%	Total	13	

#### Middletown Business/Economic Confidence Survey

	Oct 2009	April 2009		Oct 2009	April 2009
Business Climate Rating (scale 1-10)	6.1	5.2			
Bullish about Middletown (score of 8-10)	27%	12%			
Bearish about Middletown (score of 1-3)	11%	22%			
Report Increasing Revenue	28%	22%	Report Growing Workforce	24%	17%
Report Same Revenue	34%	24%	Report Same Workforce	62%	59%
Report Declining Revenue	38%	51%	Report Declining Workforce	14%	24%

#### Middletown Trade Name Registrations

	Dec	Nov	Month Diff.	Jan-Nov	4th Qtr	3rd Qtr	Qtr. Diff.
2009 New Registrations	13	16	-19%	168	39	41	-5%
2008 New Registrations	19	7	+171%	169	37	41	-10%
Difference	-32%	+128%		0%	+5%	0%	

### Commercial Real Estate

	Jan 2009	Oct 2009	Difference	July 2009	April 2009
Properties listed with CERC	16	37	-57%	44	36
Total Square Feet	154,571 sqft.	390,936 sqft.	-60%	937,186 sqft.	510,527 sqft.
Median Asking Lease	\$14.00 per sqft.	\$12.00 per sqft.	+17%	\$12.00 per sqft.	\$12.00 per sqft.
Median Asking Sale Price	\$689,000	\$694,000	-1%	\$692,000	\$699,000
% of total Com. Properties (692)	2.3%	5.3%		6.4%	5.2%
% of total Com. Sqft. (12,687,406sq.ft.)	1.2%	3%		7.4%	4%

### Employment

	Month			Year		94-09 High	94-09 Low	
	Nov 2009	Oct 2009	% Chg	Dec 2008	Nov 2008	%Chg.	Jan 1996	Oct 2000
Labor Force	27,180	27,325	-0.5%	26,952	27,239	-0.2%	23,654	24,696
Employed	25,257	25,233	+0.09%	25,066	25,654	-1.5%	21,698	24,289
Unemployed	1,923	2,092	-8%	1,886	1,585	+34%	1,956	375
Unemployment Rate	7.1%	7.7%		7.0%	5.8%		8.3%	1.5%
% over full employment	0.7%	1.3%		0.6%	0%		1.9%	0%
# jobs needed for full employment*	191	356	-46%	161	0	NA	443	0
*6.4% or lower is full employment per OECD								
State Unemployment Rate	8.4%	8.8%		7.8%	6.6%		5.7%	
National Unemployment Rate	9.8%	10.2%		8.5%	6.7%		5.6%	3.9%

### Job Opportunities

	Dec 2009	Nov 2009	Monthly % Chg
Total Number of Posted Vacant Jobs	511	498	+3%
CT JobBank	113	107	+5%
Simplyhired.com	325	319	+2%
Craigslist.org	73	72	+1%
Vacancies as % of Workforce	1.9%	1.8%	
Overall Jobs Deficit	1,412	1,594	-11%
Top Five Industries (CT JobBank)			
1) Hospital Healthcare	58	42	+38%
2) Health Products/Services	41	43	-5%
3) Diversified Services	13	19	-32%
4) Business Services	11	15	-27%
5) Aerospace/Defense	8	7	+14%
Middletown Employment Index†	+10	+1	

† Middletown Employment Index- Assess the surplus or deficit of jobs compared to the number of jobs needed to reach full employment by OECD estimates. The index assess the number of jobs available in the region compared to the number of unemployed Middletown residents. A positive number signifies more jobs available than number of unemployed, and vice versa for a negative number.

## Housing

### Affordable Housing Price for Median Income Household

	Dec 2009	Nov 2009	Monthly %Chg.	Dec 2008	Annual %Chg
Median Income	\$61,090 (2009)	\$61,090 (2009)		\$58,174 (2007)	
Affordable Housing Payment (30% of gross income)	\$1,513	\$1,513		\$1,454	
30 year fix interest rate	5.05% (Dec 25)	4.98%(Nov 6)		5.53% (Dec 2008)	
Max house price 3% down (\$90 PMI, \$333 Taxes p/m)	\$224,200	\$225,400	-0.5%	\$205,400	+8%
Max house price 20% down (\$333 Taxes p/m)	\$286,200	\$287,700	-0.5%	\$262,800	+8%

### Current Prices versus Income/Price Ratio\* (2009 median income \$61,090)

	Nov 08-09	Income/Price	Difference	Current Market
Single Family	\$232,000	\$202,818	+\$29,182 (+14%)	Overvalued
Condo	\$148,900	\$121,569	+\$27,331 (+22%)	Overvalued

### Current Prices versus Rent/Price Ratio\* (2009 Fair Market 2 bedroom rent \$1,095)

	Nov 08-09	Rent/Price	Difference	Current Market
Single Family	\$232,000	\$228,636	+\$3,364 (+1%)	Fairly Valued
Condo	\$148,900	\$138,846	+\$10,054 (+7%)	Slightly Overvalued

### Foreclosures- Lis Pendens Deed

	Dec	Nov	Month Diff.	Jan-Dec	4 <sup>th</sup> Qtr	3rd Qtr	Qtr. Diff.	Ratio of Homes
2009 Foreclosure Filings	56	47	+19%	395	144	81	+78%	1 in 32 homes affected
2008 Foreclosure Filings	18	27	-33%	302	77	85	-9%	1 in 42 homes affected
Difference	+211%	+74%		+31%	+87%	+11%		

### Building Permits

	Nov	Oct	Diff	Jan-Nov	(256 permits, 2005) % Below Peak	State Rank
2009 Building Permits	7	7	0%	74	-68% (adj.)	6 out of 128 (ytd.)
2008 Building Permits	7	9	-22%	171	-27% (adj.)	5 out of 128
Difference	0%	-23%		-57%		

### Single-Family Housing Market

#### Single-Family Sales

	Nov 2009	Nov 2008	% Change	Jan-Nov 2009	Jan-Nov 2008	% Change	Peak
# Sales	35	15	+133%	275	244	+13%	632 (2004)

#### Single Family Median Price

	Nov 2009	Nov 2008	% Change	Jan-Nov 2009	Jan-Nov 2008	% Change	Peak (annual)
Med. Price	\$250,000	\$280,000	-10%	\$240,000	\$225,900	+6%	\$240,000 (2007)

#### Single Family Inventory

	Nov 2009	Oct 2009	% Chg	Nov 2008	%Chg
Inventory	180	185	-3%	204	-12%
% of all Single-Family Dwellings (9,115, 2008)	1.9%	2.0%		2.2%	
Months of Supply (4 month average)**	6.2	6.4	-3%	8.2	-24%
# of properties above/below historic average***	-26	-17		+28.3	

#### Single Family Other Data

	Nov 2009	Oct 2009	%Change	Nov 2008	%Change
12-Month Median Price	\$232,000	\$235,000	+0.5%	NA	
4-Month Median Price	\$245,000	\$236,750	+2%	\$248,000	-1%
12-Month Average Days on Market	47	44	0%	NA	
4-Month Average Days on Market	43	42	0%	38	+13%

### Condo Housing Market

#### Condo Sales

	Nov 2009	Nov 2008	% Change	Jan-Nov 2009	Jan-Nov 2008	% Change	Peak (annual)
# Sales	27	6	+350%	148	155	-5%	291 (2005)

#### Condo Median Price

	Nov 2009	Nov 2008	% Change	Jan-Nov 2009	Jan-Nov 2008	% Change	Peak
Med. Price	\$145,000	\$143,000	+1%	\$147,250	\$153,500	-4%	\$157,000 (2006)

#### Condo Inventory

	Nov 2009	Oct 2009	% Chg	Nov 2008	%Chg
Inventory	84	87	-11%	85	-1%
% of all condos (2,834, 2008)	2.9%	3.0%		2.9%	
Months of Supply (4 month average)**	4.9	5.9	-9%	6.2	-21%
# of properties above/below historic average***	-41.3	-19.8		+0.2	

#### Condo Other Data

	Nov 2009	Oct 2009	%Change	Nov 2008	% Change
12-Month Median Price	\$148,900	\$149,000	-0.06%	NA	
4-Month Median Price	\$143,000	\$144,000	-0.7%	\$154,500	-7%
12-Month Average Days on Market	48	47	+2%	NA	
4-Month Average Days on Market	54	52	+4%	48	+13%

## Web Presence (Name Recognition)

### Search Engine Results

Search Engine	Search Phrase	January 2010	December 2009	% Change
Google	Middletown Connecticut	763,000	711,000	+7%
Yahoo	Middletown Connecticut	17,600,000	17,700,000	-0.5%
Ask.com	Middletown Connecticut	383,700	383,800	-0.1%
Bing	Middletown Connecticut	12,100,000	12,100,000	0%
Average		7,711,700	7,723,700	-0.1%
Average by Market Share		2,395,700	2,357,000	+2%

### Google Insight: Rising Search Trends for Middletown in Metro Hartford

(<http://www.google.com/insights/search/#q=middletown&geo=US-CT-533&date=5%2F2009%202m%2Ctoday%203-m%2Ctoday%2012-m%2C1%2F2009%2012m%2C1%2F2008%2012m&cmpt=date>)

12-Months Rising Searches		3-Months Rising Searches	Past 30 Days Rising Searches
1. esca middletown	Breakout	1.	1.
2. middletown eye	+100%	2.	2.
3. middletown superior court	+60%	3.	3.
4. weather middletown ct	+50%	4.	4.
5. destinta theaters middletown	+50%	5.	5.

### Google Insight (<http://www.google.com/insights/search/#>) \*\*\*\*

Web Search Volume (100 is the highest score)

Region	Search Phrase	Dec 2009	Nov 2009	Oct 2009	Dec 2008	Month %	Year %
Hartford Metro	Middletown	79	100	84	66	+19%	+43%
Connecticut	Middletown	74	90	84	65	+7%	+20%
United States	Middletown Connecticut	29	30	34	31	-12%	-14%
International	Middletown Connecticut	20	23	23	25	0%	-21%

\* *Housing Historical Trends- This is a attempt at determining if a market is overvalued or undervalued based on historic trends that are tied to either median area income or rents for Middletown. Both methods provide insight, but they are not predictive, in that it can not tell you how far a market will drop or rise in a given time period. It merely assumes that markets will want to revert to their mean. Based on this: any price difference within 5% is considered fairly valued; any price within 5% to 10% is slightly over/under-valued; and, any price over 10% is over/under-valued*

\*\* 6 months supply is average

\*\*\* Positive number represents oversupply possibly leading to weaker prices, and a negative number means undersupply representing strengthening prices.

\*\*\*\* *Google Insight -The numbers represent how many searches have been done for a particular term, relative to the total number of searches done on Google over time. They don't represent absolute search volume numbers, because the data is normalized and presented on a scale from 0-100; each point on the graph is divided by the highest point, or 100. The numbers next to the search terms above the graph are summaries, or totals.*