

## MIDDLETOWN STATISTICS REPORT- JUNE 2009

### Highlights

Local Economy- Unemployment continues to grow. Trade name registration has slowed from previous April and March. Rumors about another Pratt and Whitney round of layoffs. Expect unemployment to go over 8% in June or July.

Housing- April sales for single-family homes are starting to go up. Condo sales have gone down and a staggering 33 month inventory exists. The May foreclosure numbers seem to show that the level of foreclosures might be easing off. Building permits are down 50% from a year ago. But the bright side is that Middletown's construction market is better than at least 122 other communities (Ranked 5<sup>th</sup>).

Web Presence- Web presences is up, largely due to the tragedy at Wesleyan. The numbers are similar to Obama's visit to Wesleyan last year, but with less international interest.

### Local Economy

---

#### Main Street Storefront (137)

	June 2009	Mar 2009	Dec 2008
Vacancies	9%	8%	NA
Restaurants	20%	21%	NA
Retail	30%	29%	NA
Other	41%	42%	NA

#### Middletown Business/Economic Confidence Survey

	Oct 2009	April 2009	October 2008
Business Climate Rating (scale 1-10)	NA	5.2	NA
Report Increasing Revenue	NA	22%	NA
Report Same Revenue	NA	24%	NA
Report Declining Revenue	NA	51%	NA
Report Growing Workforce	NA	17%	NA
Report Same Workforce	NA	59%	NA
Report Declining Workforce	NA	24%	NA

#### Middletown Trade Name Registrations

	May 2009	Apr 2009	May 2008	Peak- 202 (2007)	1st Qtr. 2009	4th Qtr. 2008
Number of New Registrations	11	12	15	17 (adj.)	46	37
% Difference with most recent month		-8%	-26%	-35%		
Number of Cancelled Reg.	2	3	1	2 (adj.)	5	5

### Commercial Real Estate

	July 2009	April 2009	Difference
Properties listed with CERC	NA	36	NA
Total Square Feet	NA	510,527 sqft.	NA
Median Asking Lease	NA	\$12.00 per sqft.	NA
Median Asking Price	NA	\$699,000	NA
% of total Com. Properties (692)	NA	5.2%	NA

### Employment

	Apr 2009	Mar 2009	Dec 2008	Apr 2008	94-09 High Jan 1996	94-09 Low Oct 2000
Labor Force	27,073	26,952	26,759	26,729	23,654	24,696
Employed	25,112	25,066	25,166	25,617	21,698	24,289
Unemployed	1,961	1,886	1,593	1,112	1,956	375
Unemployment Rate	7.2%	7.0%	6.0%	4.2%	8.3%	1.5%
% over full employment	0.8%	0.6%	0%	0%	1.9%	0%
# jobs needed for full employment*	228	161	0	0	443	0
*6.4% or lower is full employment per OECD						
State Unemployment Rate	7.9%	7.8%	7.1%	4.7%	5.7%	
National Unemployment Rate	8.9%	8.5%	7.2%	5.0%	5.6%	3.9%

### Housing

#### Affordable Housing Price for Median Income Household

	May 2009	April 2009	May 2008
Median Income	\$60,542 (2008)	\$60,542 (2008)	\$58,174 (2007)
Affordable Housing Payment (30% of gross income)	\$1,513	\$1,513	\$1,454
30 year fix interest rate	5.1%(May 26)	4.91% (Apr 25)	6.1% (Jun 2008)
Max house price 3% down (\$90 PMI, \$333 Taxes p/m)	\$207,000	\$211,000	\$175,000
Max house price 20% down (\$333 Taxes p/m)	\$271,000	\$277,000	\$231,000

#### Current Prices versus Income/Price Ratio\* (2008 median income \$60,542)

	Apr 2009	Income/Price	Difference	Current Market
Single Family	\$235,000	\$200,999	+\$34,001 (+14%)	Overvalued
Condo	\$155,000	\$120,478	+\$34,522 (+22%)	Overvalued

#### Current Prices versus Rent/Price Ratio\* (2009 Fair Market 2 bedroom rent \$1,021)

	Apr 2009	Rent/Price	Difference	Current Market
Single Family	\$235,000	\$213,184	+\$21,816 (+9%)	Slightly Overvalued
Condo	\$155,000	\$129,462	+\$25,538 (+16%)	Overvalued

Single-Family Sales

	Jan-Apr 2009	Jan-Apr 2008	% Change	Peak (annual)	% below peak
# Sales	62	71	-12.7%	632 (2004)	-70% (adj.)

Single Family Median Price

	Apr 2009	Apr 2008	% Change	Peak (annual)	% below peak
Med. Price	\$235,000	\$235,000	-0%	\$240,000 (2007)	-2%

Single Family Inventory

	Apr 2009	Mar 2009	Apr 2008	Apr 2007	%Chg 07-09
Inventory	209	192	189	176	+18.7%
% of all Single-Family Dwellings (9,115, 2008)	2.3%	2.1%	2.1%	1.9%	
Months Supply	10.5	10.7	9.9	6.8	+54.4%
# properties above/below historic average	+70	+66	+55	-5	(7 months supply is average)

Condo Sales

	Jan-Apr 2009	Jan-Apr 2008	% Change	Peak (annual)	% below peak
# Sales	26	61	-57%	291 (2005)	-73% (adj.)

Condo Median Price

	Apr 2009	Apr 2008	% Change	Peak (annual)	% below peak
Med. Price	\$155,000	\$146,000	+6%	\$157,000 (2006)	-1%

Condo Inventory

	Apr 2009	Mar 2009	Apr 2008	Apr 2007	%Chg 07-09
Inventory	133	118	104	77	+72.7%
% of all condos (2,239, 2008)	5.9%	5.3%	4.6%	3.7%	
Months Supply	33.3	14.8	6.5	4.9	+579.6%
# properties above/below historic average	+109	+70	+8	-17	(6 months supply is average)

Foreclosures

	May	Apr	Diff	Jan-May	1st Qtr.	4th Qtr.	(38, Aug 2008) % Below Peak
2009 Foreclosure Filings	17	38	-55%	133	78	NA	-55%
2008 Foreclosure Filings	20	16	+25%	95	59	64	-58%
Difference	-15%	+138%		+65%	+32%		

Building Permits

	Apr	Mar	Diff	Jan-Apr	(256 permits, 2005) % Below Peak	State Rank
2009 Building Permits	7	7	0%	22	-68% (adj.)	5 out of 128 (ytd.)
2008 Building Permits	14	11	+28%	47	-50% (adj.)	5 out of 128
Difference	-50%	-36%		53%		

## Web Presence (Name Recognition)

### Search Engine Results

Search Engine	Search Phrase	Jun 2009	May 2009	% Change
Google	Middletown Connecticut	1,340,000	227,000	490%
Yahoo	Middletown Connecticut	15,500,000	714,000	2,070%
Ask.com	Middletown Connecticut	651,000	40,200	1,519%
Msn Live Search	Middletown Connecticut	NA	12,300,000	NA

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

#### Web Search Volume

Region	Search Phrase	May 2009	Apr 2009	Mar 2009	May 2008	Short-term	Long-term
Hartford Metro	Middletown	82	76	76	77	+8%	+7%
Connecticut	Middletown	87	79	79	81	+10%	+7%
United States	Middletown Connecticut	40	36	34	43	+11%	-7%
International	Middletown Connecticut	31	27	26	34	+15%	-9%

### Google Trends (<http://www.google.com/trends>) \*\*\*

Region	Search Phrase	May 2009	Apr 2009	Mar 2009	May 2008	Short-term	Long-term
Connecticut Subregion	Middletown	1.33	1.1	1.09	1.1	+21%	+21%
United States	Middletown Connecticut	0.98	0.62	0.56	0.86	+58%	+14%
International	Middletown Connecticut	0.80	0.50	0.50	1.5	+60%	-47%

*\*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*

*\*\* 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.*

*\*\*\* Google Trends- The data is scaled to the average search traffic for your term (represented as 1.0) during the time period you've selected. For example, if you entered the term Middletown, the numbers would be scaled to the average of all search traffic for Middletown from January 2004 to present. A spike in the numbers to 3.5 for example would mean that the traffic is 3.5 times the average.*