



# Brookfield Housing Study

Brookfield, CT

August 4, 2014



**ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™**

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# Executive Summary

ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™



# Executive Summary

## Introduction

The Town of Brookfield, Connecticut hired 4ward Planning Inc. to conduct a housing study identifying the demand for new or redeveloped housing in town, based on current market reality. Since a 2012 market study for the Four Corners area identified pent-up housing demand, the percentage of renter-occupied housing has increased. However, the Town continues to experience affordability challenges. Multifamily housing has been built and approved, but it is primarily for sale, rather than for lease. This has made it particularly difficult for young workers and families (those most likely to either not want a mortgage or have trouble securing mortgage financing) to find suitable housing in Brookfield.

## Methodology

The study includes analysis of socio-economic trends and projections, labor and industry trends, and real estate supply and demand for three geographies: a 15-minute drive contour (representing the primary market area), the Town of Brookfield, and the Tri-County Region. Questions of affordability and the Town's zoning ordinances for such were examined closely. Quantitative analysis was supplemented with interviews with local employers, property managers, developers, real estate brokers, the school district, and other public service providers, to "ground-truth" the findings.

## Executive Summary (cont.)

### Socio-Economic Trends

While growth in population and household formation has remained relatively flat, and is forecasted to remain so into the near future, a number of demographic indicators suggest there is a need to increase the supply of affordable housing stock in Brookfield:

- Nearly half of all renter households are cost burdened, spending more than 30 percent of their income on housing.
- Strong growth in non-family households (typically, these are small one- and two-person households which opt to rent, rather than own their homes) suggests a likely increasing demand for small, affordable rental units.
- A fast-growing segment of those 55 years of age and older, retired or near to it, suggests a need for affordable housing choice attractive to those who want to downsize within their home community – again, a demand driver for smaller housing units, a good portion of which are rental.
- The age groups under 55 are declining as a percentage of total population, suggesting that the supply of housing for these age groups may be inadequate or too expensive for young persons and families establishing households. Employer interviews indicate most younger single and/or new professionals hired cannot, or choose not to, live in Brookfield – a possible affordability issue.

A balanced age demographic and housing that is affordable to a variety of income earners are both very important to the vitality of any community. Having a disproportionate population of any one group (classified by age or income), can impact public service provision and the perception of a community.

## Executive Summary (cont.)

### Labor and Industry Trends

While the Tri-County Region surrounding Brookfield has recovered some employment losses resulting from the Great Recession, there are still 37,000 fewer jobs than before the economic crisis. Further, unemployment within the region, though down in 2013, remains persistently higher than pre-crisis levels. The regional trends, below, also impact demand for housing in Brookfield:

- Between 2007 and 2012, a majority of industries (12 out of 20) within the Tri-County Region saw inflation-adjusted earnings decline. Representing more than 60 percent of regional workers, this decline in earnings equates to less spending power for housing, as well as other consumer expenditures.
- The greatest employment growth is projected to occur within industries which, traditionally, offer relatively lower wages (e.g., Healthcare and Social Assistance, Retail, and Accommodation and Food Services), and whose employees are particularly in need of affordable housing.

### Real Estate Trends

The residential market within Brookfield and the surrounding area exhibits a tight supply of housing, with signs of growing demand over the coming years. With such strong demand and a shortage of inventory, multifamily fundamentals, particularly for apartment-style units, are robust.

## Executive Summary (cont.)

### Real Estate Supply and Demand

Based on modest household growth estimates, the housing market study forecasts Brookfield will be able to support demand for nearly 1,200 units over the next 15 years. Even with no growth, the Town could support more than 600 units over the next 15 years. Many of these 1,200 units are likely to be one- and two-bedroom units. Local real estate professionals confirm that 1,200 units is a reasonable, if not low, estimate for new housing construction in Brookfield, particularly rental product. This rationale is based on very high occupancy rates in existing multifamily rental properties (98 to 99 percent) and long waitlists; the age (30+ years) and quality of much of the rental housing stock; and demographic trends and preferences.

Based on population and employment trends, the study estimates 60 percent of the demand will be for rental units. Introducing more of this type of residential product to Brookfield will help balance Brookfield's aging population, by making it more attractive and more affordable to singles and young couples just starting out. Without providing reasonable options to attract this segment of the population – through housing, jobs, retail, and leisure – Brookfield's population will continue to skew heavily toward the empty nester and retiree populations.

## Executive Summary (cont.)

### Conclusions and Recommendations

Considering the limited supply of multifamily listings, the Town may need to foster conditions conducive to expanding the supply of multifamily units to accommodate rising demand, particularly for growing non-family households, single-person households, and the retiring/downsizing population. The continued decline of the 15 to 54 age group and interview findings suggest Brookfield is too expensive for those just starting out or on single incomes, despite housing programs already in place. More than half of all renter households in Brookfield are cost-burdened, and lower-income workers within the Town cannot currently afford to live there. To remain a balanced and healthy community requires a population diverse in age and income. Achieving this will require attention to housing affordability.

Brookfield's challenge is where and how to foster the provision of new housing units, at least some of which must be affordable. Current zoning allows 800 new units to be built in town; environmental or regulatory constraints may restrict that even further. The Town should review its zoning regulations to ensure that multifamily housing can be built in suitable locations (presumably, where infrastructure exists), under realistic market expectations, and at sufficient densities to meet the growing demand for multifamily, affordable, rental housing.



## Executive Summary (cont.)

### Conclusions and Recommendations (cont.)

The analysis showed that the Town's incentive housing ordinance, while contributing positively to the creation of additional multifamily housing, does not provide the level of affordability needed to meet the coming demand. With income limits based on the Area Median Income (AMI) rather than the State Median Income (SMI), a household will pay an additional \$6,000 in housing costs, annually for an incentive unit. Considering major occupational groups within Brookfield and the surrounding area do not typically offer higher wages than the state, basing the cost of income-restricted incentive housing on the SMI rather than the AMI, will help provide better housing options for young professionals, single-wage households, nurses, teachers, police officers, retail workers, fixed-income retirees, and others, who cannot currently live in town or who are cost-burdened.

As currently calculated, with lower allowable rents, the affordable housing ordinance will go further in providing housing to those segments of the population most in need of affordable housing options. A developer using the affordable housing ordinance would have much more flexibility in selecting a location to build, which can be an effective incentive. Developers also typically want a predictable schedule, reasonable costs, and local support. In addition to reviewing town ordinances for siting and affordability requirements of multifamily housing, the Town should consider implementing financial incentive packages to support developers who want to build the types of housing the Town demands to become a more balanced community.

# Introduction

ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™



## Introduction

The Town of Brookfield, Connecticut hired 4ward Planning Inc. to conduct a housing study to identify the demand for new or redeveloped housing in town, based on current market reality. In 2012, 4ward Planning's market analysis for the Four Corners Revitalization Study identified a significant pent-up demand for rental housing in Brookfield, based on population and employment trends. Since then, the percentage of renter-occupied housing has increased. However, the Town has continued to experience affordability challenges. Multifamily housing has been built and approved, but it is primarily for sale, rather than for lease. This has made it particularly difficult for young workers and families (those most likely to either not want a mortgage or have trouble securing mortgage financing) to find suitable housing in Brookfield.

The housing study, herein, updates data from the Four Corners Revitalization Study and identifies which demographic groups represent the current market demand for housing, whether there is additional demand for housing in Brookfield, and, if so, how much more multifamily-rental housing the town can absorb.

The study includes analysis of socio-economic trends and projections, labor and industry trends, and a detailed look at real estate supply and demand. The analysis closely examines issues of affordability and income. Quantitative analysis was supplemented with interviews with local employers, property managers, developers, real estate brokers, the school district, and other public service providers, to "ground-truth" the findings.

# Background

ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™



## Background: Existing Zoning

A review of Brookfield's Zoning Ordinance indicates that housing is allowed in the following districts within the Town. There are no zoning amendments under consideration, at the time of this writing.

Housing Type	Districts in which Housing Type is Permitted	Density Requirements	Incentive Housing Density Requirements
Multifamily Dwellings (Section 242-404)	R-40, R-60, R-80, R-100: ten acres min. Other permitted zones (IRC80/40 with conditions): five acres min.	In the R-40 and 'Other' Districts: two 3-bedroom units/acre; three 2-bedroom units/acre; and four 1-bedroom units/acre. Lesser density is permitted in the R-60, R-80 and R-100. These can be doubled under certain circumstances. Not to exceed 150 dwelling units.	A minimum of 20 and not more than 24 units per acre
Single-family Dwellings	R-7, R-40, R-60, R-80, R-100. RC-41, RS-40. Conservation Subdivisions permitted in all but R-7.	R-7 (7,000 min. lot area), R-40 (40,000), R-60 (60,000), R-80 (80,000), R-100 (100,000). In Conservation Subdivisions, land area of subject property divided by the normal minimum required lot area for one-family dwellings for the district or districts in which the property is located.	A minimum of six and a maximum of 12 dwelling units per acre
Planned Age-restricted Community (PARC) [Resident age of 55+]†	TCD, IRC80/40 (five acre min.)	24 bedrooms/acre max. (not to exceed 150 dwelling units; each unit having max. of 2 bedrooms)	
Apartment Unit in Single-family Dwelling†	All zoning districts	One apartment unit (not to exceed 800 sf) per single-family dwelling	
Apartment / Mixed Use†	TCD on floors other than the first floor	No more than two bedrooms per unit. No new building shall exceed 12,000 square feet.	A minimum of six and a maximum of 24 dwellings units per acre

Note: † - These types of dwelling units are excluded from the 26 percent cap on multifamily units, as a percent of total single-family units, pursuant to Section 242-404(D)(2)(d) of the Brookfield Zoning Ordinance.

## Background: Existing Zoning

### Restrictions on Multifamily Dwellings

- Require application by Special Permit.
- Must be supported by public/municipal sewer and water services.
- No multifamily dwelling project shall contain more than 150 dwelling units.
- The total number of multifamily dwelling units (not including elderly conversions) approved by the Zoning Commission may not exceed 26 percent of the total of all single family units.
- Multifamily housing of 24 units must have direct access to Whisconier Road and Route 133, and 48 units must have direct access to Federal Road. This reduces the amount of buildable land for multifamily properties in town (without using affordable or incentive housing regulations).
- Are allowed at relatively low densities, pursuant to Section 242-404 of the town ordinance (and shown on the previous page), which can make this type of development unattractive to prospective developers without additional incentives such as those for providing income-restricted housing.

### Multifamily Floor Area Requirements

Floor area and number of rooms required in multifamily units is provided below.

Number of Rooms	R-40, R-60, R-80, R-100, Minimum Floor Area (sq. ft)	Other Permitted Zones: Minimum Floor Area (sq. ft)
1	Not permitted	400
2	650	500
3	800	600
Each additional room	150	Add 125

## Background: Affordable Housing

Within Brookfield, the provision of housing affordable to families earning less than the state median income is proscribed by General Statute of Connecticut (CGS) and described below.

	Description	Affordable to 80% of State Median Income	Affordable to 60% of State Median Income
Affordable Housing (CGS 8-30g)	A proposed housing development which is (A) assisted housing, or (B) a set-aside development	30% of units	15% of units (in a “set-aside” only)

- Permitted in the IRC-40C (with conditions) and the Town Center District (TCD).
- The lesser of State Median Income or Area Median Income, as determined by the U.S. Department of Housing and Urban Development (HUD), is used for calculating the 80 percent of median income threshold. The state median income is far less than the area median income for Brookfield.
- A certificate of affordable housing project completion may be issued when the municipality has reached affordable housing unit-equivalent points equal to the greater of two percent of all dwelling units in the municipality, as reported in the most recent United States decennial census, or 75 housing unit-equivalent points. This triggers a moratorium (four years) on affordable housing construction.
- Projects can only be denied for health and safety reasons. Therefore, acreage and density requirements within the Town’s ordinance would not apply.
- Developers have indicated they would rather propose multifamily under this statute than build mixed use Incentive Housing projects requiring 60 percent of the first floor to be non-residential.

Source: CGS, Title 8 - Zoning, Planning, Housing and Economic and Community Development, Chapter 126A – Affordable Housing Land Use Appeals

## Background: Incentive Housing - State

Within Brookfield, the provision of housing affordable to families earning less than the area median income is proscribed by General Statute of Connecticut (CGS) and described below.

	Description	Affordable to 80% of Area Median Income
Incentive Housing Zone (CGS 8-13m-x)	A residential or mixed-use development: (A) proposed or located within an approved incentive housing zone; (B) eligible for financial incentive payments; and (C) in which not less than 20% of the dwelling units will be conveyed subject to an incentive housing restriction.	20% of units  (restricted for 30 years; paying no more than 30% of income toward housing costs)

- Incentive housing zones are intended to be located near transit; in already developed concentrated commercial areas; or in an area where sufficient infrastructure and transit connections exist or are planned.
- Minimum allowable density is (A) six units per acre for single-family detached housing; (B) 10 units per acre for duplex or townhouse housing; and (C) 20 units per acre for multifamily housing.
- The above density provides for, at a minimum, a 25-percent density bonus (above the underlying zone) as a developer incentive for providing income restricted units.
- Developments are subject only to subdivision or site plan review (by right) and normal approval procedures.

Source: CGS, Title 8 - Zoning, Planning, Housing and Economic and Community Development, Chapter 124b – Incentive Housing Zones



## Background: Incentive Housing - Local

The Town of Brookfield has adopted an Incentive Housing Zone, pursuant to state regulations. The Town's overlay district, which is shown on the official Zoning Map has the following criteria.

- Accessible to and integrated with rail, bus, vehicular, and other transportation means
- Supporting a pedestrian-friendly streetscape and parking needs
- Presence of retail commercial activities
- Potential for construction of public areas and parks
- Retention of historical attributes for the area
- Consistent with the state plan of conservation and development

Density	Minimum (per acre)	Maximum (per acre)
Mixed-use	6 units	24 units
Multifamily	20 units	24 units
Townhouse	10 units	20 units
Single-family	6 units	12 units

### Requirements

- Twenty percent of all dwellings within a development shall be designated Incentive Housing Units and subject to an Incentive Housing Restriction for a minimum of 30 years.
- All projects shall be served by municipal sewer facilities and a public water supply.

### Permitted Uses

- Central Core sub-zone permits a mixture of residential, retail, restaurant, office uses, and other uses that are permitted in the underlying zone, with restrictions as to location and amount of certain uses.
- Perimeter sub-zone permits single-family dwellings, townhouses, condominiums, and apartments.

## Background: Recent Reports

The Brookfield Public Schools hired the consulting firm Milone & MacBroom to prepare a *Demographic Study and Population Growth Analysis*. Completed in March 2014, the study predicts the future of public school enrollments and informs district decisions regarding facilities.

### Key Findings

- Under the existing zoning, a build-out analysis suggests the potential to increase the housing stock by only eight percent (less than 500 units), at full build-out. Most of these units would be single-family.
- Though housing permit activity decreased in 2008, it began to rebound in 2011 and 2012, causing housing sales to rebound in 2012 as well.
- Single-family housing has consistently stayed among the highest priced in the immediate region.
- Newly constructed single-family housing is not currently in high demand, but there is potential for turnover of existing units in the next ten years. These three- and four-bedroom dwellings generate most school enrollment.
- Rental housing in Brookfield is concentrated on the western side of town, an area where housing unit growth outpaced population growth.
- While Brookfield has a large amount of multifamily units, they tend to have smaller student yields than single-family detached dwelling units.
- Using recent new housing construction as a metric (including age-restricted units at Newbury Village), one student was added to the school district in 2013-14 for every 13 new housing units.

**Conclusion:** Brookfield Public Schools will continue to face enrollment decline due to population and housing trends, enrollment yields from recent developments, and limited build-out potential.

## Background: Recent Reports

4ward Planning conducted a market and real estate analysis for the *Brookfield Four Corners Town Center Revitalization Study* prepared by Fitzgerald & Halliday, Inc. in 2013.

### Key Findings

- Brookfield's median household income in 2010 was estimated at \$108,210, notably higher than median incomes in the 10-minute drive contour (\$81,274) and the region (\$74,314). Growth in upper-income households is projected to increase through 2015.
- A high owner-occupancy rate is consistent with high incomes and educational attainment levels.
- Brookfield is experiencing greater growth in non-family households, due to lower fertility rates and the overall increase of married couples choosing to have fewer children. These smaller households will influence housing choice (smaller units), as well as school budgets (fewer pupils).
- A higher percentage of workers are commuting to jobs in the area, while fewer people are commuting out, causing the overall net job inflow to increase by over two percent. This trend indicates there are more employment opportunities in the study area.
- 4ward Planning assumed that about five percent (155 workers) of workers who currently live outside Four Corners, but desire to live closer to work, could be captured in a residential mixed-use project in Four Corners.
- Convenience and small-format specialty retail were projected to be the most successful.

**Conclusion:** The study identified a fairly significant amount of pent-up demand for rental housing, which has not yet been met in Brookfield.

# Socio-Economic Trends Analysis

ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™



## Key Findings: Socio-Economic Trends Analysis

### Flat population and household growth

All geographies examined are forecasted to experience flat population and household growth through 2018, with Brookfield likely to undergo the greatest growth, a modest 0.5% a year.



### Relative rise in non-family household formation

Consistent with national and regional trends, non-family households are growing faster than family households, as well as the overall rate of population growth, in all three geographies. Particularly, the rise of single-person households is expected to continue for the foreseeable future.



### Growth in age cohorts most likely to increase housing demand

The age groups forecasted to undergo the greatest growth in the study areas over the coming years include Younger Empty Nesters (55 to 64) and Older Empty Nesters (65 to 74), both of which influence housing demand, especially for smaller units.



### Higher than average consumer spending

Households within all geographies studied, and notably in Brookfield, exhibit spending patterns that exceed the national average in most categories, a trend that bodes well for future development and redevelopment.



## Methodology: Socio-Economic Trends Analysis

4ward Planning examined socio-economic trends for 2010, 2013 (estimated), and 2018 (forecasted) to comparatively analyze the Town of Brookfield and the surrounding region. The geographic areas studied include:

- 15-minute drive contour from Brookfield's Town Hall (100 Pocono Road)
- Town of Brookfield
- Tri-County Region including Fairfield, Litchfield, and New Haven Counties

The analysis and recommendations that follow are based on a combination of quantitative and qualitative techniques. Quantitative analysis is underpinned by both public and proprietary data sources, including U.S. Census-based data and Esri's Community Analyst — a socio-economic data analysis tool. For the study areas, estimated and forecasted socio-economic trends examined include population growth, formation of family and non-family households, age cohort characteristics, household income, residential tenure, educational attainment, and consumer expenditures.

## Glossary of Terms: Socio-Economic Trends Analysis

**Household Population** Household population, as compared to total population, excludes persons living in dormitories, penal facilities, hospitals, and other institutional settings.

**Family** A family is a group of two or more people (one of whom is the householder) related by birth, marriage, or adoption and residing together; all such people are considered as members of one family. The number of families is equal to the number of family households; however, the count of family members differs from the count of family household members, because family household members include any non-relatives living in the household.

**Non-Family** A non-family household consists of a householder living alone (a one-person household), or where the householder shares the home exclusively with people to whom he/she is not related.

**Household** A household consists of all the people who occupy a housing unit. A house, an apartment, or other group of rooms, or a single room, is regarded as a housing unit when it is occupied or intended for occupancy as separate living quarters. The count of households excludes group quarters and institutions.

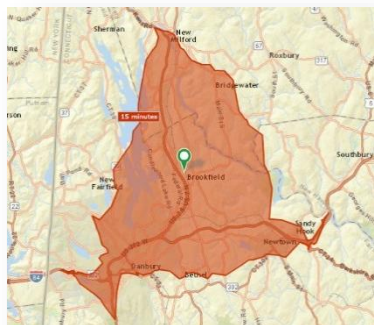
**Empty Nester Household** A household in which one or more parents live after the children have left home, typically represented by ages 55 to 74.

**Metropolitan Statistical Area (MSA)** Metropolitan Statistical Areas (metro areas) are geographic entities defined by the Office of Management and Budget. A metro area contains a core urban area of 50,000 or more population. Each metro or micro area consists of one or more counties and includes the counties containing the core urban area, as well as any adjacent counties that have a high degree of social and economic integration (as measured by commuting to work) with the urban core.

**Flat Growth** Flat growth is defined as an annualized rate of change between -0.75 and 0.75 percent.

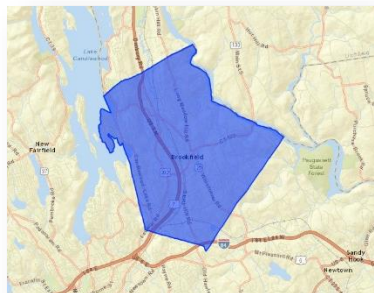
# Socio-Economic Trends Analysis Study Areas – 2013 Summary

15-Minute  
Drive Contour  
(from 100  
Pocono Road)



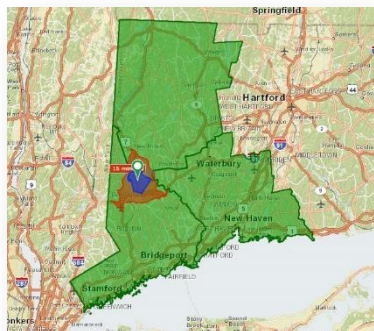
Population: 99,009  
Total Households: 35,305  
Median Age: 39  
Median Household Income: \$73,685  
Percent of Household Incomes >\$75,000: 49%  
Percent Owner-Occupied Housing: 63%

Town of  
Brookfield



	Change from 2010
Population: 16,547	- 1.4%
Total Households: 6,160	+ 2.7%
Median Age: 45	+ 2 years
Median Household Income: \$103,615	- 4.2%
Percent of Household Incomes >\$75,000: 65%	+ 2.0%
Percent Owner-Occupied Housing: 60%	- 23%

Tri-County  
Region



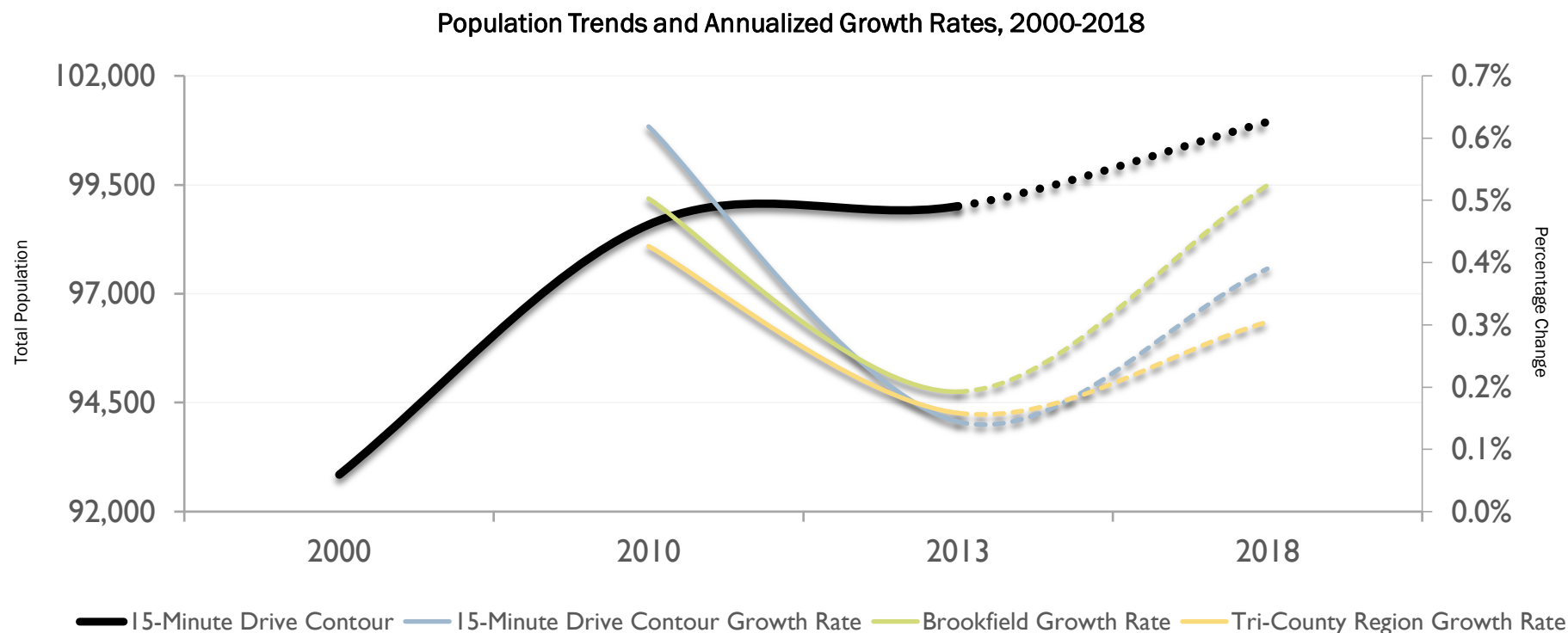
Population: 1,978,587	+ 1.5%
Total Households: 750,396	+ 1.8%
Median Age: 41	+ 1 year
Median Household Income: \$66,618	- 10.4%
Percent of Household Incomes >\$75,000: 46%	+ 2.0%
Percent Owner-Occupied Housing: 60%	+2.0%

Source: US Census Bureau; Esri; 4ward Planning Inc., 2014



## Population Growth

The population of the 15-minute drive contour increased from nearly 93,000 in 2000 to approximately 98,500 in 2010. By 2018, the population is expected to surpass 100,000. Among the three study geographies, Brookfield is forecasted to lead in the rate of population growth through 2018, at a modest half a percent per year.

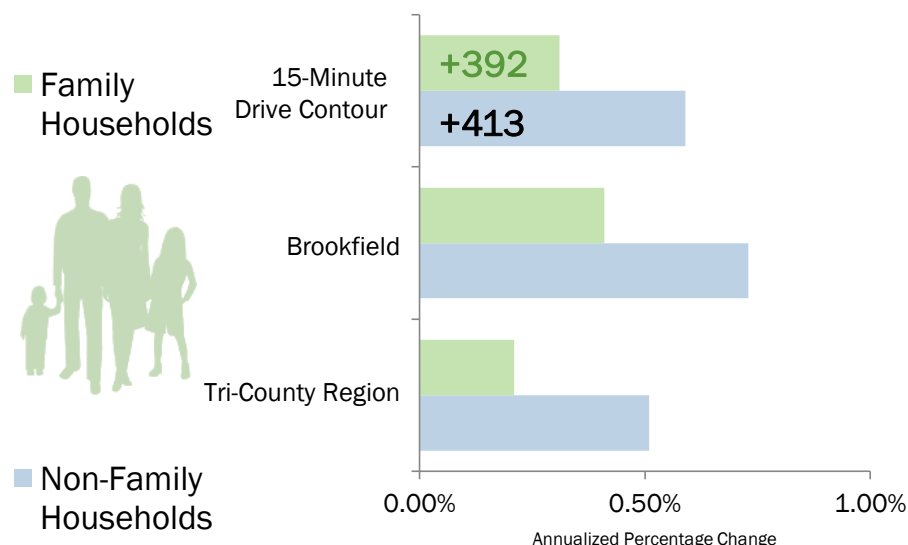


Source: US Census Bureau; Esri; 4ward Planning Inc., 2014

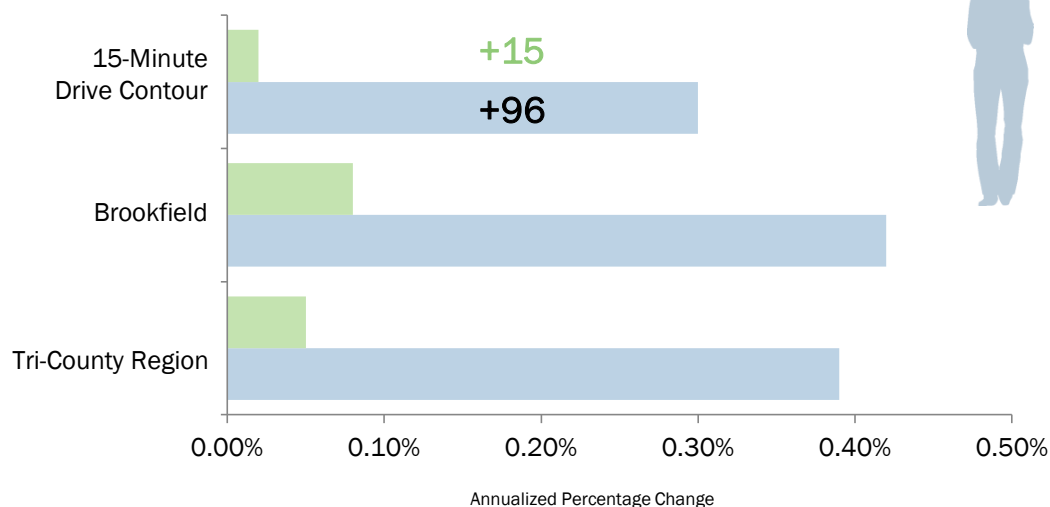
# Household Formation

The figures to the right and below illustrate changes in household formation for all three study areas, including family and non-family households. Consistent with flat population growth, annualized changes in households are relatively flat. However, the percentage increase in non-family household formation has been considerably greater than that for family households in all study areas. Further, the rate of non-family household formation exceeds the rate of population growth in all three geographies.

Annualized Percentage Change, 2013-2018



Annualized Percentage Change, 2010-2013



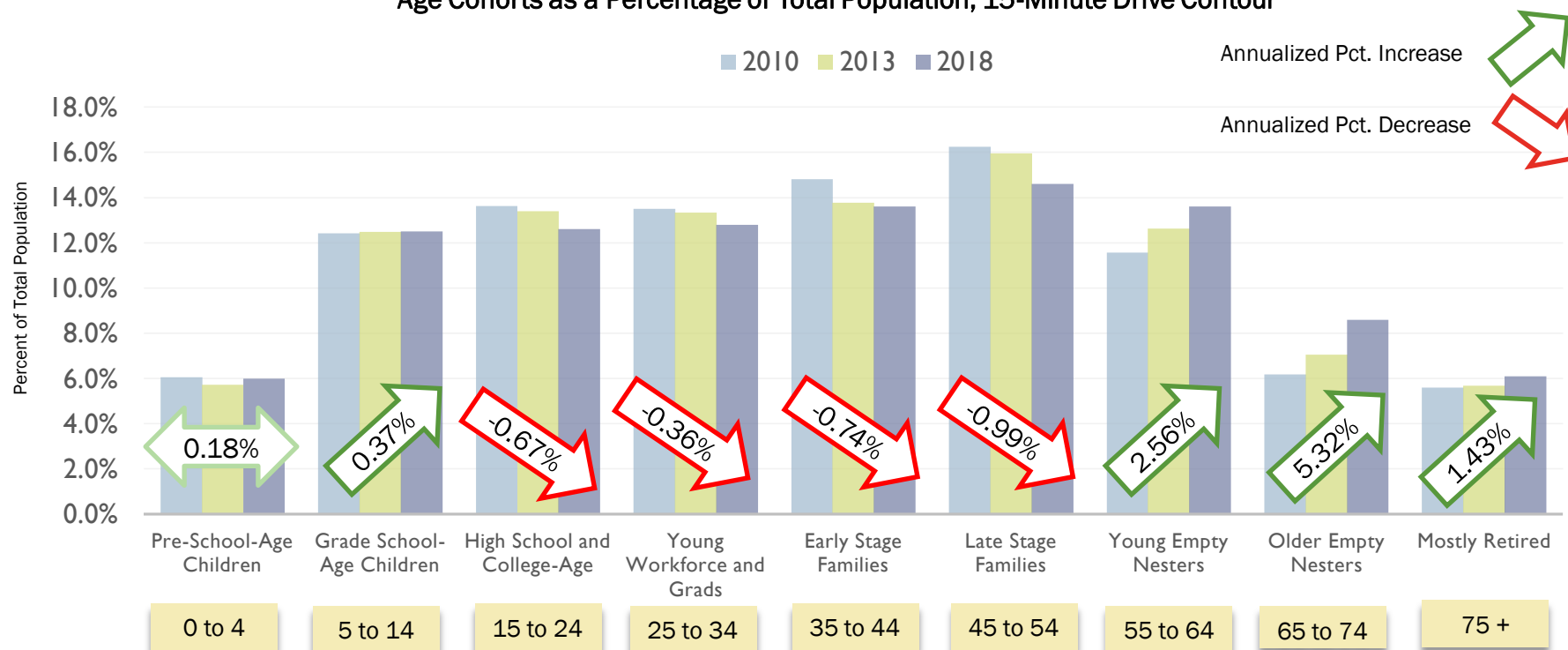
The relatively strong increase in non-family households is consistent with national demographic trends: relatively fewer couples are choosing to marry and start families, and those who do marry and start families are waiting longer to do so. Further, single-person household formation is driving the upward increase in non-family households.

Sources: US Census Bureau; Esri; 4ward Planning Inc., 2014

# Age Distribution

The age distribution of the 15-minute drive contour has experienced steady growth in the 55-and-over age cohorts, a trend that is very likely to continue over the coming years. In contrast, the share of residents ages 15 through 54, while comprising the majority of all persons in the area, is in steady decline. In addition to general population trends, this decline may suggest that this population is leaving and/or not moving to Brookfield, either due to issues of housing choice, affordability and/or employment prospects.

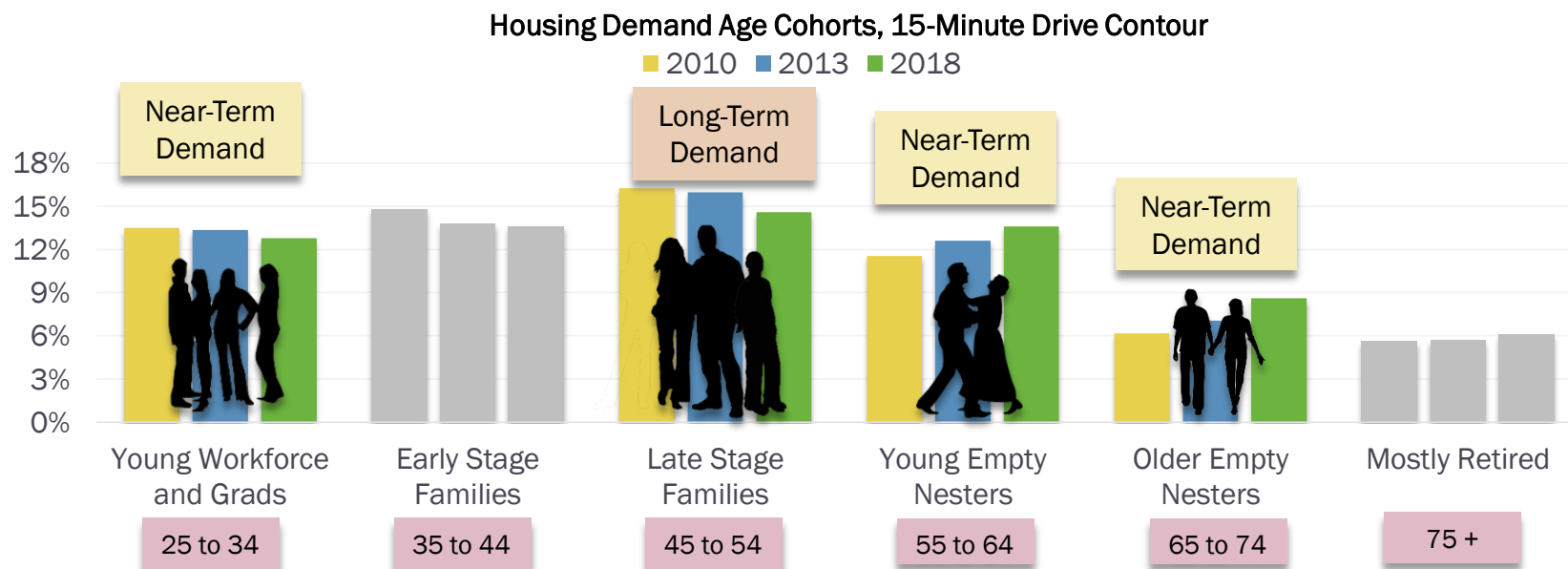
Age Cohorts as a Percentage of Total Population, 15-Minute Drive Contour



Source: US Census Bureau; Esri; 4ward Planning Inc., 2014

# Age and Housing Demand

In the near term (the next seven years) and long term (beyond the next seven years), housing demand in the 15-minute drive contour and Brookfield area will likely come from within the demographic groups highlighted below. The 55-to-74 age cohort (empty nesters) will exert considerable influence on the type of housing developed, specifically smaller housing units, as they downsize from traditional single-family units. As previously highlighted, this group is increasing as a share of the total county population. To a lesser extent, young professionals (ages 25 to 34) may also influence the county's housing market over the coming years. While this age group is forecasted to decline slightly as a percent of the total population through 2018, they also typically seek small, affordable, rental units with convenient commutes to jobs or school, and thus, may be more likely to locate to a town which has such housing types.

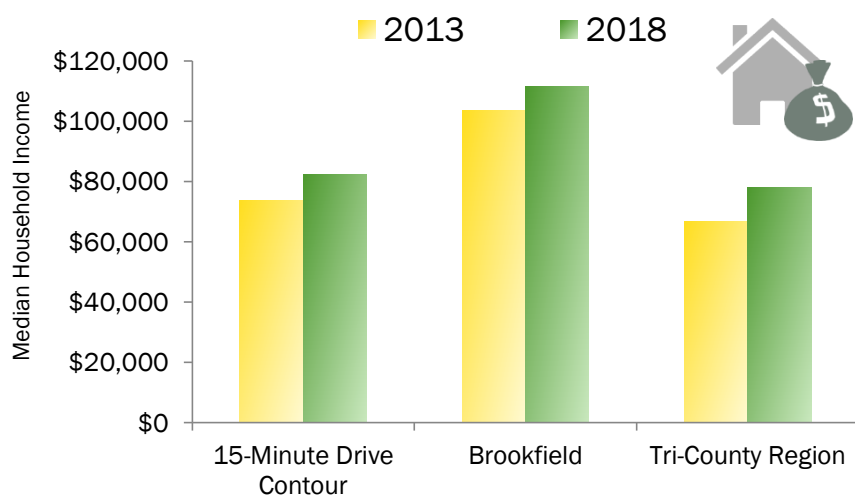


Source: US Census Bureau; Esri; 4ward Planning Inc., 2014

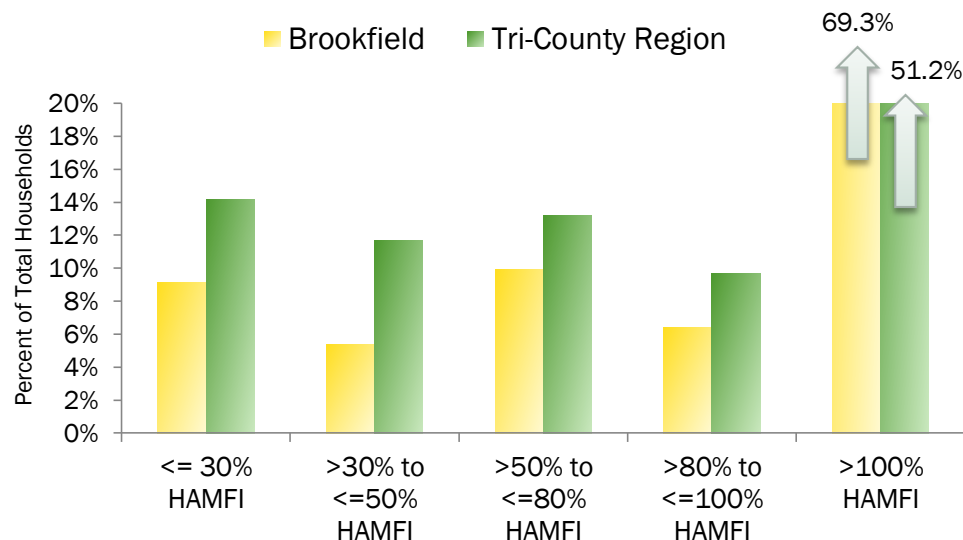
# Median Household Income

The Town of Brookfield had a notably high 2013 median household income, at over \$100,000, approximately \$30,000 higher than the 15-minute drive contour and nearly \$37,000 higher than the Tri-County Region. Additionally, Brookfield outperforms the Tri-County Region in percentage of households with income greater than the U.S. Department of Housing and Urban Development (HUD) Area Median Family Income (AMI), which is \$113,600 for 2014. As of 2011, nearly 70 percent of households within Brookfield earned greater than the AMI, almost 20 percent higher than the Tri-County Region. A concentration of high income households, generally, also leads to a concentration of high cost housing, in a given area, making it more difficult for lower- and moderate-income households to enter the market.

Median Household Income Comparison



Income Distribution Relative to Area Median Family Income, 2011

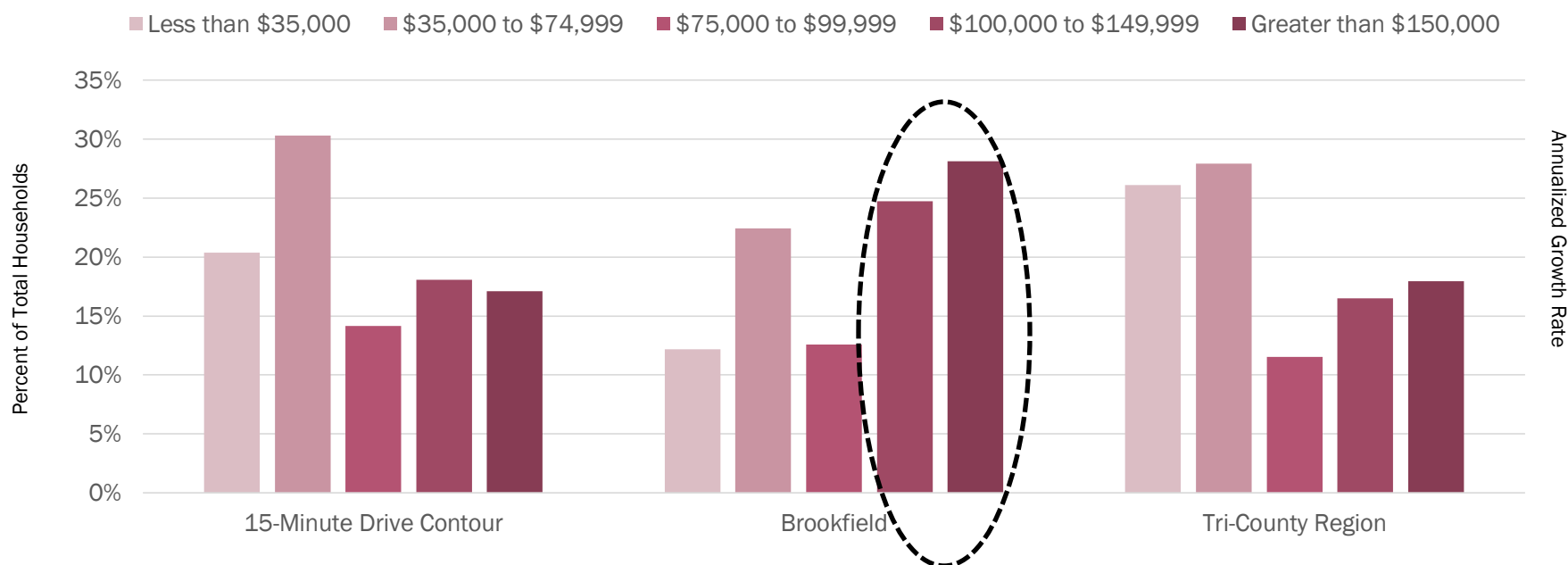


Sources: US Census Bureau; Esri; CHAS; 4ward Planning Inc., 2014

# Income Distribution

As exhibited below, over half of all households within Brookfield earned an estimated \$100,000 or more in 2013, compared to just over one-third of all households within the 15-minute drive contour and Tri-County Region. Brookfield has the lowest share of households earning less than \$35,000 a year. However, the high concentration of higher-income households reflects a town at risk of becoming less affordable to low- and medium-income workers, particularly as lower-wage occupations experience strong growth relative to higher-wage occupations, according to the Connecticut Department of Labor. As housing becomes less affordable to lower-wage workers, upward wage pressure will be felt by many area employers.

Household Income Distribution, 15-Minute Drive Contour

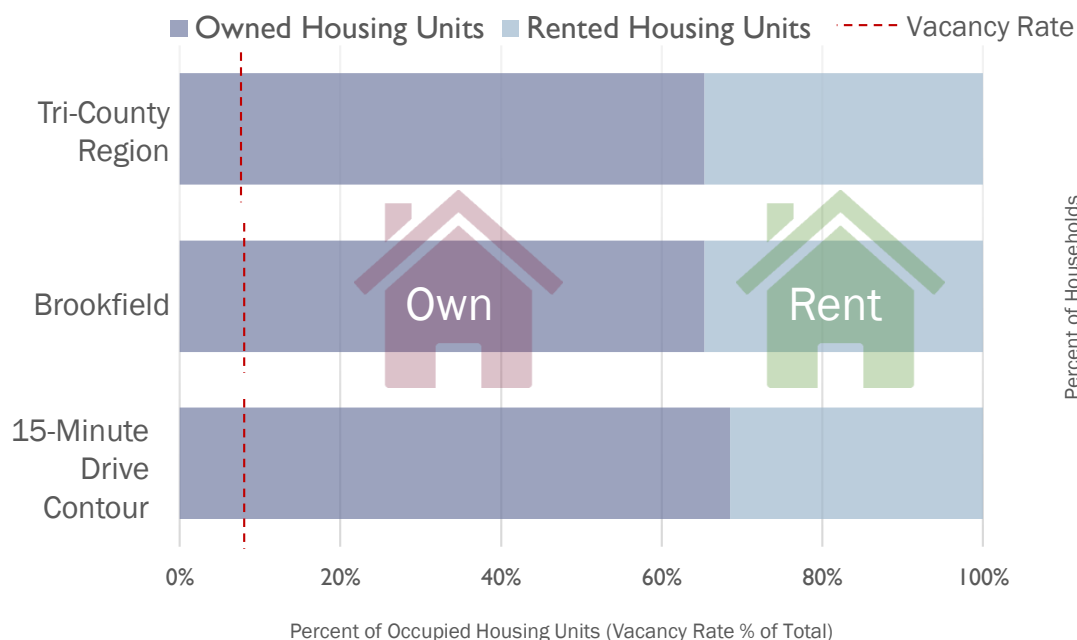


Sources: US Census Bureau; Esri; 4ward Planning Inc., 2014

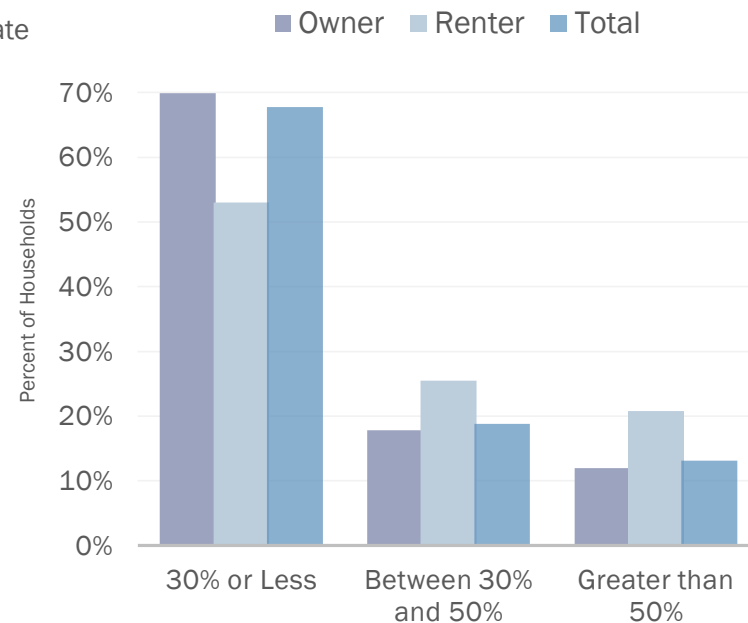
## Housing Tenure Trends

The figure below comparatively illustrates trends in housing tenure for the three study geographies, indicating that home ownership is the dominant trend, regionally. Vacancy rates are also relatively consistent among the study areas, all hovering around eight percent. Within the Town of Brookfield, homeowners are much less likely to be cost-burdened (e.g., paying over 30 percent of income toward housing) compared to area renters. Indeed, nearly half of all renter households are cost-burdened, while less than thirty percent of owner households are cost-burdened, according to U.S. Census data.

Housing Tenure Comparison, 2013



Cost Burden by Tenure, Town of Brookfield, 2011

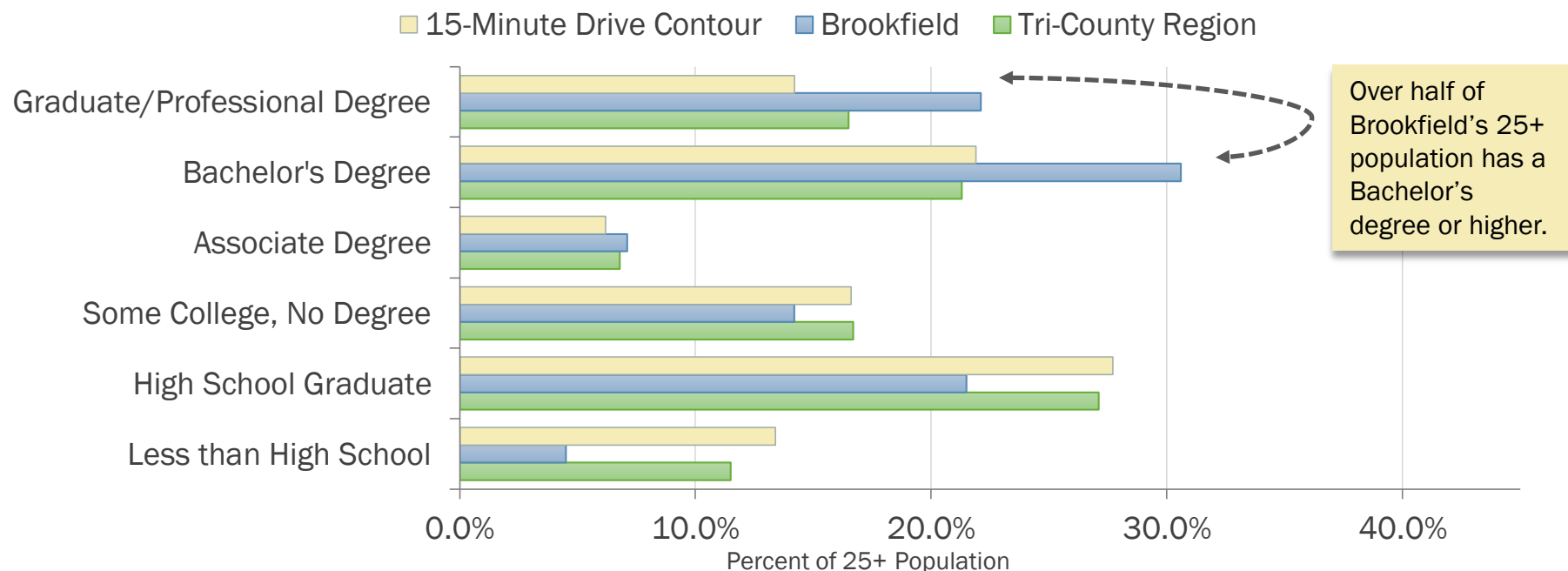


Source: US Census Bureau; Esri; 4ward Planning Inc., 2014

## Educational Attainment

Illustrated below, the Town of Brookfield exhibits higher educational attainment levels than both the 15-minute drive contour and the Tri-County Region. Relatively high levels of educational attainment are consistent with Brookfield's high income levels, as these characteristics are highly correlated. Further, households exhibiting high educational attainment levels (e.g., bachelor's degree or higher), typically, have a greater propensity to demand owner-occupied housing, versus rental – and this, in turn, influences what gets built.

Educational Attainment by Geography

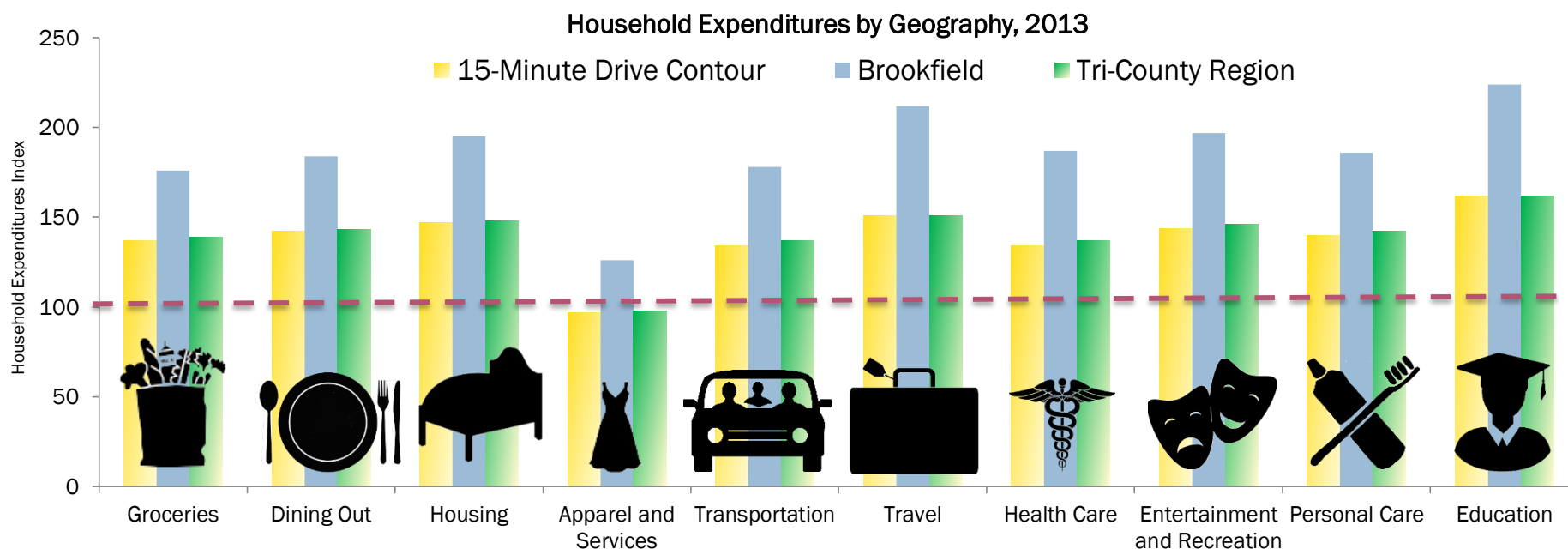


Source: US Census Bureau, Esri, 4ward Planning Inc., 2014



## Household Expenditures

The figure below illustrates the spending potential of households in each of the three analysis geographies, on a select set of discretionary spending categories. An index value of 100 represents the national average. All geographies are generally well above the national average in most spending categories, with Brookfield leading among them; consistent with its high household incomes. Indeed, households in Brookfield spend more than twice the national average on travel and education, while households in the 15-minute drive contour spend over 40 percent more than the national average on dining out and entertainment/recreation. These trends suggest that retail development within Brookfield (particularly as part of a mixed-use residential development project) should benefit from spending patterns of households both within the town, as well as the surrounding area.

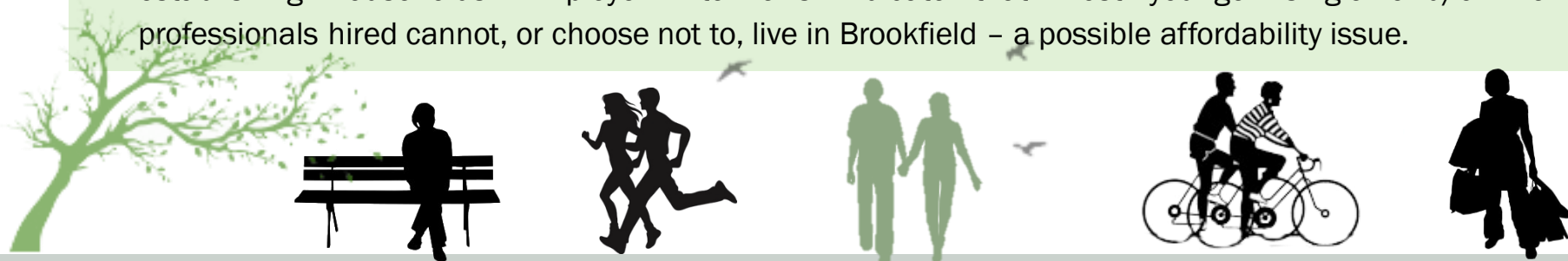


Source: US Census Bureau; Esri; 4ward Planning Inc., 2014

## Takeaway: Socio-Economic Trends

The preceding analysis of socio-economic trends for the 15-minute drive contour, the Town of Brookfield, and the Tri-County Region provides insight into the population, housing, and demographic characteristics of the area. While growth in population and household formation has remained relatively flat, and is forecasted to remain so into the near future, there are a number of indicators which suggest room for increasing the supply of affordable housing stock in Brookfield and the surrounding market area:

- Nearly half of all renter households are cost burdened, spending more than 30 percent of their income on housing. Further, relatively strong growth in non-family households (typically, these are small one- and two-person households which opt to rent, rather than own their homes) suggests a likely increasing demand for small, affordable rental units.
- There exists a fast-growing segment of those 55 years of age and older. As persons near retirement, greater consideration is given to downsizing one's residence while remaining close to family, friends, and employment opportunities. This suggests a need for affordable housing choice accommodative of the 55-plus set – again, a demand driver for smaller housing units, a good portion of which being rental.
- Additionally, those under 55 are declining as a percentage of total population, suggesting that the supply of housing for these age groups may be inadequate or too expensive for young persons and families establishing households. Employer interviews indicate that most younger single and/or new professionals hired cannot, or choose not to, live in Brookfield – a possible affordability issue.



# Labor and Industry Trends Analysis

ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™



## Key Findings: Labor and Industry Trends Analysis

### Employment remains below pre-crisis levels

The Tri-County Region experienced a sharp drop in total employment between 2007 and 2010, at over 54,000 jobs or six percent of total employment. While the number of jobs grew by over 17,000 between 2010 and 2012, the total number of jobs remains well below 2007 levels.



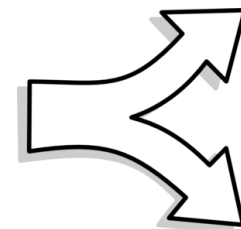
### High unemployment, beginning to trend downward in 2013

The unemployment rate of the Tri-County Region remains considerably high, relative to pre-crisis norms. While the rate of unemployment has begun to trend downward, this is partly a result of decreasing labor force participation due to retiring, aging, and discouraged workers, rather than overall economic health.



### Growing wage gap

The ratio of the top five and bottom five industries, by average monthly earnings, has grown since the financial crisis.



### Growth in health care and social assistance industry

Already the largest industry by employment in all study areas, Health Care and Social Assistance is expected to further expand through 2020, with nearly 9,000 jobs in the Northwest Connecticut Workforce Investment Area alone.



## Methodology: Labor and Industry Trends Analysis

4ward Planning Inc. conducted an examination of labor and industry trends in the Tri-County Region and surrounding geographies. The following study areas were analyzed:

- Tri-County Region including Fairfield, Litchfield, and New Haven Counties
- State of Connecticut
- State of New York

Industry and labor data were gathered from the U.S. Census Bureau's *OnTheMap* data server, as well as from Quarterly Workforce Indicators (QWI) reports. Work area analysis was performed for the most recent available years. Industry and occupational projections from the Connecticut Department of Labor were also utilized.

## Glossary of Terms: Labor and Industry Trends Analysis

**Primary Job** According to the U.S. Census, a primary job refers to the job an individual has which provides the greatest income. If an individual is employed by a single job, this would be considered a primary job. If an individual is employed at multiple jobs, including part-time employment, the job that provides the greatest income would be considered a primary job.

**Metropolitan Statistical Area (MSA)** Metropolitan Statistical Areas (metro areas) are geographic entities defined by the Office of Management and Budget, containing a core urban area of 50,000 or more population. Each metro area consists of one or more counties and includes the counties containing the core urban area, as well as any adjacent counties that have a high degree of social and economic integration (as measured by commuting to work) with the urban core.

**Flat and Moderate Growth** 4ward Planning defines flat growth as an annualized rate of change between -0.75 and 0.75 percent. We further define moderate growth is an annualized rate of change between (-)0.75 and (-)1.5 percent.

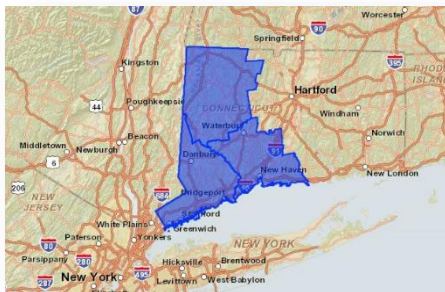
**Traded Industries** Industries which create and sell their goods and/or services to end users located outside of the market area (e.g., outside of the Tri-County Region). The manufacturing industry is an example of a traded industry.

**Local Serving Industries** Industries which, principally, sell their goods and/or services to end users located within the market area (e.g., within the Tri-County Region Labor Area). The retail industry is an example of a local serving industry.

Source: US Census Bureau

# Labor and Industry Trends Analysis – 2012 Key Metrics

Tri-County  
Region



Total Employment: 825,203

Top Industry by Employment: Health Care and Social Assistance

Unemployment Rate (2013 Annual Rate): 7.7%

State of  
Connecticut



Total Employment: 1,591,727

Top Industry by Employment: Health Care and Social Assistance

Unemployment Rate (2013 Annual Rate): 7.8%

State of  
New York



Total Employment: 8,451,461

Top Industry by Employment: Health Care and Social Assistance

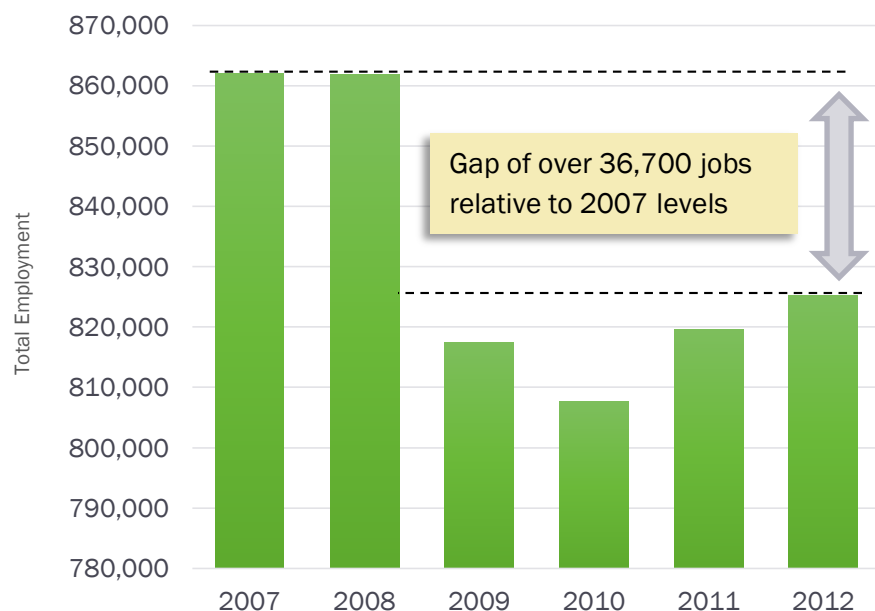
Unemployment Rate (2013 Annual Rate): 7.7%

Source: US Census Bureau; QWI; BLS

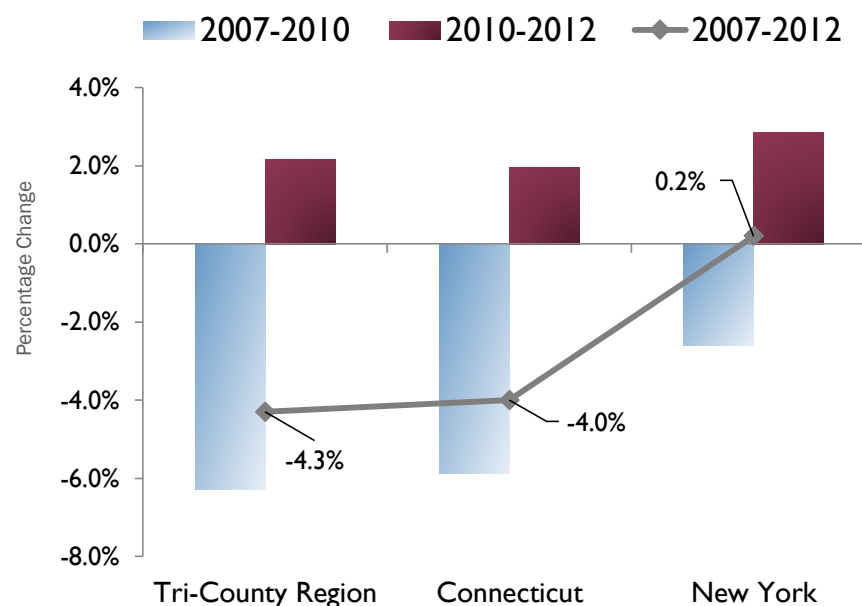
## Employment Profile: 2007 to 2012

The Great Recession had an enormous impact on the number of total primary jobs within the Tri-County Region, with losses of more than four-percent of the full-time workforce between 2007 and 2012. However, a modest post-crisis employment recovery occurred between 2010 and 2012, adding approximately 17,500 jobs and exceeding the primary job growth rate of Connecticut during the same time period. Total employment in the region remained well below 2007 levels in 2012, with a shortfall of over 36,700 jobs.

Tri-County Region Total Employment



Percentage Change in Total Primary Jobs



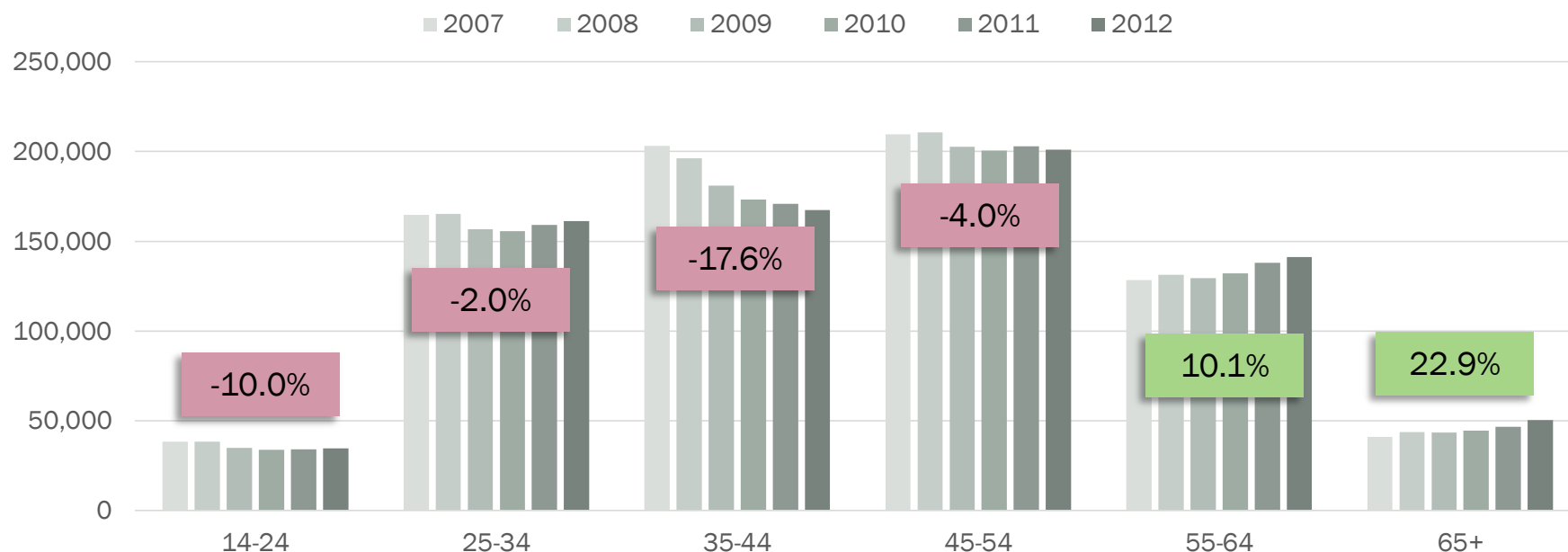
Source: US Census Bureau, QWI



## Employment Area Profile: Workers by Age Group

The Tri-County Region workforce is aging, as shown below. Every age cohort below 55 years saw a net decline in workers between 2007 and 2012. By contrast, workers ages 55 to 64 and over 65 saw employment gains of 10 percent and 23 percent, respectively. These trends are consistent with younger and middle-aged workers being disproportionately worse off, in terms of employment, as a result of the economic downturn. Further, the relatively strong rise in the share of workers 55 and older in the Tri-County Region suggests many companies value experience and productivity over youth and, generally, lower payroll costs.

Tri-County Region Employment by Age Cohort, 2007-2012

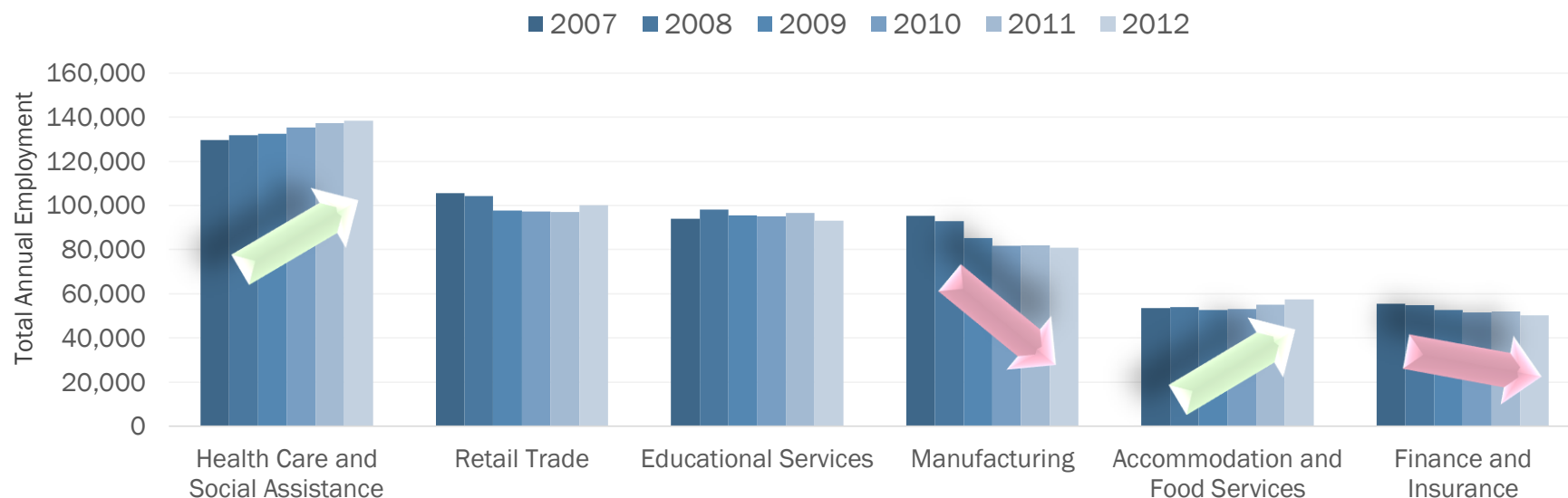


Source: US Census Bureau, OnTheMap

## Top Six Sectors by Total Employment – Tri-County Region

While the majority of sectors within the Tri-County Region experienced a net decline between 2007 and 2012, Health Care and Social Assistance maintained a steady employment increase. Of the top six sectors by employment, Manufacturing saw the greatest losses, at over 14,500 jobs, consistent with increasing automation and capital intensity of the tradable sector. In addition to the health sector, Accommodation and Food Services also recorded consistent employment growth between 2007 and 2012.

Total Industries by Total Employment, 2007-2012

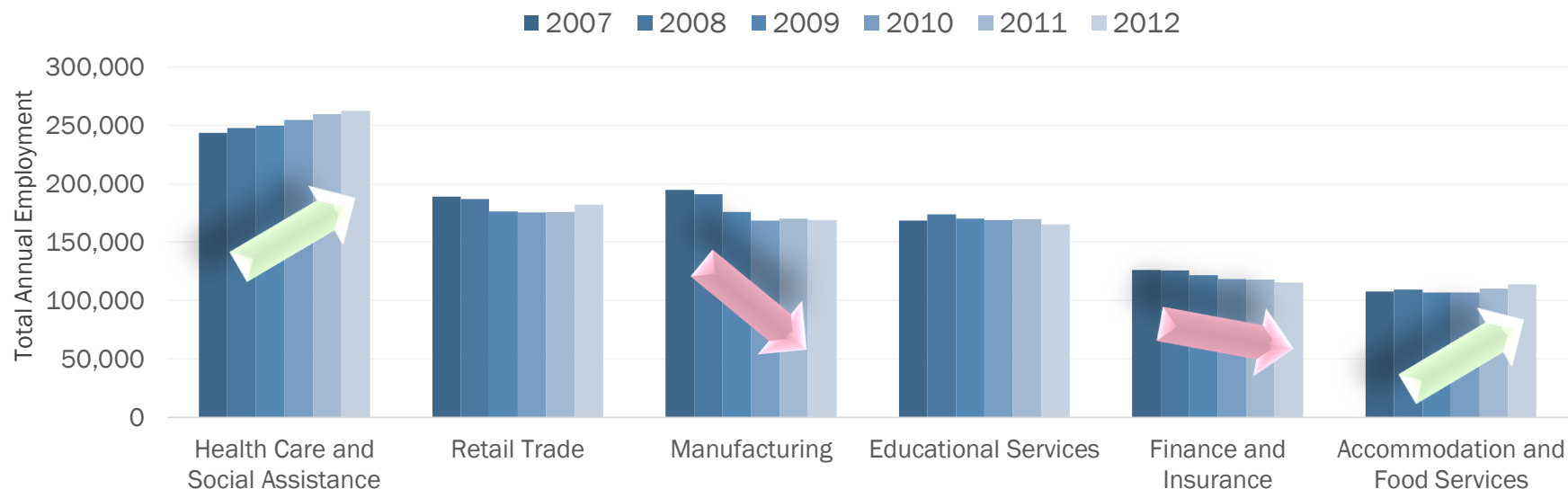


Source: US Census Bureau; QWI

## Top Six Sectors by Total Employment – Connecticut

Similar to the Tri-County Region, Connecticut experienced steady employment growth in the Health Care and Social Assistance and Accommodation and Food Services sectors, and declines in Manufacturing and Finance and Insurance.

Total Industries by Total Employment, 2007-2012



Source: US Census Bureau; QWI

## Industry Growth Projections: Northwest Connecticut WIA

Over this decade, Health Care and Social Assistance is the industry with the greatest anticipated numeric employment change, by a significant margin. It is also an industry which will create a large number of lower-wage jobs, generally.



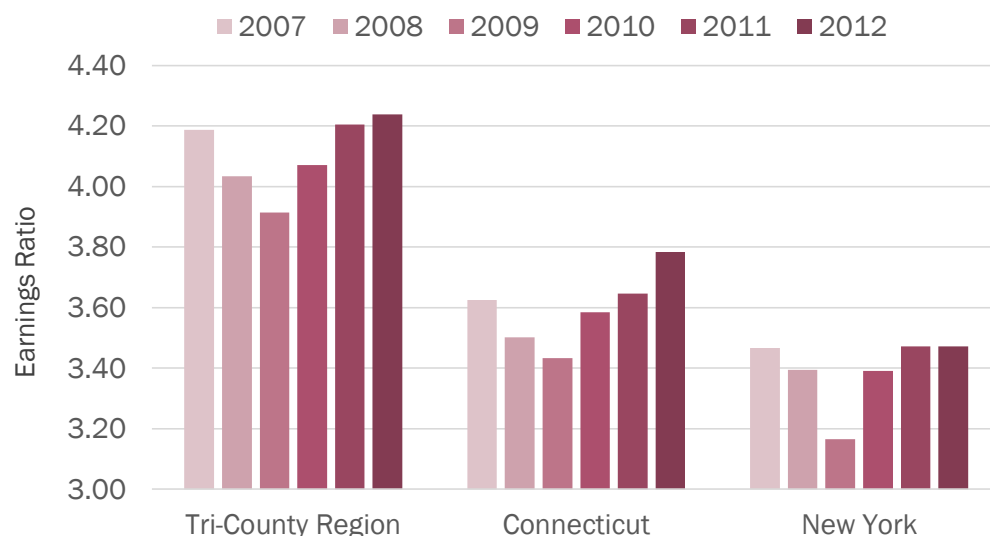
Industry	2010 Estimated Employment	2020 Projected Employment	Numeric Change	Percent Change
Health Care and Social Assistance	41,108	50,042	8,934	21.7%
Educational Services	22,931	25,639	2,708	11.8%
Professional, Scientific, and Technical Services	9,406	11,794	2,388	25.4%
Construction	8,561	10,507	1,946	22.7%
Retail Trade	30,037	31,523	1,486	4.9%
Admin & Support, Waste Mgmt & Remediation Services	8,690	10,025	1,335	15.4%
Accommodation and Food Services	14,711	15,943	1,232	8.4%
Other Services (Except Government)	9,802	10,909	1,107	11.3%
Wholesale Trade	9,001	9,941	940	10.4%
Transportation and Warehousing	4,449	5,251	802	18.0%
Management of Companies and Enterprises	4,156	4,713	557	13.4%
Arts, Entertainment, and Recreation	3,357	3,861	504	15.0%
Real Estate and Rental and Leasing	1,823	2,003	180	9.9%
Agriculture, Forestry, Fishing and Hunting	729	793	64	8.8%
Finance and Insurance	6,291	6,331	40	0.6%
Mining	253	273	20	7.9%
Government	10,854	10,858	4	0.0%
Utilities	857	763	-94	-11.0%
Information	2,931	2,783	-148	-5.1%
Manufacturing	26,525	26,354	-171	-0.6%

Source: Connecticut Department of Labor

## Average Monthly Earnings

Between 2007 and 2012, all geographies experienced inflation-adjusted average monthly earnings declines, with the Tri-County Region having the greatest decrease at 3.7 percent. All study areas also demonstrated a growing earnings gap between the top five industries and bottom five industries by average monthly earnings since the financial crisis. Additionally, within the Tri-County Region, the bottom five industries, particularly Retail Trade, Accommodation and Food Services, and Administration and Support, are expected to experience high relative occupational growth over the coming years.

**Ratio of Average Monthly Earnings of Top 5 Industries to Average Monthly Earnings of Bottom 5 Industries, 2007-2012**



**Top 5 Industries Average Monthly Earnings, Tri-County Region, 2012**

Finance and Insurance	\$16,453
Management of Companies	\$9,938
Utilities	\$9,125
Professional Services	\$8,426
Information	\$8,020

**Bottom 5 Industries Average Monthly Earnings, Tri-County Region, 2012**

Administration and Support Services	\$4,027
Other Services	\$3,182
Retail Trade	\$2,914
Agriculture	\$2,697
Accommodation and Food Services	\$2,152

Source: US Census Bureau; QWI

## Occupational Growth Projections: Northwest Connecticut WIA

The occupations projected to add the most jobs between 2010 and 2020 include personal care aides, registered nurses, and retail salespersons. Of particular note, the majority of job openings throughout the decade for many occupations are projected to come through annual worker replacement rather than new job growth, reflecting the greying workforce across industries and cautious hiring practices. Crucially, many of the highest-growing occupations, including personal care aides, retail salespersons, and childcare workers, are characterized by low wages, which may contribute to growing concerns regarding housing affordability.

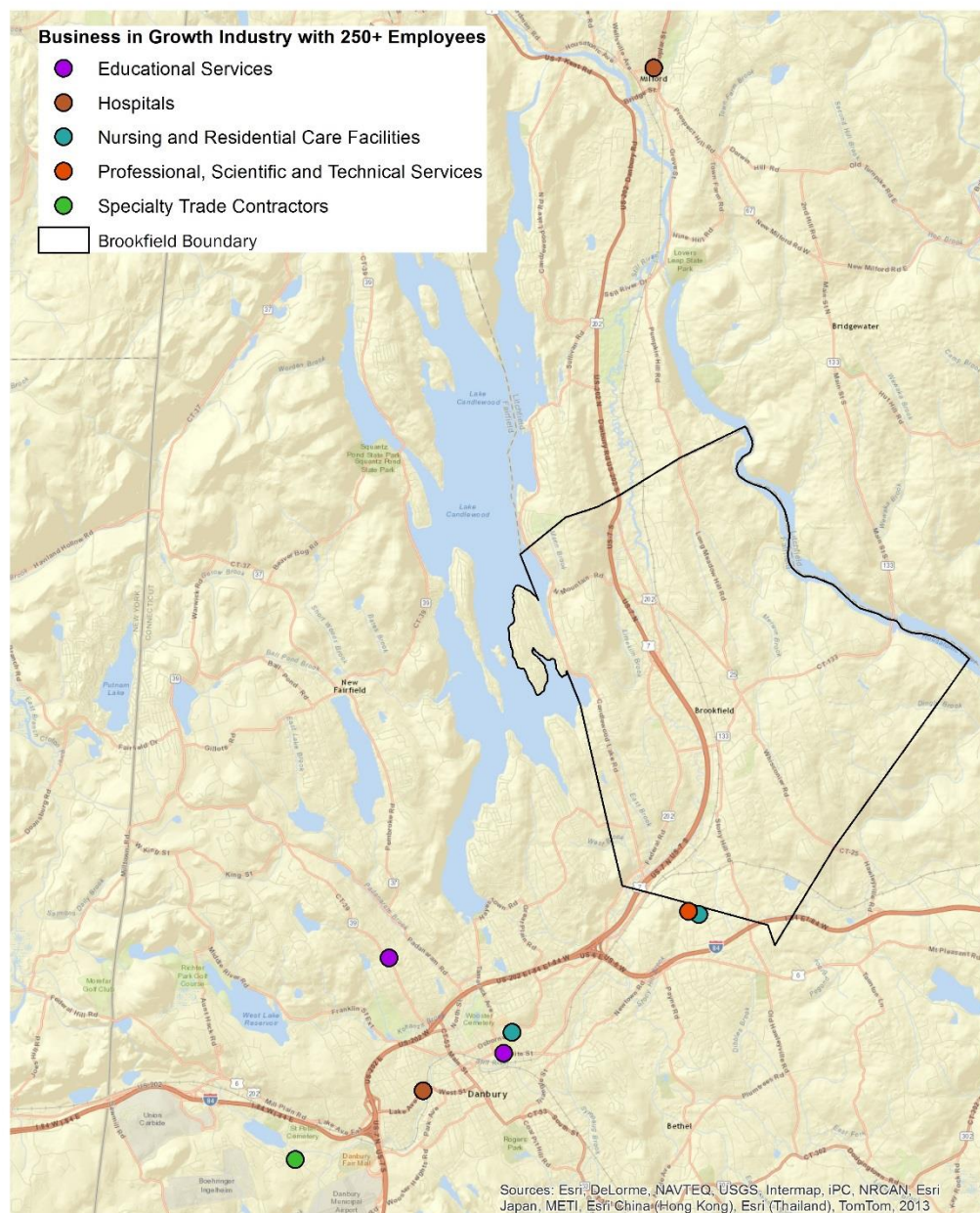
Occupation	2010 Estimated Employment	2020 Projected Employment	Numeric Change	Annual Growth Openings	Annual Replacement Openings	Total Annual Openings
Personal Care Aides	2,290	3,433	1,143	114	18	132
Registered Nurses	4,615	5,497	882	89	83	172
Retail Salespersons	7,767	8,503	736	73	229	302
Childcare Workers	2,635	3,255	620	62	83	145
Home Health Aides	1,460	2,008	548	55	19	74
Landscaping and Groundskeeping Workers	2,839	3,364	525	53	50	103
Office Clerks, General	3,976	4,448	472	47	71	118
Elementary School Teachers, Except Special Education	2,874	3,324	450	45	63	108
Food Preparation and Serving Workers	5,162	5,581	419	42	144	186
Teacher Assistants	3,328	3,739	411	41	75	116
Receptionists and Information Clerks	2,136	2,531	395	39	64	103
Nursing Aides, Orderlies, and Attendants	3,554	3,922	368	37	46	83
Bus Drivers, School or Special Client	1,206	1,571	365	37	23	60
Bookkeeping, Accounting, and Auditing Clerks	3,215	3,538	323	32	36	68
Cashiers	6,567	6,877	310	31	297	328
Waiters and Waitresses	3,024	3,322	298	30	152	182
First-Line Supervisors of Office and Admin Support	3,378	3,675	297	29	91	120

Source: Connecticut Department of Labor



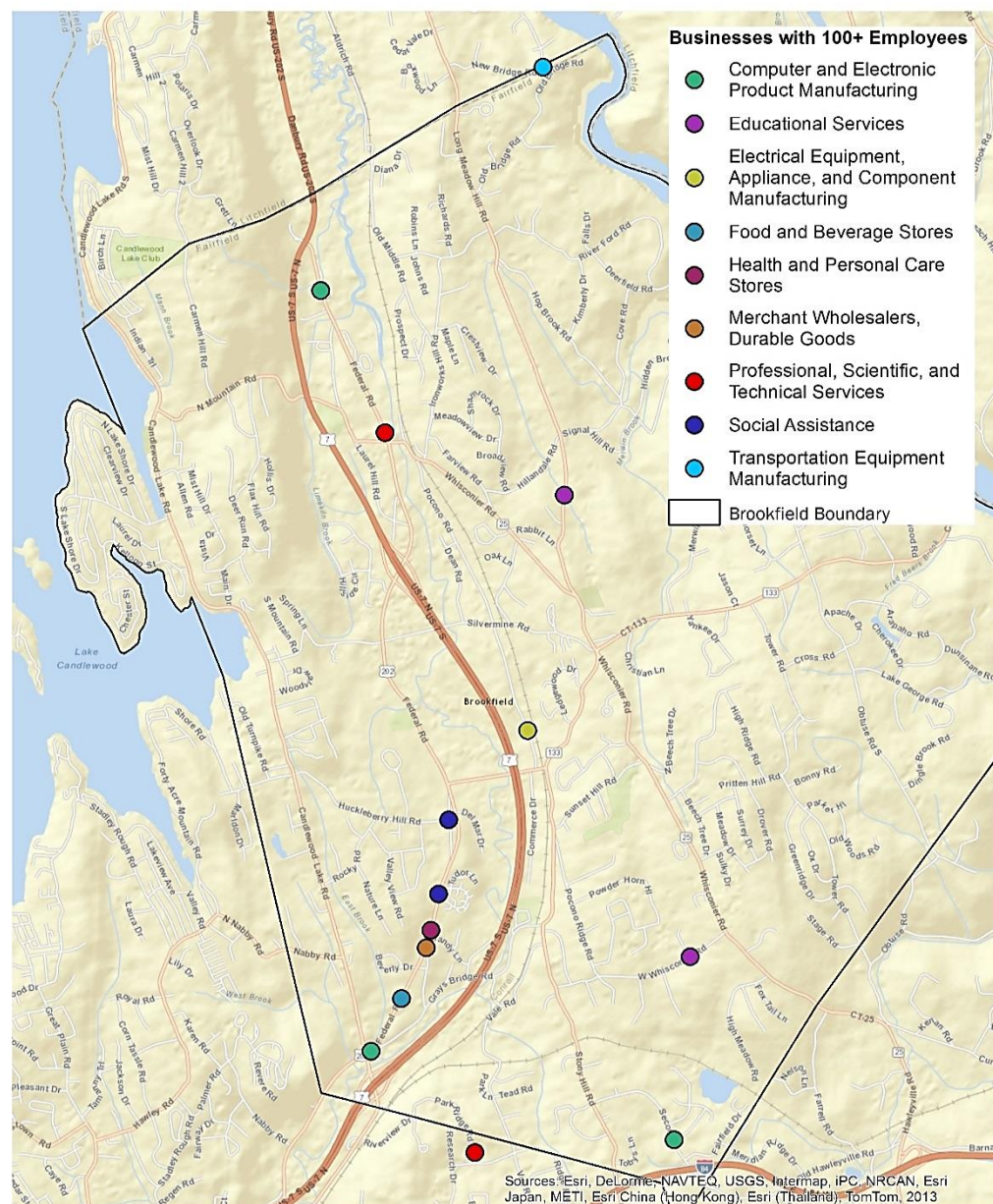
## Employment Drivers

Within a 10-mile radius of Brookfield, shown at right, major employers in growth industries can largely be found in Danbury and represent growing industries including Hospitals, Educational Services, and Specialty Trade Contractors.



# Employment Drivers

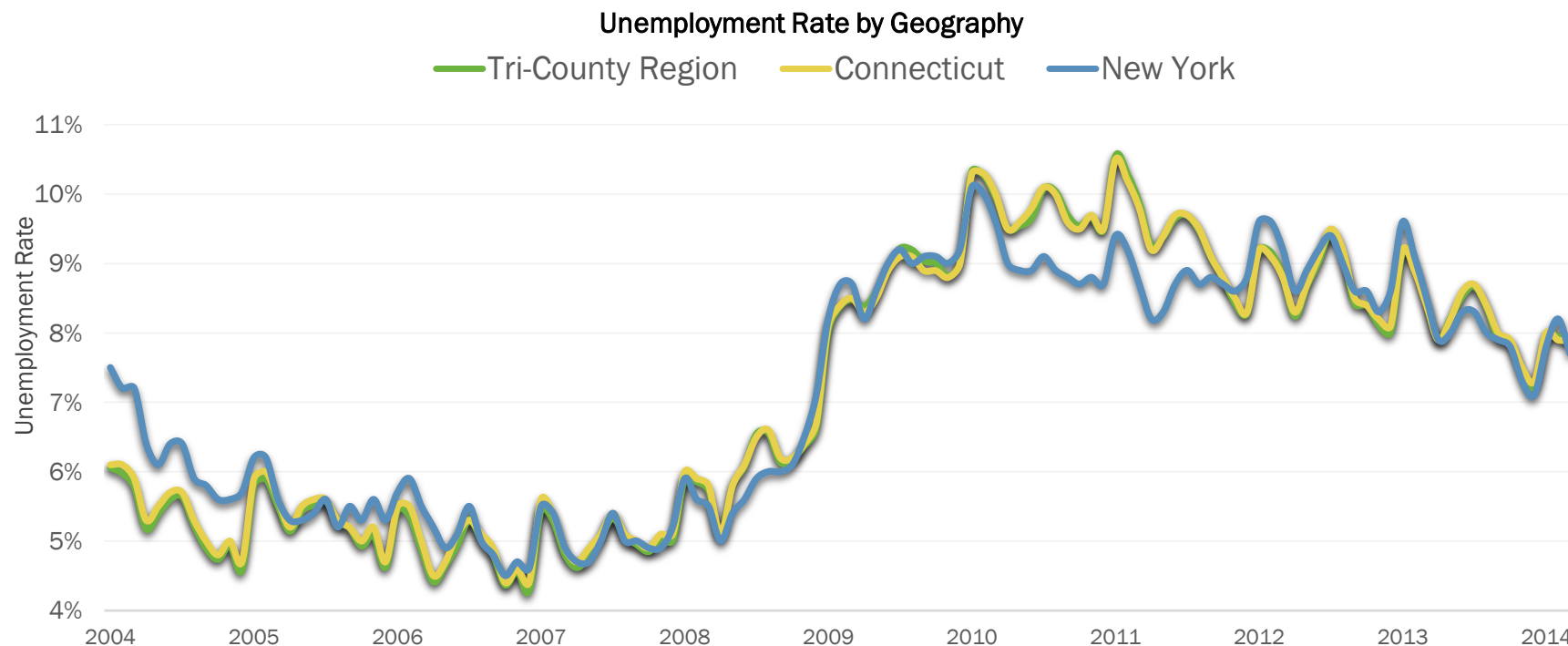
Highlighted on the right, businesses within Brookfield that employ over 100 people represent a diversity of industry sectors and include those expected to experience the greatest relative growth over the decade. Such industries include Social Assistance, Educational Services, and Professional, Scientific, and Technical Services.





## Employment Area Profile: Unemployment

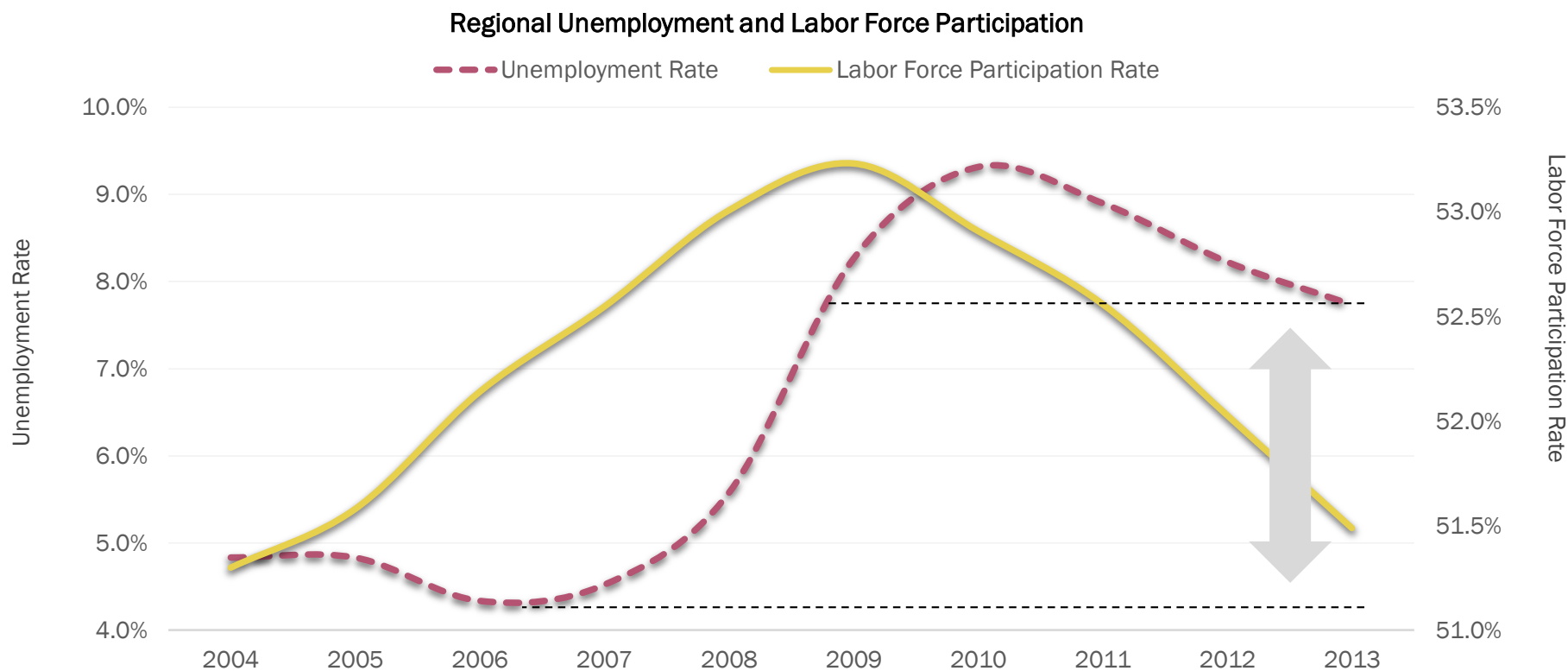
The unemployment rate of the Tri-County Region has remained very close to Connecticut's over the past ten years. While the rate of unemployment has begun to trend downward, it remains well above pre-crisis norms and also reflects a declining labor force. Further, the unemployment rate remains above seven percent for all geographies. Given a still relatively weak employment market, local area housing prices (both rental and owner-occupied) will be hard pressed to rise.



Source: BLS

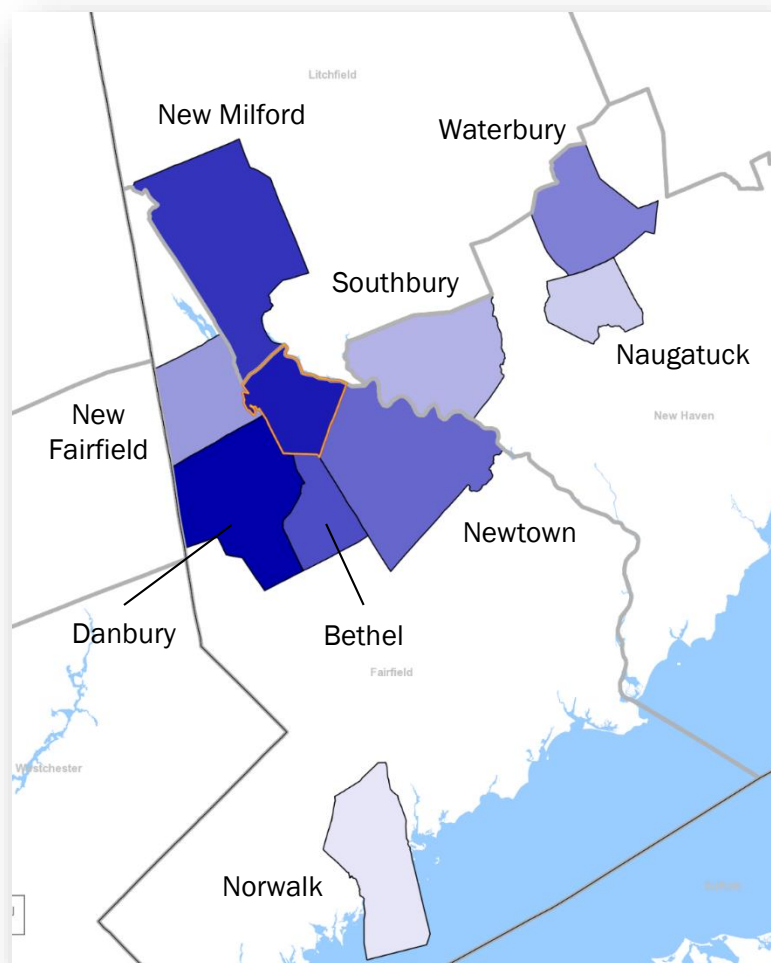
## Employment Area Profile: Unemployment and Labor Force

Within the tri-county county region, there remains a large gap in unemployment, relative to pre-crisis levels. While the unemployment rate started to decline in 2010, to reach the lowest level since 2008 by 2013, this was partly a result of decreasing labor force participation due to retiring, aging, and discouraged workers, rather than overall economic health.



Source: BLS

# Home Destinations for Brookfield Workers by Municipality

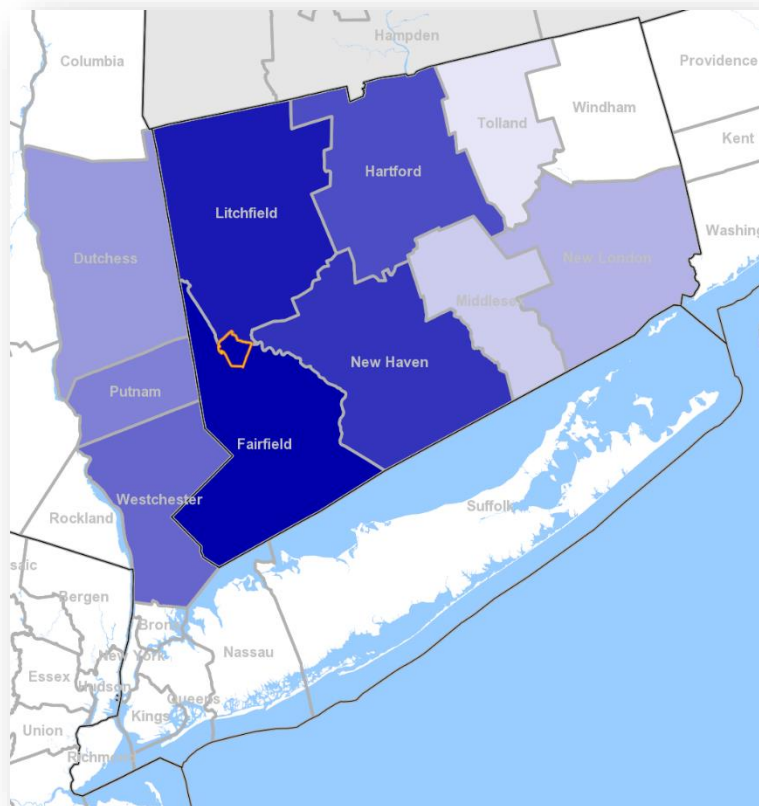


Home Destinations for Workers within Brookfield

	2011		2007	
Danbury town	1,101	<b>18.3%</b>	1,349	<b>19.1%</b>
Brookfield town	842	<b>14.0%</b>	1,104	<b>15.6%</b>
New Milford town	654	<b>10.9%</b>	673	<b>9.5%</b>
Bethel town	290	<b>4.8%</b>	393	<b>5.6%</b>
Newtown town	259	<b>4.3%</b>	247	<b>3.5%</b>
Waterbury town	180	<b>3.0%</b>	358	<b>5.1%</b>
New Fairfield town	165	<b>2.7%</b>	190	<b>2.7%</b>
Southbury town	144	<b>2.4%</b>	116	<b>1.6%</b>
Naugatuck town	77	<b>1.3%</b>	105	<b>1.5%</b>
Norwalk town	74	<b>1.2%</b>	107	<b>1.5%</b>
All Other Locations	2,238	<b>37.2%</b>	2,417	<b>34.2%</b>

Source: US Census Bureau, OnTheMap; 4ward Planning Inc., 2014

# Home Destinations for Brookfield Workers by County



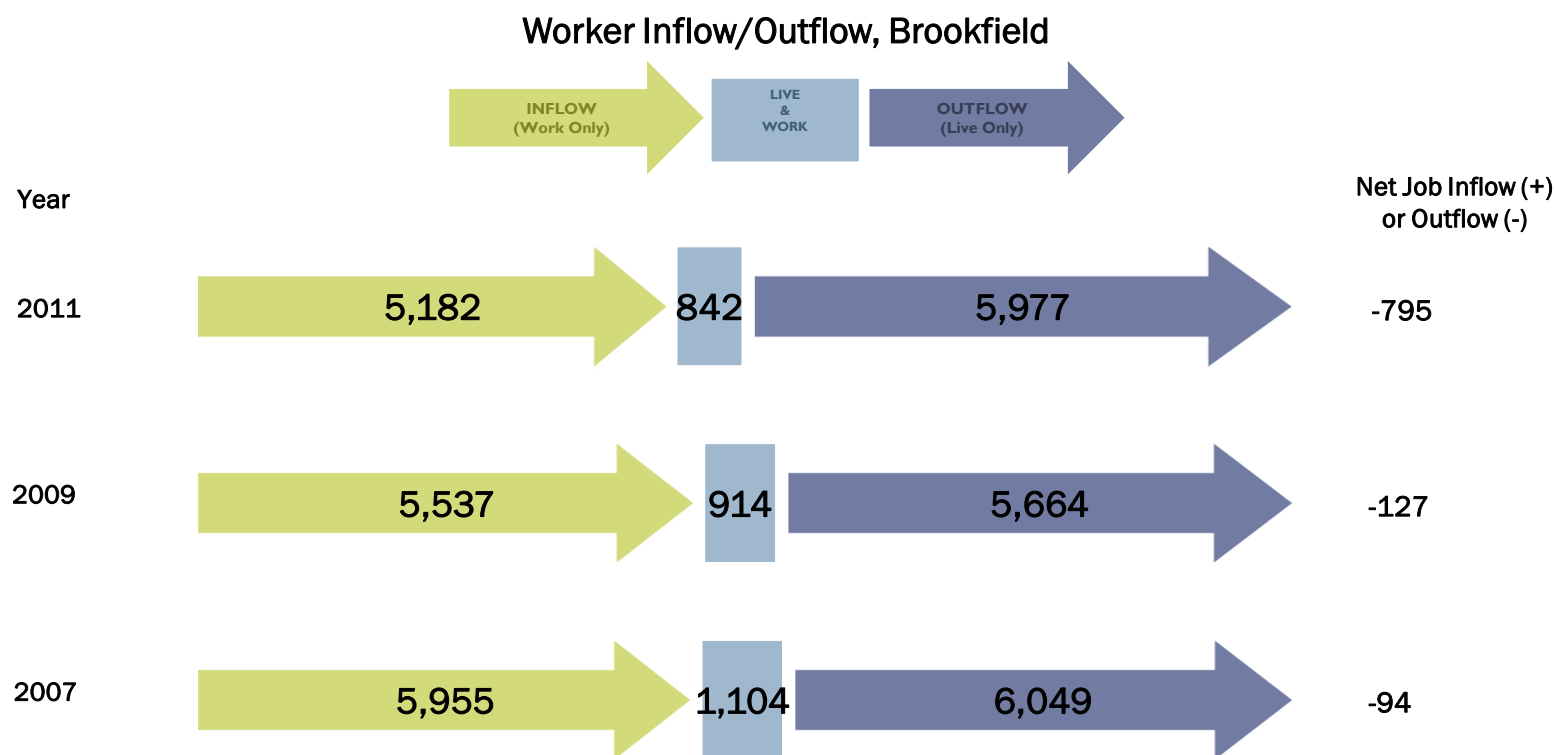
Home Destinations for Workers within Brookfield

	2011		2007		
Fairfield County, CT	3,206	<b>53.2%</b>	4,008	<b>56.8%</b>	↓
Litchfield County, CT	1,048	<b>17.4%</b>	1,080	<b>15.3%</b>	↑
New Haven County, CT	819	<b>13.6%</b>	1,064	<b>15.1%</b>	
Hartford County, CT	304	<b>5.0%</b>	328	<b>4.6%</b>	
Westchester County, NY	101	<b>1.7%</b>	65	<b>0.9%</b>	
Putnam County, NY	85	<b>1.4%</b>	80	<b>1.1%</b>	
Dutchess County, NY	77	<b>1.3%</b>	87	<b>1.2%</b>	
New London County, CT	66	<b>1.1%</b>	70	<b>1.0%</b>	
Middlesex County, CT	45	<b>0.7%</b>	46	<b>0.7%</b>	
Tolland County, CT	31	<b>0.5%</b>	32	<b>0.5%</b>	
All Other Locations	242	<b>4.0%</b>	199	<b>2.8%</b>	

Source: US Census Bureau, OnTheMap; 4ward Planning Inc., 2014

## Worker Inflow/Outflow

Between 2007 and 2011, the net worker outflow for the Town of Brookfield increased, while total employment declined, suggesting a decrease in employment opportunities within Brookfield.



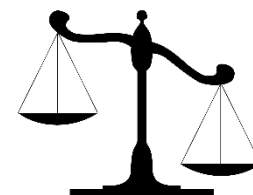
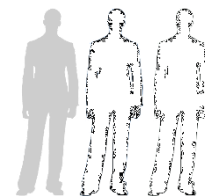
Source: US Census Bureau, OnTheMao; 4ward Planning, 2014

## Takeaway: Labor and Industry Trends Analysis

While the Tri-County Region surrounding Brookfield has recovered some employment losses resulting from the Great Recession, there is still a significant shortfall of nearly 37,000 jobs relative to pre-crisis levels. Further, unemployment within the region, though down in 2013, remains persistently higher than pre-crisis norms. The tri-county will additionally need to confront the following issues going forward.

**Inflation-Adjusted Earnings Declines in Most Industries:** Between 2007 and 2012, a majority of industries (12 out of 20) within the Tri-County Region saw inflation-adjusted earnings decline. With this decline representing over 60 percent of regional workers, concerns over housing affordability may deserve increasing attention.

**Employment Growth Concentrated within Lower-Wage Industry Sectors:** As depicted in earlier charts and tables, the greatest employment growth is projected to occur within industries which, traditionally, offer relatively lower wages (e.g., Healthcare and Social Assistance, Retail, and Accommodation and Food Services). This is also likely to intensify the issue of housing affordability within the region.



# Interview Findings

ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™



## Methodology: Interviews

4ward Planning conducted a series of phone interviews to gain an on-the-ground perspective on housing demand and public service needs in Brookfield. We interviewed chief executive officers or human resources representatives of companies identified as growth industries in the prior analysis; property managers of area housing developments; emergency service providers; and, the Brookfield School District.

These interviews aid in our understanding of the local context, and often raise additional questions. However, due to the limited sample size, they should not be construed as a statistically significant survey of the community. Additionally, the findings represent opinion as well as facts. Even when incorrect, commonly-held perceptions often identify areas for improvement or greater transparency.

We assure anonymity during our interviews so as to gain candid insight; however, in some cases factual information provided will be obvious (e.g. as they relate to specific public services).



## Key Findings: Interviews – Public Services

### **The public school district can accommodate more students**

As discussed earlier, the school district is facing declining enrollment. While class sizes are comfortable now, the schools could accommodate a modest increase in children (seeing that the schools are not at peak enrollment). It's important to remember that any change in enrollment occurs across grade levels and not in just one grade, thus dispersing any impact.



### **Multifamily housing is indistinguishable from single-family housing in terms of emergency service provision**

Emergency calls occur at the same rate for all housing types and there are no greater staff requirements. As can be expected, housing with a greater concentration of elderly population experiences a higher rate of ambulance calls. Police and fire staffing levels are on target with the current population. Additional housing is not expected to have a significant impact on the provision of emergency services.



## Key Findings: Interviews – Property Managers

### Multifamily units attract a broad range of ages

According to property managers, people living in Brookfield's multifamily housing are young professionals (singles or couples), single moms, and the growing empty nester and retiree population. These represent the growing household types, nationally. Children do live in multifamily units, but at lesser rates when they are one- or two-bedroom units.



### A range of income levels can be found in multifamily units

Tenants include those just starting out or on a fixed income (particularly in income-based units) as well as corporate-types relocating to the area.



### Low vacancy rates and quick turnover suggest strong demand

Multifamily properties report maintaining high occupancy rates (above 96% in rentals), waitlists for rental units, and quick turn-around (as low as three weeks) for both rental and owned housing units. The only indicator of the economic recession has been stagnant or declining lease rates and sale prices.



## Key Findings: Interviews - Employers

### Unsurprisingly, lower wage-earners struggle to live in Brookfield

According to local employers, employees who are most challenged to live in Brookfield are those new to the workforce and single people. This is true of teachers, nurses, service professionals, and retail clerks, in particular.



### Recruiting workers is not affected by housing costs

No employer interviewed reported any difficulty in recruiting workers. If housing is out of reach in Brookfield, people opt to live in Danbury or New Milford, which is within the primary market area studied herein.



### Employees with long commutes would prefer to live closer

Participating employers suggest that most of their employees live well within 30 minutes of their workplace. When provided, workers commuting longer than 30 minutes ranged from zero percent to 44 percent of the total workforce. However, employers confirmed that those with long commutes would prefer to live closer or often find jobs closer to their home.



## Key Findings: Interviews - Developers

### **Demand for affordable housing is great**

Interviews indicate there is a demand for more multifamily, rental housing in Brookfield, and particularly using the incentive regulations. This is supported by low vacancy rates and waitlists at existing properties. The challenge identified with affordable housing (with costs based on the State Median Income) is the greater difficulty in qualifying residents. The incentive zoning ordinance is seen as the more effective solution.



### **Allowing greater density will help meet need**

If more housing is allowed in Brookfield, either through new locations or increased densities in existing zones, developers indicate they could build at a lower cost through economies of scale. The affordable and incentive zoning ordinances are attractive because they allow a developer to build more units (even though they make no profit on the income-restricted units). They also provide greater value to the selling landowner, as a result of the higher land value.



## Key Findings: Interviews – Developers (cont.)

### Building new multifamily housing is challenging

Developers indicated that high costs of land, infrastructure, and regulatory approvals make building lower-priced housing impossible, without incentives, a fact not not exclusive to Brookfield. However, in Brookfield, limited land exists in which multifamily is allowed by zoning. Other zoning restrictions (such as requirements for non-residential area in Four Corners<sup>†</sup>) may also deter developers who seek an efficient and predictable process.

### Developers seek incentives – financial or otherwise

We queried developers as to the critical elements they look for when deciding to invest in a new project (shown at right). According to developers, financial incentives for the type of development the town wants to see are critical to constructing new housing, as well as generating demand for commercial uses. Financial incentives (in the form of tax deferrals or reductions) are certainly one option, but they are not the only means to encourage investment.

What are the top three critical factors when evaluating a redevelopment opportunity?

Incentives  
offered by Town

Have jobs,  
amenities to  
attract people

Consistency of  
local government

Competition  
(building stock)

Reputation of  
locale (for  
investors)

<sup>†</sup> To be clear, developers objected not to the need for non-residential uses on the first floor, but to the specific amount of non-residential required (too much) in relation to residential square footage.

# Residential Real Estate Market Trends

ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™



## Key Findings: Residential Inventory and Market Trends

### Single-family homes are dominant housing type

More than eight of ten housing units within Brookfield are single-family, detached units, which is significantly higher than Fairfield County and the Tri-County Region. Such high concentration of this housing type may contribute to lower housing affordability, as single-family homes are typically less affordable than multifamily units.



### Cost-burdened households

More than one-third of all households within Brookfield are cost-burdened (paying over thirty percent of their income on housing). When broken out by ownership, half of all renter households are cost-burdened.



### Low number of multifamily listings

Brookfield has a low availability of listed multifamily properties for rent, suggesting a tight multifamily market relative to the surrounding area.



### Nearly 1,200 units

The projected demand for new housing units within the Town of Brookfield through 2028 is just under 1,200 units, using a modest growth scenario.

Town of Brookfield  
1,191 units

## Methodology: Key Steps for Analyzing Trends

4ward Planning utilized Reis, a nationally recognized supplier of office, retail, industrial, and multifamily rental data, to identify submarket multifamily real estate trends. In addition to analyzing Reis reports, 4ward Planning's third-party data review included industry products, such as Loopnet and Zillow, to identify location and character of currently available properties.

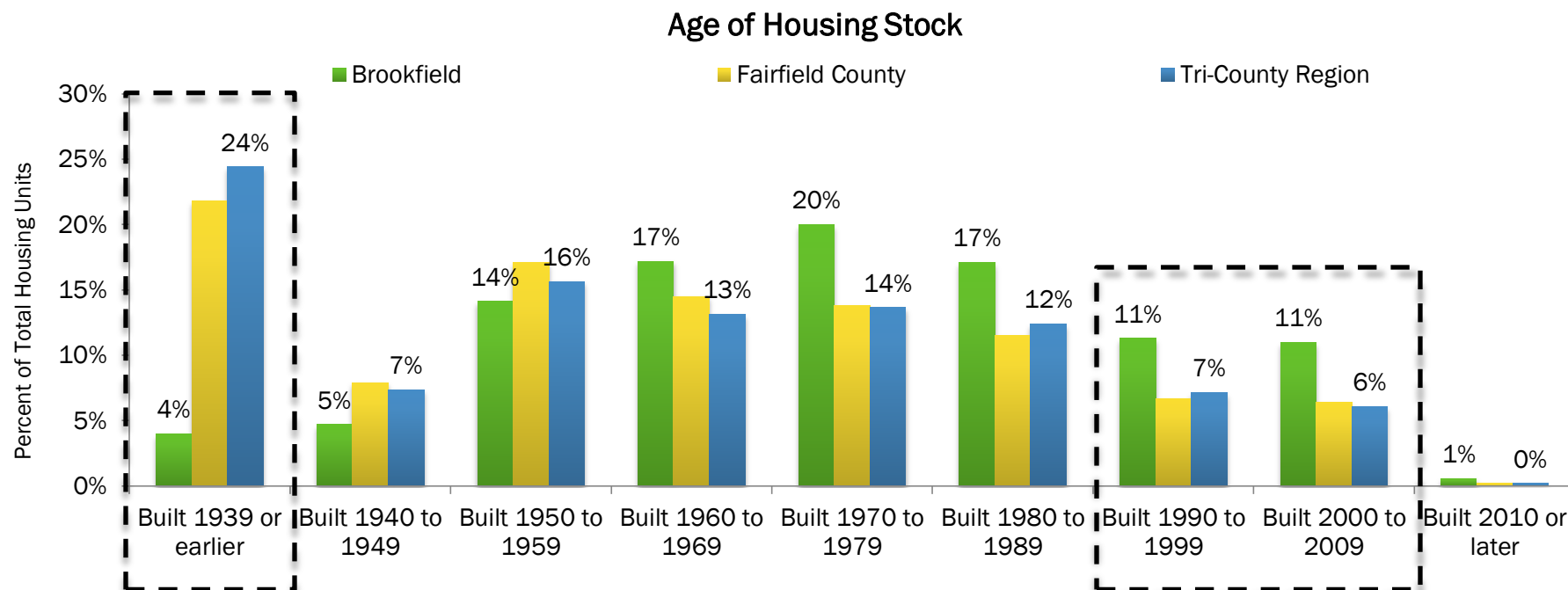
4ward Planning focused on the following metrics:

- **Change in Unit or Square-foot Inventory:** Indicates, in broad terms, whether new real estate construction has been active in the area.
- **Year-over-Year Vacancy Rates:** Combined with absorption as a percent of occupied stock, this metric signals whether new construction is being leased and occupied (signaling high demand), or whether it remains vacant (signaling an over-supply of real estate).
- **Absorption as a Percent of Occupied Stock:** Absorption as a percent of occupied inventory reflects the net square footage which has either become occupied (positive absorption) or vacant (negative absorption) during the time period, expressed as a percentage of occupied total unit inventory at the end of the time period.
- **Effective Monthly or Annual Rent:** A measure of the relative value of real estate within the area.
- **Existing Properties:** Additionally, the location and character of currently available properties is examined using industry products.



## Housing Choice: Age

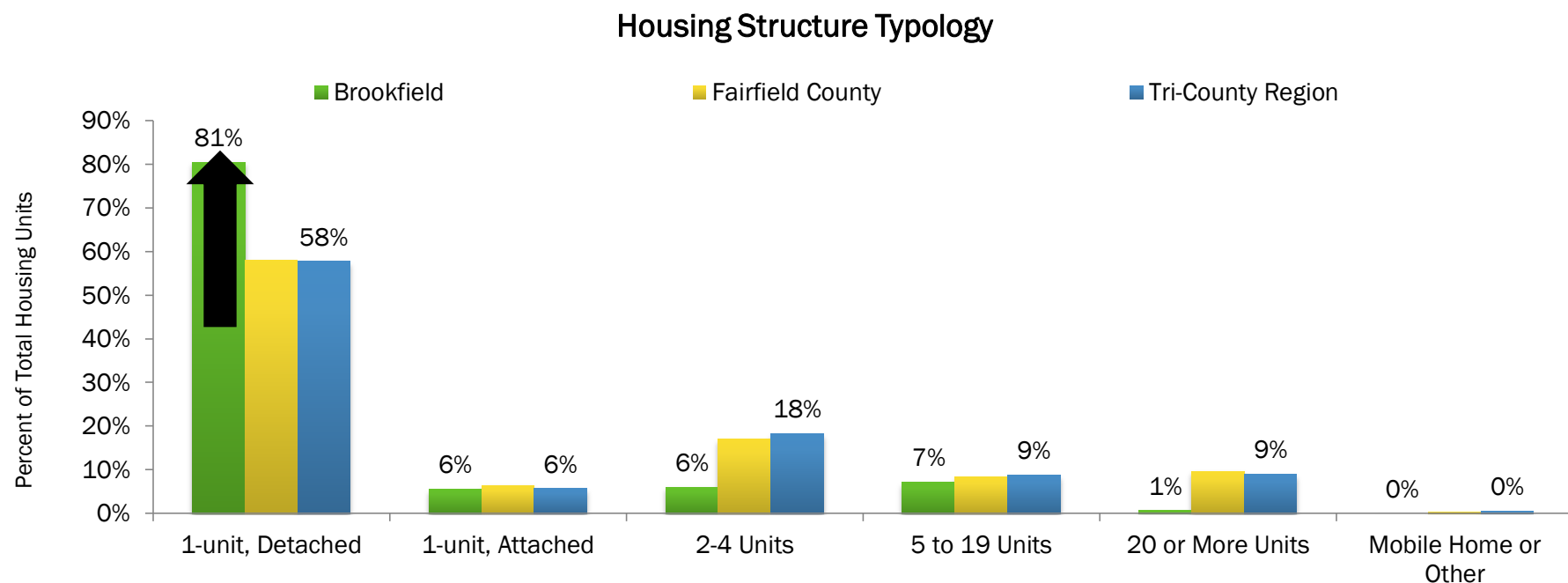
According to the 2008-2012 American Community Survey (ACS) 5-Year Estimates, Brookfield has by far the lowest share of housing units built before 1940 at four percent, relative to Fairfield County and the Tri-County Region at 21.8 and 24.4 percent, respectively. Less than 10 percent of all housing units in Brookfield were built before 1950, while nearly a quarter were built since 1990. Relative to the other study areas, Brookfield has the youngest housing supply.



Source: American Community Survey; 4ward Planning Inc., 2014

## Housing Choice: Structure Typology

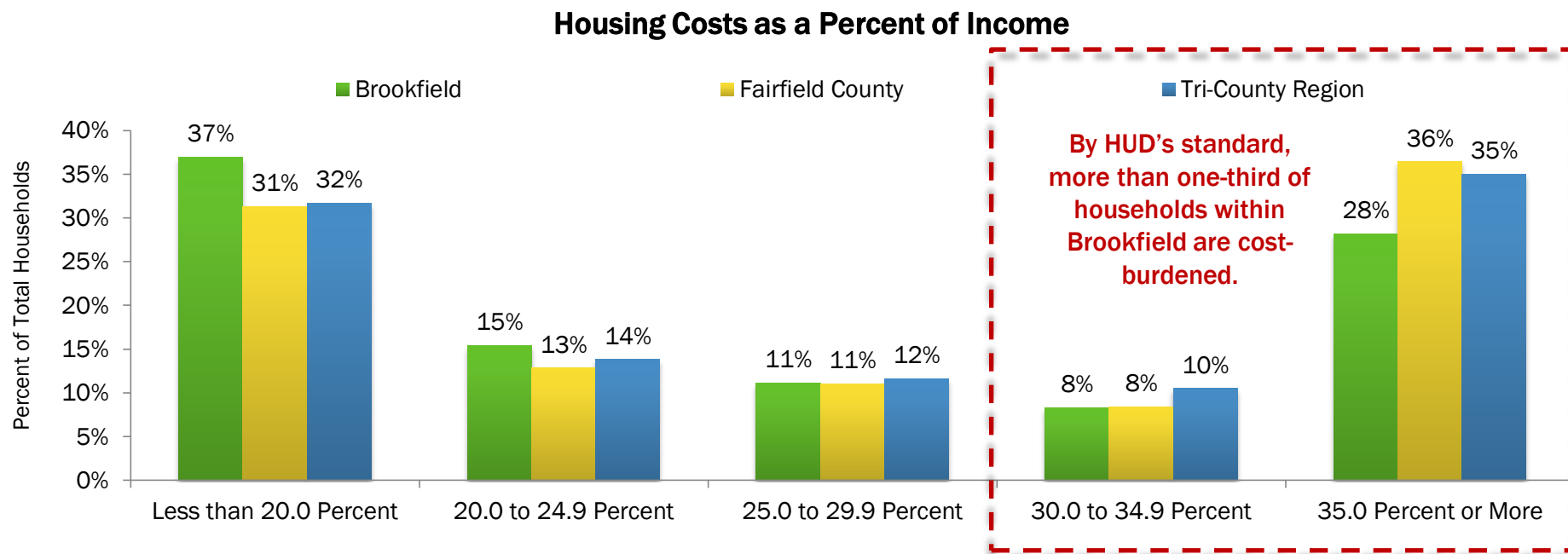
Single-family, detached housing is the overwhelmingly dominant housing type within the Town of Brookfield, at more than eight out of 10 units. Fairfield County and the Tri-County Region, by contrast, are characterized by a comparatively lower single-family-unit ratio of six out of 10. Additionally, and consistent with current zoning regulations, Brookfield has by far the lowest percentage of housing structures, with 20 or more units, at just over a half of a percent, while Fairfield County and the Tri-County Region are just under ten percent.



Source: 2008-2012 American Community Survey; 4ward Planning Inc., 2014

## Cost-Burdened Households

According to the US Department of Housing and Urban Development (HUD), households that expend more than 30 percent of their income for housing are considered cost-burdened and may have difficulty affording necessities such as food, clothing, transportation, and medical care. Illustrated below, all three geographies exhibit high rates of cost-burdened households - indicative of a lack of affordable housing options within the study areas. By HUD's standard, 36 percent of households within Brookfield are considered cost-burdened. Though a high rate, this is still less than the other two geographies studied.

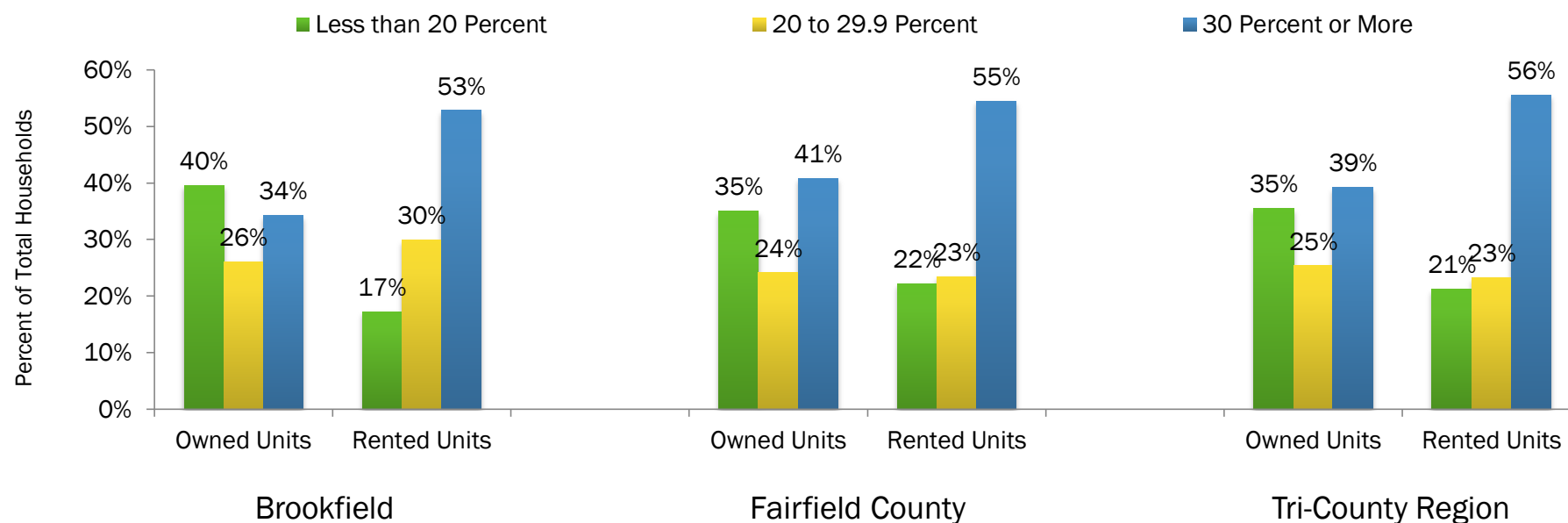


Source: American Community Survey; HUD; 4ward Planning Inc., 2014

## Cost-Burdened Households by Tenure

When housing costs are separated based on tenure, it becomes clear that renters are significantly more likely to be cost-burdened relative to homeowners. While Brookfield maintains the lowest percentage of cost-burdened households for both rented and owned units, more than one-third of owners and more than half of renters pay greater than 30 percent of their income towards housing costs. This is, however, consistent with the cost-burden in both Fairfield County and the Tri-County Region.

### Housing Costs as a Percent of Income

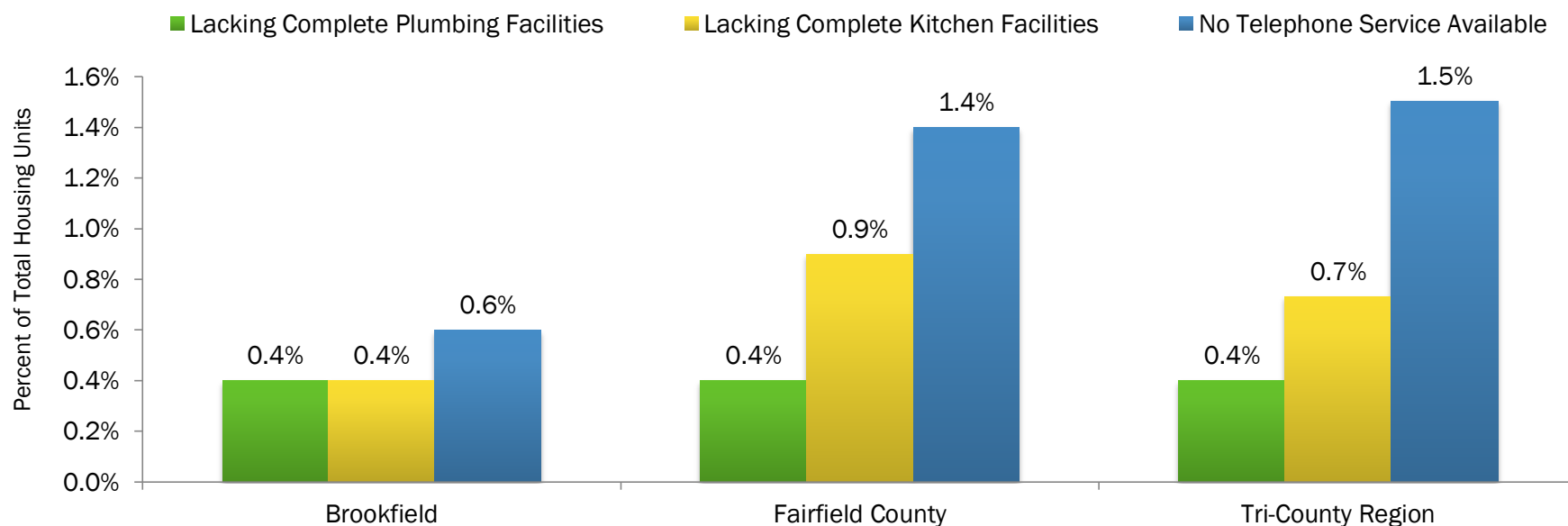


Source: American Community Survey; HUD; 4ward Planning Inc., 2014

## Housing Choice: Basic Housing Conditions

All three study geographies have similar housing conditions in terms of basic plumbing, although Fairfield County and the Tri-County Region perform slightly worse in regard to complete kitchen facilities. While all geographies have less than one percent of all units lacking complete plumbing or kitchen facilities, Fairfield County and the Tri-County Region have more than double the rate of housing units without access to telephone service. Brookfield outperforms Fairfield County and the Tri-County Region in regard to basic housing conditions.

### Basic Housing Conditions

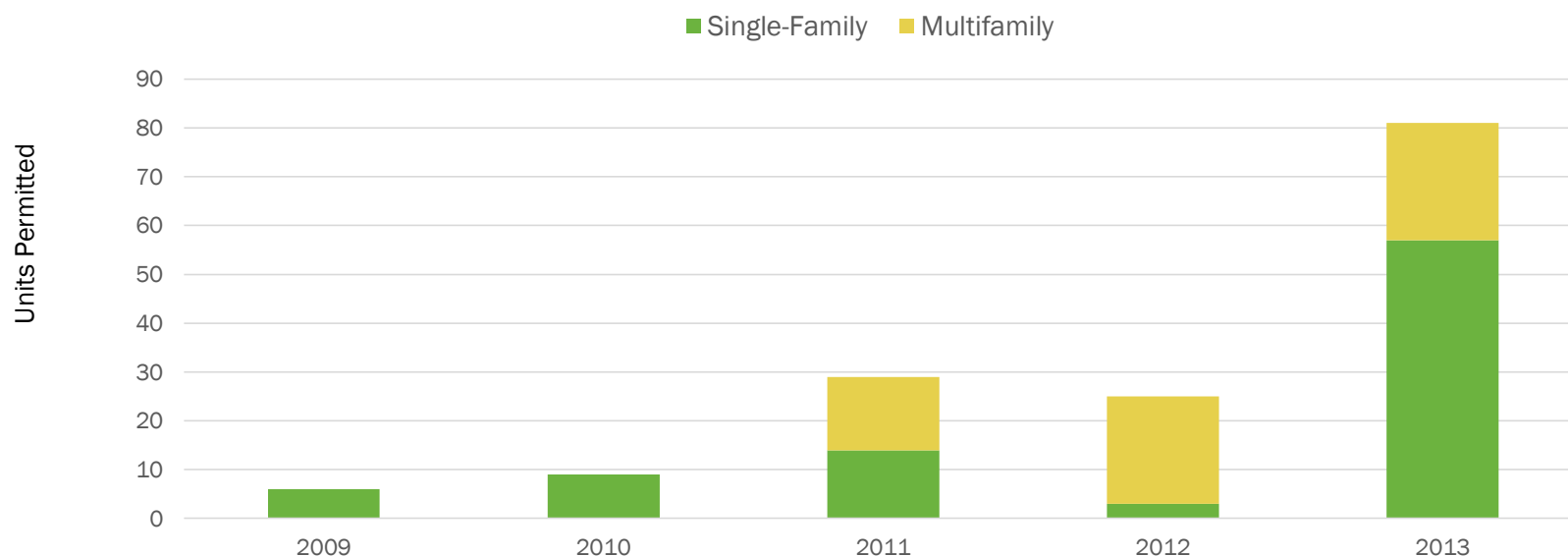


Source: American Community Survey; 4ward Planning Inc., 2014

## Residential Permit Activity

As a consequence of the financial crisis and subsequent economic downturn, residential permit activity was generally subdued between 2009 and 2012, relative to historic levels. However, 2013 saw a more than tripling of the number of units permitted, jumping from 25 to 87. Further, the last few years have seen an increase in multifamily permit activity, consistent with growing demand. Housing permit activity can function as an indicator of construction and confidence in the real estate market, suggesting that Brookfield may experience continued growth in housing demand over the coming years.

**Residential Permits, Town of Brookfield**



Source: US Census Bureau

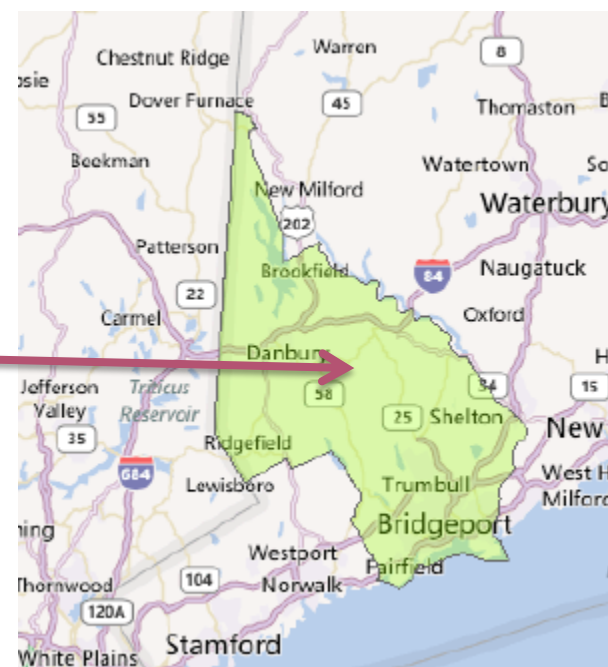
## Residential Submarket

According to Reis, the Fairfield County Metro Market (hereinafter “Metro”) consists of two submarkets: (1) East Fairfield County and (2) West Fairfield County. The East Fairfield County Submarket (hereinafter “Submarket”), which includes the Town of Brookfield, is delineated by the northern boundary of Fairfield County as well as the boundaries of Easton, Redding, Ridgefield, Fairfield, and Long Island Sound. Where applicable, data for the Town of Brookfield were used.

**Fairfield County Metro**



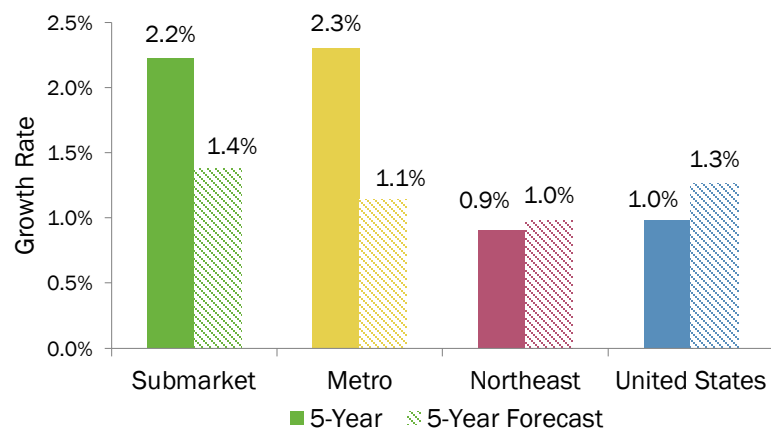
**East Fairfield County Submarket**



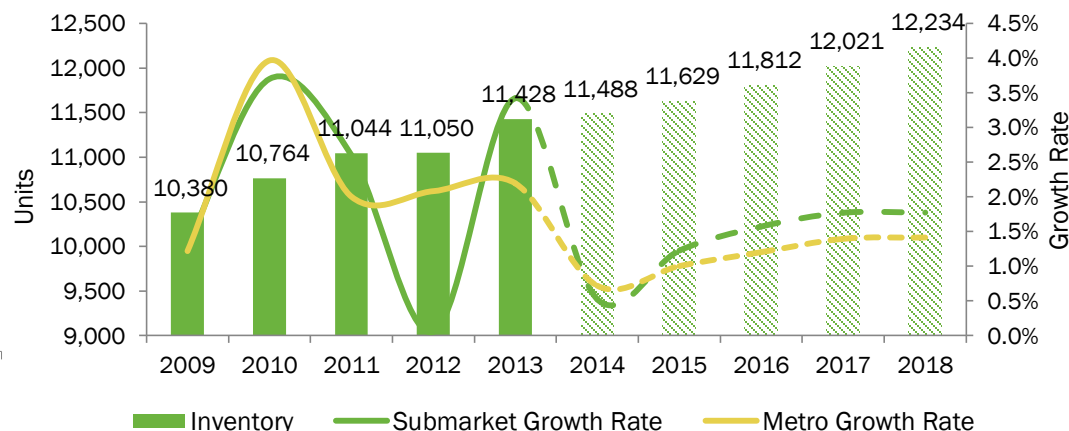
# Apartment Inventory

Over the last five years, the apartment inventory within the East Fairfield County Submarket grew at an average rate of 2.2 percent per annum, more than double the Northeast Region and nation, but slightly under the Metro region, according to data provided by Reis. The total apartment inventory of the Submarket increased by over 600 units between 2009 and 2011, with nearly 400 units added between 2011 and 2013. As of first quarter 2014, the Submarket had a total of 11,428 multifamily units. Over the next five years, Reis projects the Submarket to outperform the Metro market, as well as the region and nation. According to Reis, an estimated 200 new units are expected to be added within the Submarket by the end of 2015. However, this estimate is likely low, as Brookfield alone has more than 200 units expected to become available by the end of 2015, based on permit and construction activity.

**Residential Inventory Growth Rates**



**Submarket Residential Inventory Growth**



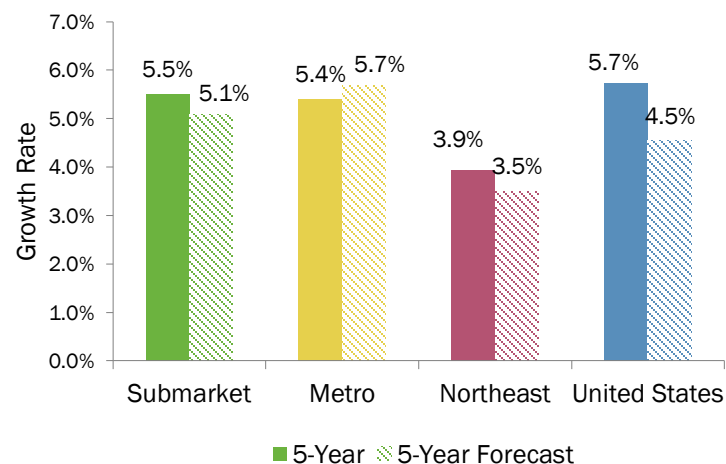
Source: Reis; 4ward Planning Inc, 2014



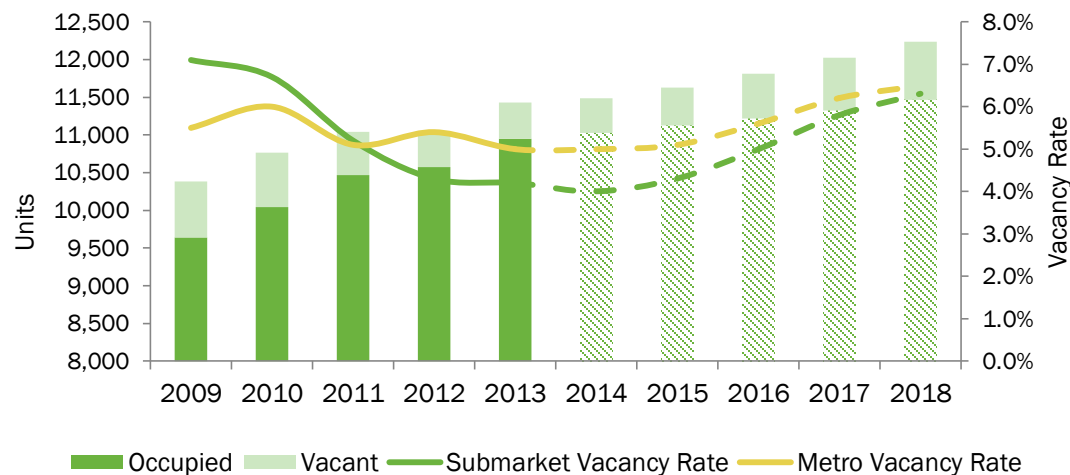
# Apartment Vacancy Rate

According to Reis, apartment vacancy rates within the East Fairfield County Submarket declined from a high of 7.1 percent in 2009 (at the height of the economic downturn) to a low of 4.2 percent in 2012. A vacancy rate below five percent is a sign of a relatively tight rental housing market. Reis forecasts that apartment vacancy rates in the Submarket will remain relatively tight (below five percent) through for the next two years — a favorable trend for new multifamily residential investment.

**Apartment Vacancy Trends and Forecasts (Annualized)**



**Submarket Apartment Vacancy Trends and Forecasts (Annualized)**

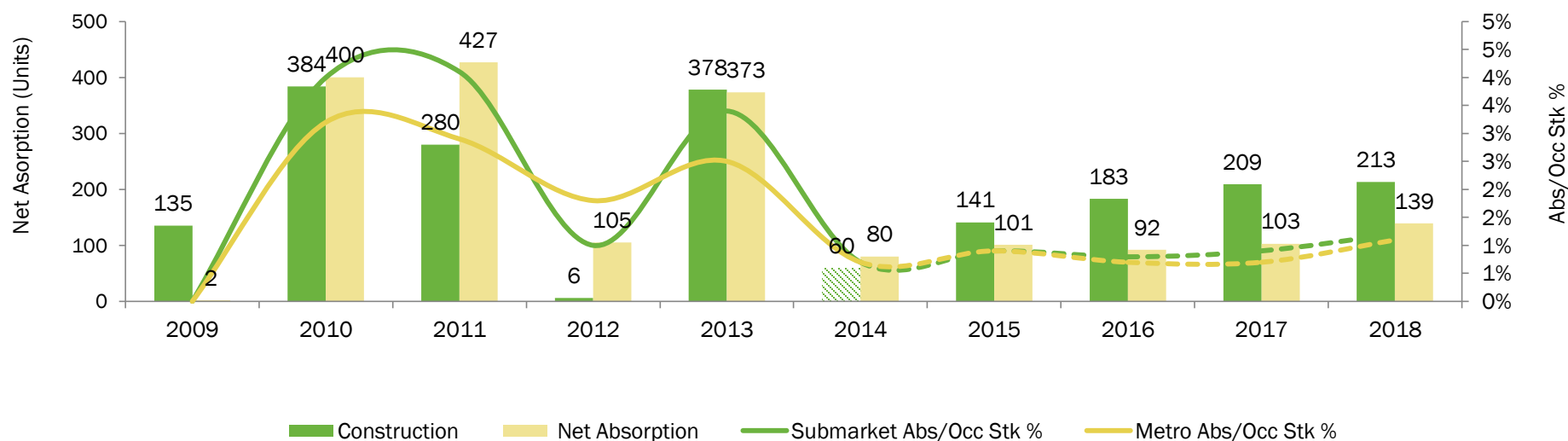


Source: Reis; 4ward Planning Inc, 2014

## Apartment Absorption

Apartment absorption, as a percent of occupied housing stock, has fluctuated in the East Fairfield County Submarket over the last five years, which can occur as new units come to market and are then occupied. Reis projects apartment absorption within the Submarket and Metro to drop considerably in 2014, and remain relatively low and constant over the next five years. Overall, apartment absorption for both the Submarket and Metro areas will remain positive over the next five years, which is indicative of steady demand for new apartment units, with the Submarket slightly outperforming the Metro.

**Submarket Apartment Absorption as Percent of Occupied Housing Stock**

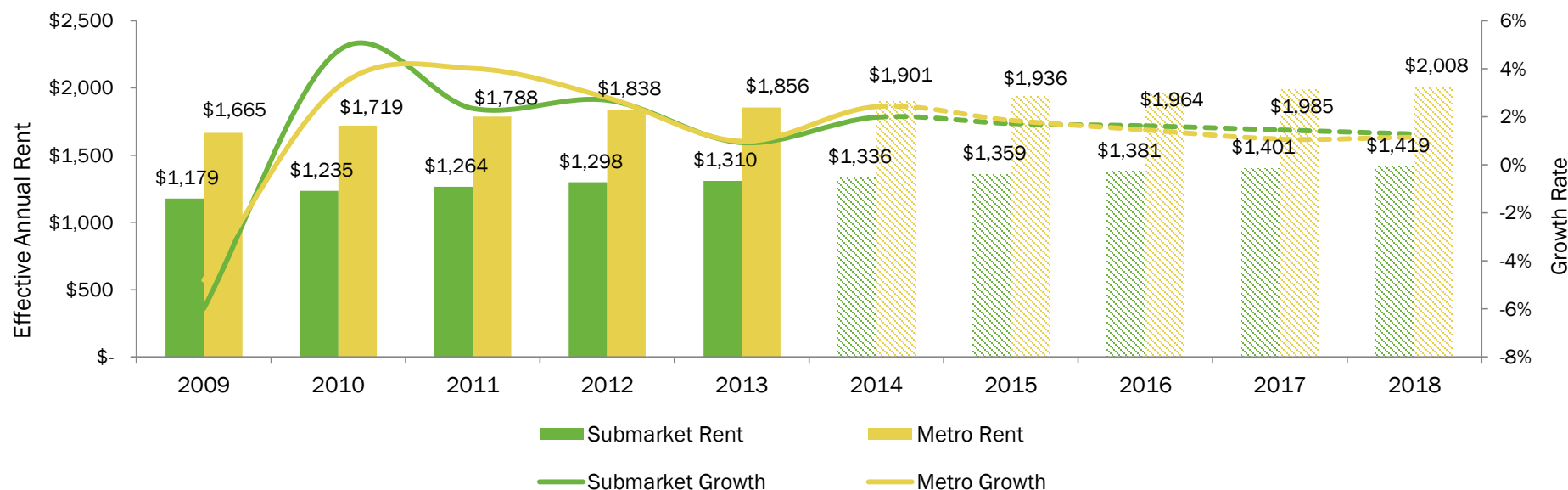


Source: Reis; 4ward Planning Inc, 2014

# Apartment Effective Monthly Rent

Average apartment effective<sup>†</sup> monthly rents within both the East Fairfield County Submarket and Metro areas dipped in 2009, falling by six percent and five percent, respectively. However, average effective rents within both geographies have been increasing in recent years. As of first-quarter 2014, average apartment monthly asking rents (exclusive of concessions or extra costs) in the Submarket were \$1,372, compared to \$1,919 for the larger Metro area, for the same period. As noted later, rent in Brookfield tends to be a few hundred dollars higher than the average rent in the Submarket, which contains a broad range of towns.

**Apartment Effective Annual Rent Trends and Forecasts (Annualized)**

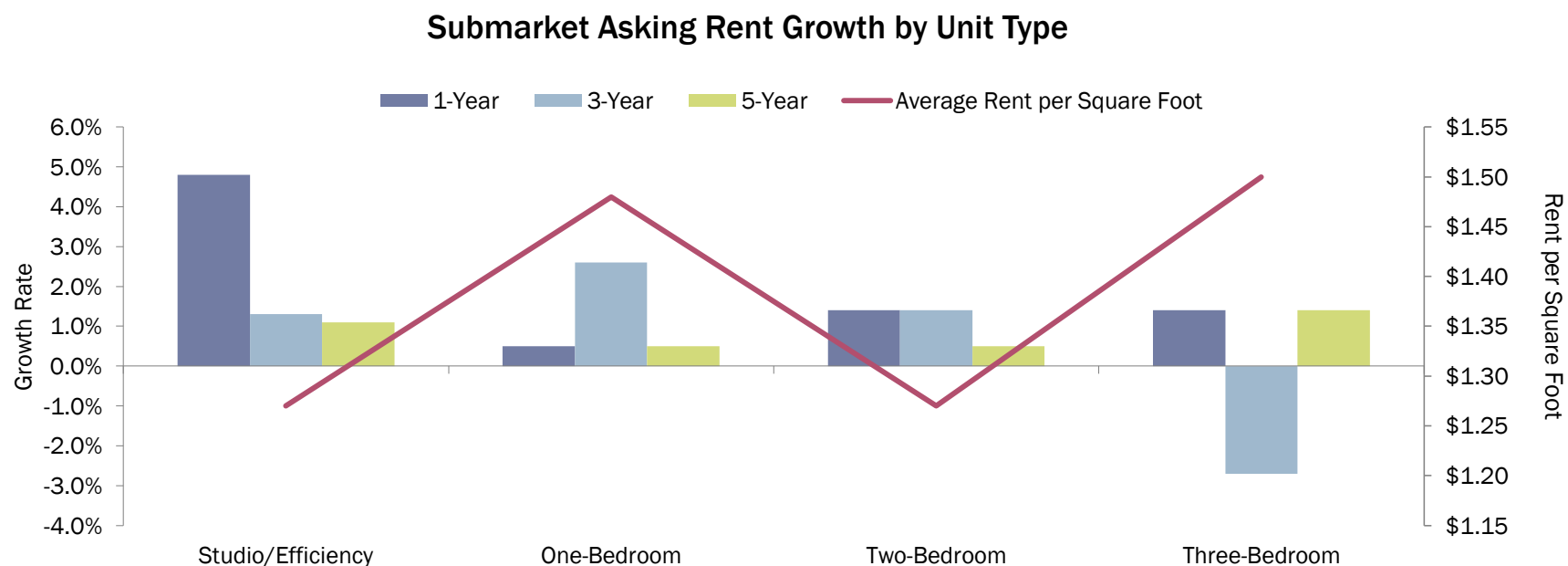


<sup>†</sup> Effective rent is the average rent paid over the term by a tenant adjusted downward for concessions paid for by the landlord (such as free rent, moving expenses, or other allowances), and upward for costs that are the responsibility of the tenant (such as operating expense pass-throughs).

Source: Reis; 4ward Planning Inc, 2014

## Rent Growth by Unit Type

Recent growth in studio rents, at 4.8 percent over the past year, may suggest increasing demand and inadequate supply of housing for single-person households, a growing segment of the population.

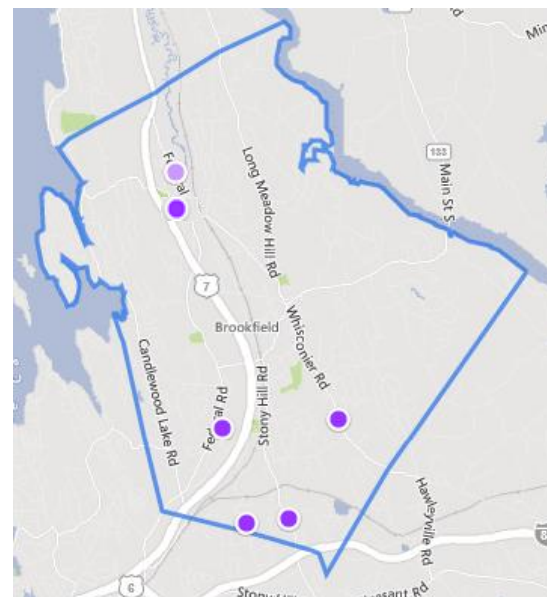


Source: Reis; 4ward Planning Inc, 2014

## Multifamily Characteristics: For Rent

According to data provided by Zillow.com, as of June 2014, there were only five multifamily properties with units for rent within Brookfield, consisting of two 1-bedroom, two 2-bedroom, and one 3-bedroom apartments. However, none are located in typical multi-family apartment buildings. According to Town staff, four properties are condos being sublet and one is an accessory apartment to a single-family home. Average rents ranged from \$1,250 for 1-bedroom to \$2,650 for 3-bedroom units, with average rents per square foot ranging from \$1.08 for a 3-bedroom loft to \$1.73 for a 1-bedroom unit.

The relative lack of rental listings for multifamily units within Brookfield was confirmed by interviews with property managers, who all reported very low vacancy. This suggests a tight market and inadequate supply of housing in Brookfield.



### Multifamily Rentals in Brookfield Area, as of June/July 2014

Name	1-Br Average		2-Br Average		3-Br Average		Total Units Available
	Rent	Price per SqFt	Rent	Price per SqFt	Rent	Price per SqFt	
9 Great Heron Lane					\$2,650	\$1.08	1
9 Chatham Court	\$1,300	\$1.74					1
60 Whisconier Road			\$1,450	\$1.27			1
16 Monica Lane			\$1,650	\$1.31			1
54 Secor Road	\$1,200	\$1.71					1
Count (% Total)	2	(40%)	2	(40%)	1	(20%)	5
Average (Brookfield only)	\$1,250	\$1.73	\$1,550	\$1.29	\$2,650	\$1.08	
Average (Danbury only)	\$1,248	\$1.68	\$1,725	\$1.28	\$2,126	\$1.48	40+

Source: Zillow.com, Apartments.com, 4ward Planning Inc., 2014

## Multifamily Characteristics: For Rent (cont.)

Interviews with employers, brokers, and developers indicated that most people priced out of Brookfield would live in Danbury. For comparison purposes, there were at least 40 multifamily rental units available in nearby Danbury in July 2014. These units include townhomes and apartment buildings, but excluded single-family homes or condos for lease. While the perception is that Danbury is a more affordable option, the chart on the prior page (and repeated below) suggests that the asking rents and price per square foot are relatively similar across the towns, for both one and two-bedrooms, based on what is available now.

Brokers indicate a market rate rental in Brookfield starts at \$1,200 per month. Factoring in rents for occupied apartment complexes, the average asking rent in Brookfield remains similar. However, these averages do include rates for income-restricted units. Maximum market rates appear to be \$100 to \$200 higher per month.

### Multifamily Rentals in Brookfield Area, as of June/July 2014

Name	1-Br Average		2-Br Average		3-Br Average		Total Units Available
	Rent	Price per SqFt	Rent	Price per SqFt	Rent	Price per SqFt	
Average (Brookfield only)	\$1,250	\$1.73	\$1,550	\$1.29	\$2,650	\$1.08	5
Average (Danbury only)	\$1,248	\$1.68	\$1,725	\$1.28	\$2,126	\$1.48	40+
Average (Brookfield, including occupied units)	\$1,277	\$1.63	\$1,625	\$1.28	\$2,438	\$1.08	n/a

There was only one multifamily property for sale within Brookfield as of June 2014, according to Loopnet.com. With 12 units, the Pine Brook Apartments, located at 39 Hop Brook Road, is listed at a price of \$1,699,000, equivalent to \$141,583 per unit.

## Incentive vs. Affordable Housing

As introduced in the zoning review, income restrictions are calculated differently under the incentive housing (uses Area Median Income (AMI)) and affordable housing (uses the lesser of State Median Income (SMI) or AMI) ordinances. This results in different housing cost outcomes. With Brookfield having a significantly higher AMI than Connecticut, the incentive housing formula results in higher allowable rents than under the affordable housing formula, as shown below.

	AMI	SMI
Area / State Median Income	\$113,900	\$86,400
80% of AMI / SMI	\$91,120	\$69,120
Annual Rent Total (30% of above)	\$27,336	\$20,736
Monthly Rent (annual rent divided by 12)	\$2,278	\$1,778

At left is a simplified calculation determining income available for rent at 80% of either AMI or SMI. Using SMI rather than AMI to calculate income restrictions, could save a 4-person household \$6,600 per year in housing costs.

Unit Size	Incentive Housing (AMI)	Affordable Housing (SMI)	Asking Rents (Brookfield)
1 bedroom	\$1,709	\$1,296	\$1,277
2 bedroom	\$2,050	\$1,555	\$1,625
3 bedroom	\$2,369	\$1,797	\$2,438
4 bedroom	\$2,642	\$2,004	n/a

This second table compares affordable rents under each scenario, adjusted for household size, to average asking rents in Brookfield, today. It shows that incentive housing rents are actually higher than, or nearly equal to, market rents and thus little help to cost-burdened renters.

Source: CGS 8-20g; Town of Brookfield; 4ward Planning Inc, 2014

## Incentive vs. Affordable Housing (cont.)

Considering that major occupational groups within Brookfield and the surrounding area do not typically offer higher wages than the state, basing housing costs on the AMI may be punitive to lower-income households seeking to live within the town. Basing the cost of income-restricted incentive housing on the SMI rather than the AMI, will better contribute to providing housing options for young professionals, single-wage households, nurses, teachers, police officers, retail workers, fixed-income retirees, and others, who cannot currently live in town or who are cost-burdened.

As currently calculated, with lower allowable rents, the affordable housing ordinance will go further in providing housing to the segment of the population most in need of housing options (those mentioned above). The affordable housing ordinance allows a developer to circumvent conventional zoning, including location, so long as the necessary infrastructure is provided and the development causes no harm to the public health or safety. Simply put, a developer using the affordable housing ordinance would have much more flexibility in selecting a location to build housing. While this can be perceived as a threat to the town, it may be an incentive to encourage developers to meet the demand for affordable rental housing in Brookfield.



## Takeaway: Apartment Trends

The residential market within Brookfield and the surrounding area exhibits a tight supply with signs of growing demand over the coming years. With such strong demand and a shortage of inventory, multifamily fundamentals, particularly for apartment-style units, are robust in the Town of Brookfield.

Local real estate professionals have stated that multifamily units are renting faster than expected and many locations, including Orchard Place and Towne Brook Commons, and are at or very close to 100 percent occupancy. Additionally, local property managers and developers confirm there is room for more housing in Brookfield, particularly in multifamily rentals, as there is not much surrounding competition for this housing type, even in Danbury. Further, local real estate professionals specifically mentioned the dearth of available apartment-style housing units, relative to condos and single-family homes.

Considering the limited supply of multifamily listings, the Town may need to foster conditions conducive to expanding the supply of multifamily units to accommodate rising demand, particularly for growing non-family and single-person households, as well as an ageing population. While current population indicates a strong demand for housing by the empty-nester cohort (ages 55 and up), Brookfield is losing people between the ages of 15 and 54. Interviews confirm the Town is too expensive for those just starting out or on single-incomes, despite housing programs already in place. More than half of all renter households in Brookfield are cost-burdened, and lower-income workers within the Town cannot currently afford to live there. To remain a balanced and healthy community requires a population diverse in age and income. Achieving this will require attention to housing affordability.

# Residential Real Estate Market Supply & Demand Analysis

ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™



## Methodology: Residential Supply-Demand Analysis

### **Selection of population and household growth scenario**

4ward Planning examined a weak growth scenario based on our 2018 projections for population and households. While population and household growth trends could increase at a more robust pace through 2018, absent a significant influx of large employers to the area, such a trend is not likely.

### **Estimation and subtraction of physically obsolescent housing units in the market area**

Housing units, like most things, wear out over time. Dependent upon the age of local housing stock and the manner of care applied to it, generally, the annual housing obsolescence rate can range from 0.5 percent annually (solidly built homes that are well cared for) to as high as two percent annually (older housing stock which has seen little preventative maintenance over the years). Based on conditions observed and data analyzed for the Central Submarket, 4ward Planning utilized a one-percent annual obsolescence rate for its analysis.

### **Estimation of pent-up housing demand by Brookfield workers currently living outside of Town**

Typically, some percentage of workers who commute to places of employment at considerable distance from their homes desire living arrangements closer to their place of employment. For reasons of inadequate housing stock (type, price, location, etc.) currently near their place of employment, these workers do not enter the local housing market and, therefore, are said to represent pent-up demand for local housing. 4ward Planning believes that five out of every 100 workers is a very conservative estimate for the pent-up demand which likely exists in this market, all other things being equal. Accordingly, we have assumed that five percent of the identified in-commuting workers to Brookfield represent pent-up demand.

## Methodology: Residential Supply-Demand Analysis

### Estimation of demand for owner-occupied versus renter-occupied units

Analysis and projection of demand for owner- versus renter-occupied housing units is based on a number of factors within a given market area. These include:

- Current ratio of owner-occupied to renter-occupied units
- Household income levels and trends
- Household type (e.g., family versus non-family households) and trends
- Population age trends
- Current & forecasted financial conditions (employment outlook, mortgage rates, ease of mortgage qualification, etc.)

All of the above factors pertaining to the Brookfield PMA were taken into consideration for this analysis.

### Estimation of demand for one-, two-, and three-bedroom unit types

The estimation of one-, two-, and three-bedroom units as a percentage of all housing units, whether the housing type is for-sale or for-rent, involves many of the same factors identified under the estimation of demand for owner-occupied versus renter-occupied units, as well as an examination of current market trends for various bedroom-unit mixes.

### Estimation of the natural vacancy rate

A housing market's natural vacancy rate is a function of such factors as whether or not the area is a seasonal tourist destination (higher vacancy rates during the off-season) or whether the area is well-established and desirable (typically associated with relatively low vacancy rates). Every housing market has some degree of vacancy, as households are constantly in motion. Nationally and regionally, stable and generally well-maintained housing markets exhibit vacancy rates ranging from three to six percent.

## Supply and Demand Analysis: Weak Growth Scenario

Under a weak growth scenario, if *no new housing* were approved or built in Brookfield...

...by 2018 there would be

Households:	6,674
Net Marketable Housing Units:	6,847
Pent-Up Worker Demand in Units:	389
Annual Average Number of Vacant Units:	411
<b><i>Estimated Net Housing Unit Demand:</i></b>	<b>626</b>

...by 2023 there would be

Households:	7,223
Net Marketable Housing Units:	7,160
Pent-Up Worker Demand in Units:	418
Annual Average Number of Vacant Units:	430
<b><i>Estimated Net Housing Unit Demand:</i></b>	<b>911</b>

...by 2028 there would be

Households:	7,405
Net Marketable Housing Units:	7,088
Pent-Up Worker Demand in Units:	449
Annual Average Number of Vacant Units:	425
<b><i>Estimated Net Housing Unit Demand:</i></b>	<b>1,191</b>

The metrics to the left demonstrate that, under a weak household growth scenario, approximately 40 percent of the housing unit demand in 2028, within the Town of Brookfield, will be derived from pent-up worker demand. The remaining demand for new units will come from new household formation and replacement of physically obsolescent residential units.

Included in this scenario are an estimated 358 new housing units projected to be added to Brookfield over the next five years, based on development activity reviewed by 4ward Planning. Additionally, the remaining 381 units in the development pipeline (proposed but without building permits pulled) were also included over the next 10 years.

# Supply and Demand Analysis: Weak Growth Scenario

## Key Assumptions Underpinning the Weak Growth Scenario

### Net Household Formation Increases by 0.5 Percent per Annum from 2013 to 2028

This assumption is based on increased in-migration from the metropolitan area and increased immigration, in response to local area job growth.

### Number Employed within Brookfield Increases from 8,430 in 2013 to 10,431 by 2028

This estimate is based on a modest average annual growth rate of 1.4 percent over 2013 base employment.

### Five Percent of Those Working in Brookfield but Living Elsewhere Represent Pent-Up Demand

This is based on an assumption that approximately five out of every 100 workers would trade their commute if there was adequate housing choice in Brookfield.

### Two and One-Half Percent of Brookfield's Current Housing Stock is Physically Obsolescent and Unmarketable

Some of Brookfield's housing stock is more than 40 years old, increasing the incidence of physical obsolescence over time.

### One Percent of the Brookfield's Remaining Housing Stock Becomes Obsolescent Annually

All housing stock gradually wears out over time and, on average, one out of every 100 units becomes obsolescent, annually.

### Sixty Percent of New Unit Demand will be for Rental Housing

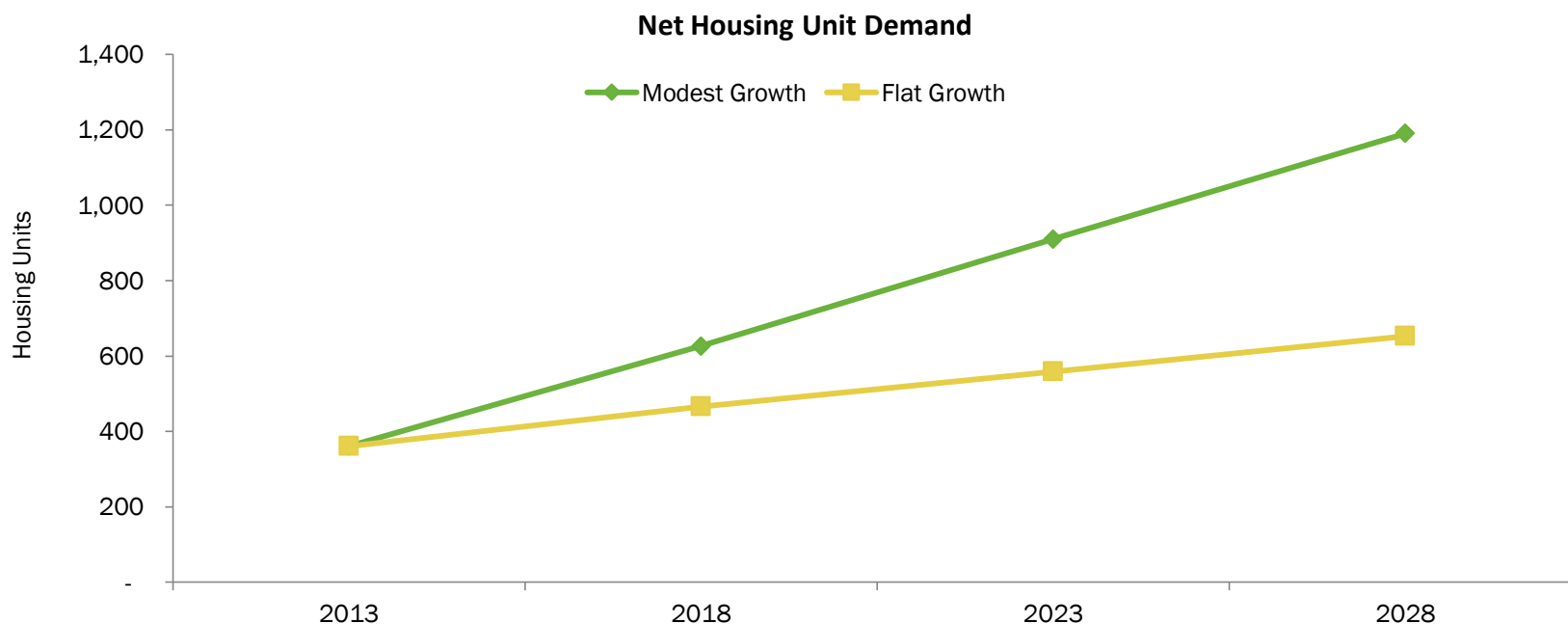
This is based on current and likely future socio-economic characteristics of the area and tight lending standards into the future.

### Brookfield will Maintain an Annual Housing Vacancy Rate of Approximately Six Percent

Brookfield's naturally occurring annual vacancy rate will remain relatively low, based on existing and projected conditions.

## Projected Growth Scenarios

In 2013, the estimated net housing demand within Brookfield was approximately 361 units - largely the result of pent-up demand from workers commuting from outside the area into the Town. Assuming weak population and household growth estimated for Brookfield, overall, housing demand from workers commuting from outside the Town and replacement demand from physically obsolescent housing units would result in a demand for nearly 1,200 housing units by 2028. A zero-growth scenario would result in a demand for over 600 units by 2028.



Source: 4ward Planning Inc 2014

## Takeaway: Residential Supply-Demand

Based on modest household growth estimates, there will be demand for hundreds of new housing units within the Town of Brookfield over the coming years. The preceding analysis forecasts Brookfield will be able to support demand for nearly 1,200 units over the next fifteen years, under a modest growth scenario. Even with no growth, the Town could support more than 600 units over the next fifteen years.

Many of these 1,200 units are likely to be one- and two-bedroom units, thus having little impact on schools (not to mention the school population is expected to continue to decline, leaving sufficient capacity to absorb new students, according to the Brookfield School District and a recent study they commissioned). 4ward Planning has estimated that sixty percent of the demand will be for rental units, based on population and employment trends. Introducing more of this type of residential product to Brookfield will help balance Brookfield's aging population, by making it more attractive and more affordable to singles and young couples just starting out. Without providing reasonable options to attract this segment of the population – through housing, jobs, retail and leisure – Brookfield's population will continue to skew heavily toward the empty nester and retiree populations.

Developer interviews confirm that 1,200 units is a reasonable, if not low, estimate for new housing construction in Brookfield, particularly rental product. This rationale is based on very high occupancy rates in existing multifamily rental properties (98 to 99 percent) and long waitlists; the age (30+ years) and quality of the rental housing stock, aside from one newer project; and demographic trends and preferences.



## Takeaway: Residential Supply-Demand (cont.)

Brookfield's challenge is where and how to build these units. According to the enrollment study prepared for the school district, current zoning allows 800 new units to be built in town. The town's multifamily zoning essentially only permits development of a few parcels, due to road access limitations. Environmental constraints may rule out otherwise viable parcels.

Upon considering the findings of this market study, the town should review its zoning regulations to ensure that multifamily housing is permitted in suitable locations (presumably, where infrastructure exists), under realistic market expectations for mixed-use, and at sufficient densities to meet the growing demand for multifamily rental housing.

As is typical in most northeastern communities, high land and regulatory costs will keep housing prices elevated. Developers want predictability and a smooth process. And, some times, developers are aided by financial incentives. The incentive housing and affordable housing ordinances are one such incentive, providing additional units (however, at little or no profit). This analysis found that incentive housing does little to increase the affordability of Brookfield, because income limits are based on the Area Median Income rather than the State Median Income. This amounts to an extra \$6,000 in housing costs annually. Therefore, recalibrating the incentive housing ordinance, or relying solely on the affordable housing ordinance, will be necessary to truly create more affordable housing opportunities.

The town should also look to other nearby towns to review the financial incentive packages offered there and determine whether Brookfield needs to be more competitive.

## General & Limiting Conditions

4ward Planning Inc. has endeavored to ensure that the reported data and information contained in this report are complete, accurate, and relevant. All estimates, assumptions, and extrapolations are based on methodological techniques employed by 4ward Planning Inc. and believed to be reliable. 4ward Planning Inc. assumes no responsibility for inaccuracies in reporting by the client, its agents, representatives, or any other third party data source used in the preparation of this report.

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