

Exhibit F

# KEENE

## Community Profile

### INTRODUCTION

Keene is a vibrant community, the hub of activity in southwestern New Hampshire. Population growth has been slow but steady since 1970 and Keene is projected to continue to grow at the same rate, reaching 25,780 by the year 2025. Cheshire county has been growing at a faster rate than Keene, and will continue this trend through 2025. In the past decade, Keene's population of baby-boomers has doubled, while the number of children under age 5 has fallen. Keene continues to be the region's employment center. During the day, the population spikes, as nearly half of the workers in Keene commute from surrounding areas. Despite this fact, a high percentage of employed residents work in Keene—very few commute to another town. Keene's population is 97.7% white. Other races are a small portion of the population, each being less than 1% of the total. Slightly more than half of the population is female.

Adults in Keene have a high level of education compared to the national average. Enrollment at Keene State College continues to grow, adding 5,000 or more to the population when classes are in session. Nearly half of the non-freshmen students live off-campus, which places significant strain on already scarce housing.

Family income is consistent with that of Cheshire County, but is lower than the New Hampshire average. Married couple households, which are the majority of households in Keene, have the highest income of all household types. Despite this, Keene has a slightly higher percentage of families living in poverty than does the rest of New Hampshire. In 2000, the unemployment rate was higher in Keene than in the county and the state.

Keene has an extreme shortage of housing, with occupancy near 100% and new housing growth that is much slower than both the county and the state. The cost of housing has increased dramatically in recent years, faster than income can compensate. As a result, often 30% or more of an average household's income is used for mortgage costs. Renters in Keene have also experienced high cost-of-living, with average rent nearing \$1,000 per month.

### POPULATION

From 1970-1990, the population of Keene increased by about 10%. Projected population

shows a 10% net increase from 2005-2025, averaging a 0.5% increase per year. In comparison, the population of Cheshire county is projected to be 91,950 by 2025, an increase of 18.9% — almost 1% per year, nearly double Keene's rate. Compared to both Cheshire county and the state, Keene's population growth between 1990 and 2000 was significantly lower, at less than 1%.

Projected Population of Keene, NH		
Year	Population	% change
2005	23,040	
2010	23,490	+1.95%
2015	24,410	+3.91%
2020	24,960	+2.25%
2025	25,780	+3.29%

Population Change 1990-2000	
New Hampshire	11.4%
Cheshire County	5.3%
Keene	0.6%

Sources: SWRPC and U.S. Census Bureau.

### POPULATION COMPOSITION AND CHANGE

Cohort	1990	% pop.	2000	% pop.	% chg.
under 5	1303	5.8%	944	4.2%	-27.6%
5 to 19	4841	21.6%	5001	22.2%	+3.3%
20 to 24	2760	12.3%	2739	12.1%	-0.76%
25 to 34	3266	14.6%	2501	11.1%	-23.4%
35 to 44	3279	14.6%	3073	13.6%	-6.3%
45 to 54	1901	8.5%	2980	13.2%	+56.8%
55 to 64	1823	8.1%	1900	8.4%	+4.2%
65+	3257	14.5%	3425	15.2%	+5.2%

Since 1990, the elderly population (age 65+) has increased by 5.2% and now constitutes 15.2% of the population. School-age children (age 5-19) make up 22.2% of the population. The baby-boomer population has grown significantly: the largest growth was in the age 45 to 54 cohort (58.7%), followed by a 23.2% increase in the age 55 to 59 cohort. The largest decreases were in the "under 5 years" and age 25 to 34 cohorts.

### EDUCATIONAL ATTAINMENT

According to the 2000 Census, 87.3% of Keene's adult population (age 18 and over) has completed high school; of this cohort, 31.9% hold a bachelor's degree or higher. This data is strong when compared to the national average: 80.4% of the adult population has completed high school and 24.4% hold at least a bachelor's degree. The educational attainment of Keene's adult population is reflected in the high percentage of persons (age 16 and older) working in management, professional, and related fields (35.4%). Sales and office occupations rank second, at 30.1%.

Source: U.S. Census Bureau, 2000.

### Keene State College

Year	Total (For-Credit) Enrollment
1998	4362
2000	4573
2001	4633
2002	4962

Data from the 2001-2002 KSC Common Data Set show that 53% of all undergraduate students at KSC are out-of-state. Of freshmen, 92% live in college-owned housing, compared to 55% of non-freshman undergraduates. As a result, 45% of other undergraduates live off-campus or commute.

### INCOME

Household Type	% of Total Households	Median Income (2000)
Household	100% (8,955)	\$37,033
Family	56.8% (5,083)	\$49,935
Married-couple family	43.8% (3,920)	\$57,640
Female-headed family	9.7% (872)	\$30,681
Non-family	43.2% (3,872)	\$22,266

Overall, the median income for all household types is \$37,033. Family households, which constitute 56.8% of all households, have a median income of \$49,935. The median household income is below that of both Cheshire county (\$42,382) and the state (\$49,467). Family income is relatively consistent with Cheshire county (\$51,043), but is \$7,640 below the state median (\$57,575).

Source: U.S. Census Bureau, 2000.

### EMPLOYMENT

As of 2003, the four largest employers in Keene are Cheshire Medical Center, Smith Industrial Medical Systems, Keene State College, and National Grange Mutual Insurance. This is reflected in Census 2000 data, which indicates that the largest industry in Keene is education, health, and social services (24.0%).

INDUSTRY	PERCENTAGE
Education, Health & Social Services	24.0%
Manufacturing	15.9%
Retail Trade	16.3%
Arts, Entertainment & Recreation	8.5%

Source: U.S. Census Bureau, 2000.

### POVERTY

In 2000, the national poverty threshold for a family of four (weighted avg.) was \$17,603. According to Census 2000, 5.2% of families were below the poverty level in Keene; 10.7% of individuals were below the poverty threshold. These figures were lower than the national average of 9.2% and 12.4%, respectively.

### Unemployment

	2000	2001	2002	2003
Keene	2.6%	2.8%	2.8%	2.7%
Cheshire County	3.0%	3.1%	3.4%	3.2%
New Hampshire	2.8%	3.5%	4.7%	4.3%
United States	4.0%	4.7%	5.8%	6.0%

Keene's unemployment rate has been consistently lower than that of the county, state, and

nation. Despite rising unemployment rates in New Hampshire and the U.S., the rate in both Keene and Cheshire County has remained low. Source: U.S. Department of Labor—Bureau of Statistics.

## HOUSING

New housing growth in Keene has been substantially slower than both the county and the state. Between 1970 and 2000, New Hampshire has undergone a 132% increase in housing units. During this same period, the total number of units in Cheshire County has increased by 85%. In comparison, housing has only increased by 36% in Keene over thirty years.

Source: Southwest Region Planning Commission (SWRPC).

LOCATION	1970 (units)	2000 (units)	% INCREASE
New Hampshire	235,529	547,024	132%
Cheshire County	17,241	31,876	85%
Keene	6,597	8,955	36%

## Occupancy Status

Of the 9,295 housing units existing in 2000, 57.2% were owner-occupied and 42.8% were renter-occupied. A higher proportion of renter-occupied housing units were one-person households (45.4%), as compared to 21.0% of owner-occupied housing units. Only 3.7% of the total housing units were vacant; 8,955 units (96.3%) were occupied in 2000. Presently, the number of occupied housing units has increased and is even closer to 100%.

## Purchase Price

As a result of the recession in the late 1980s, real estate prices dropped in New Hampshire. Mortgage rates remained high, although lower than the highest rate of 16.63% in 1981. Purchase prices were more affordable during the early 1990s, when jobs and income increased. Mortgage rates continued to drop, reaching the lowest rate at 5.23% in June 2003. Despite low mortgage rates, real estate prices rose rapidly beginning in the late 1990s due to the shortage of housing state-wide. According to the New Hampshire Consolidated Plan for 2001-2005

([www.nhhfa.org/conplan/housingmarket.pdf](http://www.nhhfa.org/conplan/housingmarket.pdf)), there has been a "downward trend in affordability since 1997." In 2003, the average annual price-tag for homes state-wide was \$214,400. Comparatively, the median purchase price in Keene was \$150,000. The percent change in Keene's median purchase price (1995-2003) increased by 69.7%; state-wide purchase price increased by 98.5%.

## Rental Data

According to a report issued in 2004 by the State Economic Bureau, average monthly rent state-wide increased to \$932/mo. for a two-bedroom apartment in 2003. Per capita disposable income has not increased as rapidly as rental costs; since 1999, rental costs have increased by 21.1% compared to a 15.7% increase in disposable income. Median gross rent for two-bedroom units in Keene was \$702/mo. in 2000, increasing to \$809/mo. by 2003. Rental prices in Keene are slightly higher than average rent in Cheshire County (\$789/mo.).

Sources: U.S. Census Bureau, New Hampshire Housing Finance Authority, Southwest Regional Planning Commission.

## HOUSING MARKET POTENTIAL

Based on figures of median income from 2000, 40.3% of renter households spend more than 30% of the household income on rent. Census data indicates that the median percentage of income used for housing costs (for owners with a mortgage) is 23.0%.

### Median mortgage calculation:

Purchase price (median, 2003): \$150,000

5% down: \$7,500

Loan amount needed: \$142,500

Monthly mortgage payment: **\$854.36**

(@6.00% interest, 30-year)

Taxes: \$4,368/yr.

**TOTAL MONTHLY PAYMENT: \$1,218.36**

Median family income: \$4,161.25/month

- mortgage = **29.3% of income**

Median married-couple income: \$4,803.33/mo.

- mortgage = **25.3% of income**

Median non-family income: \$1,855.50/month

- mortgage = **65.7% of income**

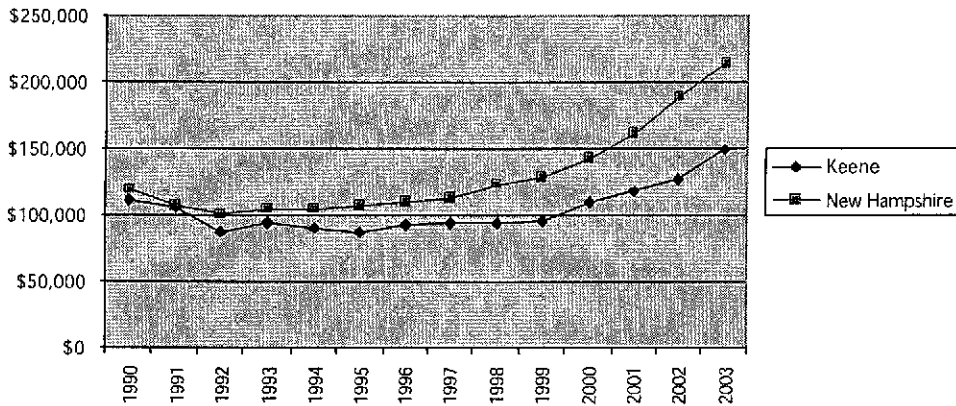
### NOTE:

1. The median selected monthly mortgage payment for all owner-occupied housing units (Census 2000) was \$1,118/mo.

2. Families consist of 56.8% of all households; 43.2% are non-family households

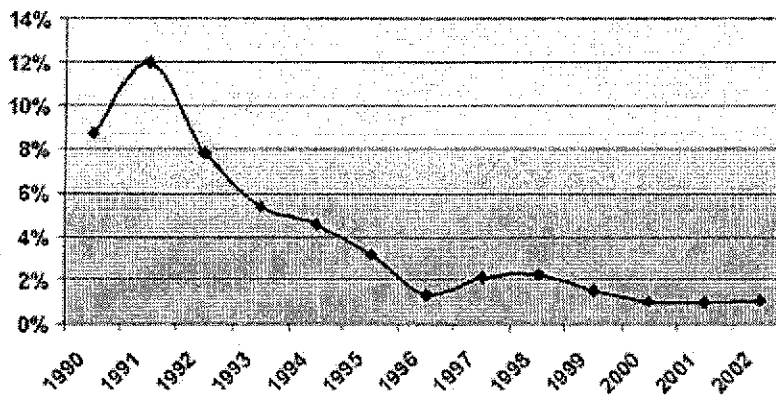
## APPENDIX

Figure 1: Purchase Price Trends (1990-2003)



Source: NHHFA Housing Data

Figure 2: Statewide Vacancy Rate (1990-2002)



Source: graph produced by NHHFA Housing Awareness Project

**Additional Housing Information**

Housing affordability increased in New Hampshire in the early 1990s, despite steadily increasing purchase prices. Affordability has decreased again, influenced by a state-wide housing shortage. As shown in Figure 2, less than 2% of housing units are vacant in New Hampshire. This shortage has impacted housing prices, driving the median purchase price in New Hampshire to over \$200,000. Median purchase price in Keene has also been affected, reaching \$150,000 in 2003. In one year (October 2001-2002), the median cost of single-family homes increased 9.96% state-wide—significantly higher than the national average. For more information, refer to the New Hampshire Consolidated Plan for 2001-2005, which can be found at the NHHFA website: [http://www.nhhfa.org/frd\\_conplan.htm](http://www.nhhfa.org/frd_conplan.htm).