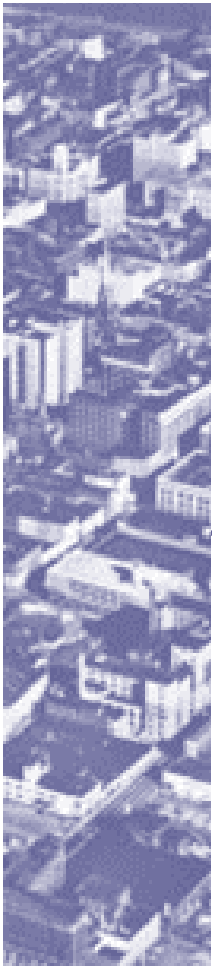
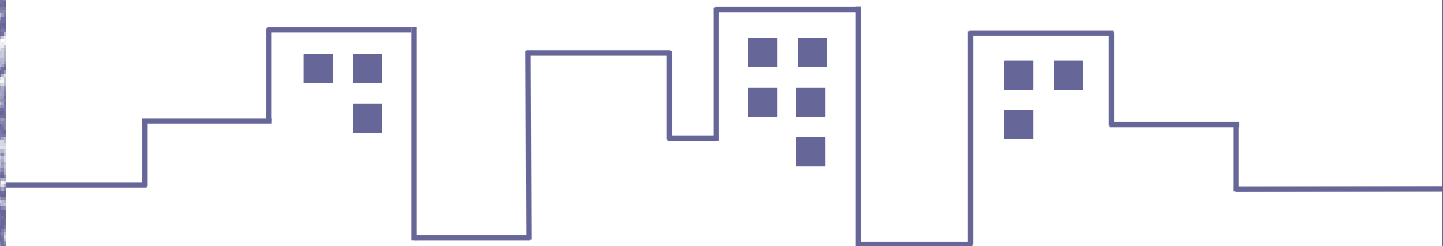


Louisville Metro Neighborhood Market DrillDown



Catalyzing Business Investment in Inner City Neighborhoods



August 2008



About Social Compact

Social Compact is a national not-for-profit corporation led by a board of business leaders whose mission is to help strengthen neighborhoods by stimulating private market investment in underserved communities. Social Compact accomplishes this through its Neighborhood Market DrillDown analytic tool, developed to accurately measure community economic indicators, and provides this information as a resource to community organizations, government decision makers and the private sector. Social Compact is at the forefront of identifying the market potential of underserved neighborhoods and promotes public private partnership involving community members and leveraging private investment as the most sustainable form of community economic development.

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Dear Colleagues:

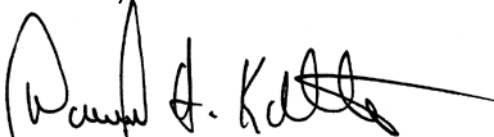
Social Compact continues to change the field of community development through its Neighborhood Market DrillDown. Our reputation in the industry comes from pursuing our mission of strengthening neighborhoods by stimulating private investment in underserved communities. Working collaboratively with city leaders, we have seen a measurable and positive shift in the way inner-city communities are viewed.

Our strength comes from our collaboration with local government, private sector leaders and community development organizations. They are not only the best advocates for their own neighborhoods and cities, but they are also the key players in finding solutions and opportunities for the communities they live in. The Louisville Metro Economic Development Department has been a tremendous partner through this, our current effort in Louisville.

Social Compact's Neighborhood Market DrillDown has been used by cities and organizations as a foundation for providing quality financial services, encouraging property development, and attracting retail establishments — all vital building blocks in prosperous, healthy, and sustainable neighborhoods and cities.

On behalf of the Social Compact Board of Directors, I congratulate Louisville on their successes and look forward to our continued partnership.

Sincerely,



David Katkov
Chair, Social Compact
Executive Vice President, The PMI Group, Inc.
President and Chief Operating Officer, PMI Mortgage Insurance Co.

Foreword

In continuance of Social Compact's commitment to stimulating investment in underserved and undervalued urban communities, I am proud to present the findings of the Louisville Metro DrillDown. The DrillDown analysis marks a nuanced approach to the city's economic development initiatives in several underserved communities in the city.

These DrillDown findings are undoubtedly strengthened by the local market insight and expertise of the DrillDown leadership team, exemplified by the Louisville Metro Economic Development Department. Furthermore, I am confident that the strong collaboration of locally focused institutions such as the Community Resource Network, Making Connections Louisville, Metro United Way, and many other community and business leaders in the city, will lead to significant impact in Louisville neighborhoods.

I anticipate that the Louisville Metro DrillDown findings will serve as one way to unify the diverse efforts of the City's leadership to implement sustainable information-led development projects that will reenergize and reinforce the city's many dynamic neighborhoods.

Sincerely,



John Talmage
President & CEO

Acknowledgements

The Louisville Metro DrillDown has been made possible through generous contributions of time, treasury, and talent from a broad and exceptional team committed to the city and its many, diverse communities. Social Compact gratefully acknowledges the crucial support of Mayor Abramson and John Fischer and C. Bruch Traugher at the Louisville Metro Economic Development Department, for acting as the principal partners in the DrillDown project and managing all phases of the study with skill and determination that proved instrumental to the project's success.

Social Compact would also like to recognize Roy Templeton and the Community Resource Network, Maria G. Hampton and the Federal Reserve Bank of St. Louis - Louisville Branch, PNC Bank, Fifth Third Bank, Louisville Metro Economic Development Department, Jennie Jean Davidson and Making Connections Louisville, Kelly Thompson and Metro United Way, and US Bank, for the generous financial support that made this work possible. Additional thanks to First American CoreLogic, SAS Institute Inc., and ESRI for their invaluable contributions of data, software, and expertise.

Thanks also to the following city, county and state offices for providing the necessary data and local insight: Louisville Department of Codes & Regulations; Louisville Metro Police Department; Louisville Metro Public Protection Department - Criminal Justice Commission; Louisville Metro Finance Department; Louisville Metro Housing & Community Development; Louisville Metro Planning & Design; Louisville Metro Government Technology Services; Metro Downtown Management District; Louisville/Jefferson County Information Consortium (LOJIC); Louisville and Jefferson County Metropolitan Sewer District; Jefferson County Board of Education; Jefferson County Public Schools; Jefferson County Property Valuation Administrator; Louisville Water Company; Louisville Gas and Electric Company; E-on; Duke Energy; Kentucky Department of Revenue; and Kentucky State Data Center. Social Compact would also like to thank Greater Louisville Inc.; Louisville Metro Housing Coalition; and Louisville Realtors Association for their support and cooperation.

Finally, this work would not have been possible without the continued leadership and support of Social Compact's dedicated Board of Directors.

Background

Inner-city neighborhoods represent billions of dollars in untapped buying power and retail leakage. The ethnic and cultural diversity of urban residents represent a myriad of opportunities for local entrepreneurs, niche markets and new markets for financial service providers, grocers, corporate retailers and other commercial investors. Despite this opportunity barriers to private investment in underserved neighborhoods persist. As a result, urban residents lack access to basic goods and services at competitive prices, and retailers and developers are unable to capitalize on the fundamental assets of inner-city, urban communities.

Underserved urban neighborhoods are often negatively stereotyped and defined by deficiencies rather than strengths. The reason for this is manifold. First, communities often use deficiency-based depictions to demonstrate need for federal subsidies and social service programs. While these depictions attest to social need, they do little to highlight neighborhood strengths and economic opportunity. Second, excessive media coverage of undesirable characteristics such as crime, poverty, and blight perpetuate negative perceptions of these inner-city neighborhoods. Finally, lack of dependable business-oriented data on underserved communities expands the information gap on market trends, disabling potential investors from making informed decisions. Combined, these factors contribute to a cycle of missed opportunities in underserved urban markets.

THE DRILLDOWN: BRIDGING THE INFORMATION GAP

Beginning with the premise that a significant reason for inner-city disinvestment is lack of good market information, Social Compact developed the Neighborhood Market DrillDown to address key barriers to private investment in and around inner-city neighborhoods. Social Compact offers its neighborhood market analyses to local governments, community organizations and businesses looking to attract investment or to invest in inner cities. These analyses provide alternative assessments of population, income and housing that do not rely on outdated and potentially inaccurate decennial census data.

The DrillDown was established to provide up-to-date profiles of market strength, stability and opportunity for small, dense, and rapidly changing urban geographies. The DrillDown builds on current, finely sieved market information drawn from a wide spectrum of commercial, proprietary and local government sources (e.g. tax assessor, building permit, and commercial credit companies). Rather than relying on any one information set, DrillDown findings surface from a combined body of data. These findings, tested against supplemental data and the intuitive knowledge of local market leaders, serve as the foundation for an objective, systematic analysis of business attributes.

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DrillDown Overview

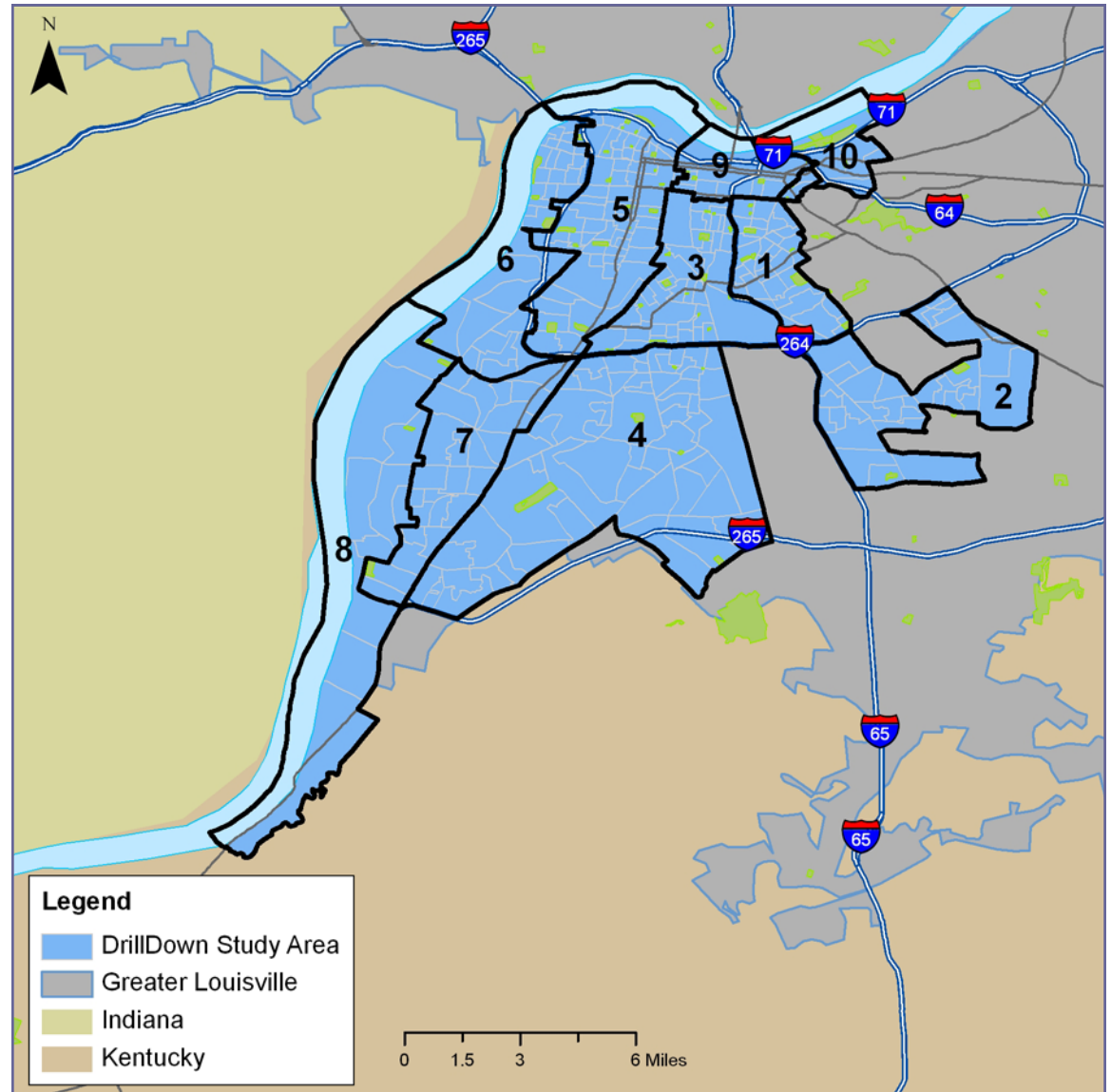
In partnership with Louisville Metro and with support from the Federal Reserve Bank of St. Louis, Fifth Third Bank, PNC Bank, Community Resource Network, Louisville Metro Economic Development Department, Making Connections Louisville, Metro United Way, and US Bank, Social Compact conducted its Neighborhood Market DrillDown analysis in a number of neighborhoods in the City of Louisville.

The 2008 Louisville DrillDown – the first study of its kind to be conducted in Louisville – serves as an additional information source that can aid local government, community and business leaders to uncover market strengths and opportunities in the City's underserved neighborhoods. The DrillDown study aims to complement the city's efforts to attract investment to these areas and inform the City's comprehensive economic development agenda going forward.

The Louisville Metro DrillDown study area neighborhoods include:

1. Bardstown North
2. Bardstown South
3. Central North
4. Central South
5. Dixie NE
6. Dixie NW
7. Dixie SE
8. Dixie SW
9. Downtown
10. Northeast

Louisville Metro
2008 DrillDown Study Area Neighborhoods



Key Observations—Study Area Neighborhoods

The DrillDown finds larger neighborhood markets than previously understood. (See Page 10)

- The DrillDown estimates the Louisville study area is home to 361,879 residents, 8% higher (over 27,000 people), than the Census 2000 population count for the area (334,834) and 14% higher than the 2008 traditional market estimate (317,062).
- The DrillDown estimates some study area neighborhoods are larger than previously understood. In Downtown, the DrillDown population estimate is more than twice the 2008 traditional market estimate and 86% higher than Census 2000 figures. Similarly, in Dixie SW, the DrillDown estimates the neighborhood population at roughly 20% above both the Census 2000 and traditional market estimates. In Dixie SE and Dixie NE, the DrillDown estimates exceed traditional market estimates by 12% and 15%, respectively, and are roughly 10% above Census 2000 figures for both neighborhoods.

DrillDown estimates show higher aggregate income for all study area neighborhoods when compared to 2008 traditional market estimates and Census 2000 figures - revealing greater buying power in the study area. (See Pages 12 - 14)

- The DrillDown estimates higher average household income, when compared to Census 2000 figures, in all study area neighborhoods; most notably in Downtown, where DrillDown estimates exceed the Census 2000 average household income by 120% and the 2008 traditional market estimate by 90%. In Central North and Northeast, DrillDown average household income estimates exceed Census 2000 income figures by 23% and 22%, respectively, and are 10% and 14% higher than the 2008 traditional market estimate. .
- The average income of individuals who purchased homes in study area neighborhoods between 2003 and 2006 (\$48,500) is 30% higher than the average income of study area residents in 2000 (\$37,300). In Downtown, new home buyer incomes are more than five times (458%) the average income of downtown residents in 2000. New home buyers in Central North and Northeast also report significantly higher average household incomes, 68% and 58% higher, respectively, than neighborhood residents in 2000.
- The DrillDown estimates the Louisville study area aggregate neighborhood income at roughly \$6.7 billion—\$1.1 billion more (19%) than the 2008 traditional market estimate of roughly \$5.6 billion. The DrillDown aggregate income estimate for the study area includes an estimated \$400 million in unrecognized income due to informal economic activity comprising an estimated 6% of the total study area economy.
- Aggregate neighborhood income estimates exceed Census 2000 figures and 2008 traditional market estimates in all study area neighborhoods; most notably in Downtown, where the DrillDown aggregate income estimate is roughly five times (400%) the Census 2000 and 2008 traditional market estimates. The DrillDown aggregate neighborhood income estimates for Dixie SW are 45% higher than Census 2000 and 25% above the 2008 traditional market estimate; and in Dixie SE 34% higher than Census figures and 15% above the 2008 traditional market estimate.
- The majority of study area neighborhoods demonstrate income densities (income per acre) well above the Louisville-KY-IN metropolitan statistical area (MSA) average of roughly \$11,595. For example, income density in Downtown (\$202,000), Bardstown North (\$163,000), and Dixie SE (131,000) is more than 10 times greater than the MSA average income. The Louisville-KY-IN MSA is comprised of 13 counties in both the state of Indiana and Kentucky: Clark County, IN; Floyd County, IN; Harrison County, IN; Washington County, IN; Bullitt County, KY; Henry County, KY; Jefferson County, KY; Meade County, KY; Nelson County, KY; Oldham County, KY; Shelby County, KY; Spencer County, KY; and Trimble County, KY.

NOTE: Census 2000 income values are not adjusted for inflation.

The DrillDown analysis documents rising home values in study area neighborhoods, indicating market stability. (See Page 16)

- The DrillDown estimates median home sale values well above Census 2000 values in all study area neighborhoods. In Downtown, home values are more than 300% higher than Census 2000 values and are double the 2008 traditional market estimate; home values in Dixie NE are 75% above Census 2000 and 36% above the traditional market estimate and in Northeast, home values exceed Census 2000 values by 40% and the traditional market estimate by 10%.

The DrillDown documents that residents in some study area neighborhoods have less access to traditional financial service providers and full service grocers when compared to the study area as a whole. (See Page 19 - 21)

- The DrillDown estimates that 15% of study area residents are currently lacking a credit record with any of the three major credit bureaus and may be underbanked. Some study area neighborhoods demonstrate a larger proportion of residents lacking credit records, such as Downtown (74%) and Central North (15%).
- The DrillDown found that, on average, there are roughly 6 banks for every 10,000 households in the Louisville study area and that residents, on average, travel 0.65 miles to reach a bank. In spite of the considerable presence of banks in the study area, residents in Dixie SW must travel a significantly greater distance (1.89 miles) than residents citywide to reach a bank.
- Residents in the Louisville study area travel on average 0.87 miles to reach the nearest full service grocer. However, residents in three study area neighborhoods travel a distance greater than or equal to 1 mile: Dixie SW (2.11 miles), Dixie NW (1.28 miles), Dixie SE (1.04 miles), and Downtown (1.00 miles).

NOTE: Census 2000 values are not adjusted for inflation.

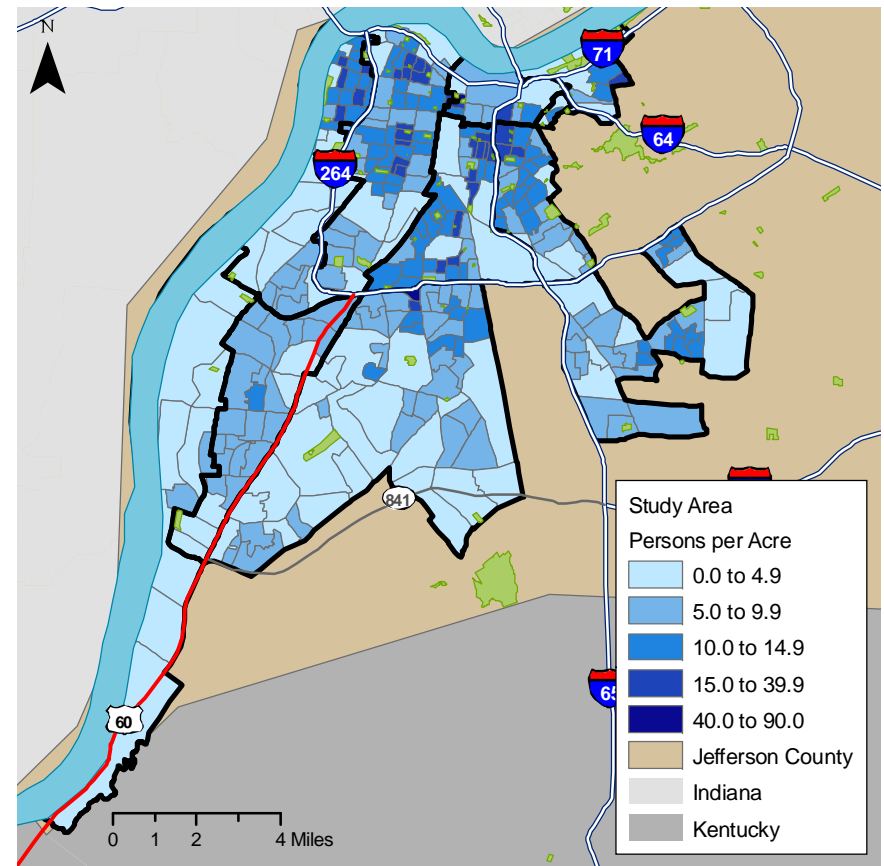
MARKET SIZE figures indicate a neighborhood's population of residential consumers, effectively describing neighborhood mass and density. Market size is commonly underestimated in inner-city neighborhoods because measurements at the neighborhood level are often outdated or inaccurate. Research has shown that the decennial census is susceptible to undercounting particular areas due to incorrect information; unreturned and incomplete surveys; and missed households and individuals. Population undercounts are more likely to occur in low-income, predominantly minority, urban neighborhoods, where a larger proportion of residents may have language barriers, live in overcrowded housing, and have greater mistrust of government. Accurate measurements of market size underpin assessments of investment and business potential in neighborhoods. To enhance accuracy, Social Compact's DrillDown uses data sources compiled on an annual basis to build its profiles.

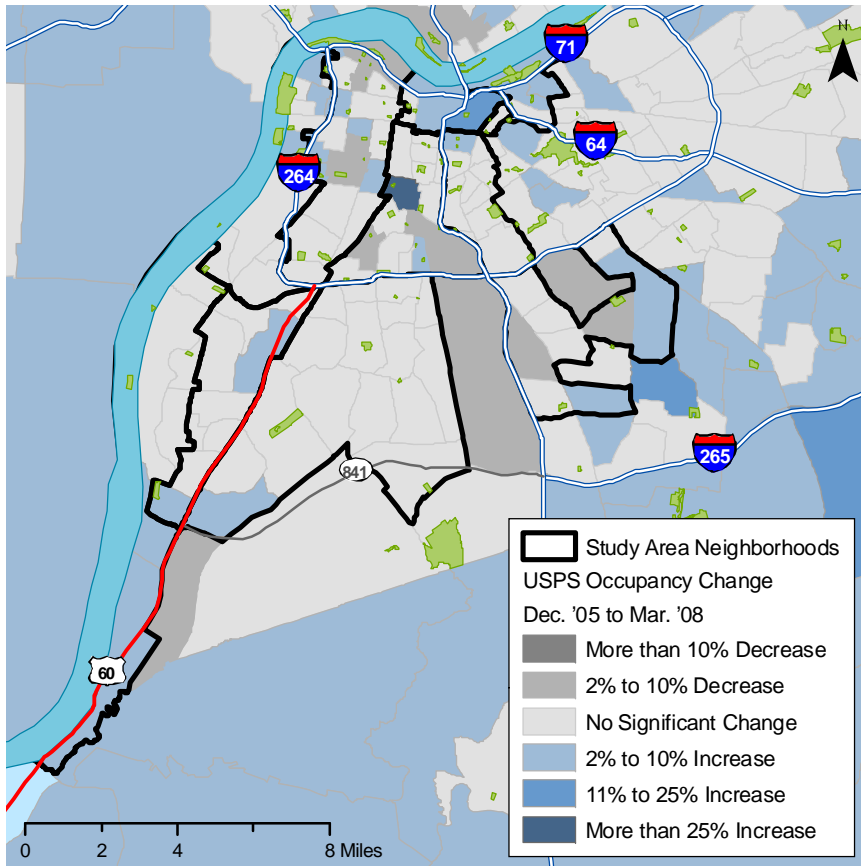
HOUSING UNITS, POPULATION, HOUSEHOLDS: The DrillDown assembles a list of residential addresses from municipal and proprietary tax assessment records, municipal building permit records, utility hookups, and credit bureau records. Households, or occupied units, are determined by multiplying the total number of residential addresses by the vacancy rate, determined through analysis of utility usage records, at the block group level. Total population is calculated by multiplying the number of households by the average household size and adding this number to the population in group quarters. Average household size and population in group quarters are provided at the block group level by the most recent census trend projections.

DrillDown Total Population % Above Census 2000				
1	Downtown	86%	6 Northeast	6%
2	Dixie SW	20%	7 Bardstown South	5%
3	Dixie SE	11%	8 Dixie NW	2%
4	Dixie NE	10%	9 Bardstown North	1%
5	Central South	6%		

DrillDown Total Households % Above Census 2000				
1	Downtown	133%	6 Central South	5%
2	Dixie SW	21%	7 Bardstown South	5%
3	Dixie SE	11%	8 Dixie NW	2%
4	Dixie NE	10%		
5	Northeast	6%		

DrillDown Population Density (Persons per Acre)				
1	Bardstown North	8.6	6 Bardstown South	5.1
2	Downtown	7.9	7 Central South	4.3
3	Central North	7.2	8 Dixie NW	4.0
4	Dixie NE	6.5	9 Northeast	3.2
5	Dixie SE	6.1	10 Dixie SW	1.3





NOTE: Map depicts change in USPS delivery addresses, both commercial and residential. Change may reflect occurrences such as business openings and closings and demolition of existing commercial or residential structures.

USPS COMMERCIAL AND RESIDENTIAL CHANGE is the total number of residential and commercial addresses that the U.S. Postal Service (USPS) has recorded in their database excluding addresses identified as vacant or no-stat (unoccupied or not collecting mail for 90 days or longer). The data is provided by U.S. Department of Housing and Urban Development (HUD) on a quarterly basis at the census tract level.

% CHANGE IN IRS RETURNS: The percent change in IRS returns reported for each neighborhood is extrapolated from 1998 and 2005 zip code level data available from the Internal Revenue Service (IRS). The zip code level data is adjusted to different geographies by weighting the number of returns to the Census 2000 households at the block group level. Decreases in the number of IRS Returns do not solely represent a decrease in population but may also reflect household changes resulting from individuals filing jointly, movement of seasonal and annual student populations, and other changes in the workforce population.

USPS Commercial and Residential Change (12/05 - 3/08)					
1	Downtown	9%	6	Central South	2%
2	Northeast	4%	7	Dixie NW	1%
3	Dixie SW	3%	8	Bardstown South	1%
4	Dixie SE	2%	9	Bardstown North	0%
5	Dixie NE	2%	10	Central North	-1%

% Change in IRS Returns (1998 - 2005)					
1	Dixie SW	4%	6	Bardstown North	-7%
2	Dixie SE	2%	7	Dixie NW	-10%
3	Central South	-4%	8	Central North	-12%
4	Bardstown South	-5%	9	Dixie NE	-13%
5	Northeast	-6%	10	Downtown	-14%

To lend additional context, the rate of change for the same time period has been provided for both the Louisville Metro study area and the Louisville-KY-IN Metropolitan Statistical Area (MSA). The MSA is comprised of 13 counties in both the state of Indiana and Kentucky: Clark County, IN; Floyd County, IN; Harrison County, IN; Washington County, IN; Bullitt County, KY; Henry County, KY; Jefferson County, KY; Meade County, KY; Nelson County, KY; Oldham County, KY; Shelby County, KY; Spencer County, KY; and Trimble County, KY.

	Louisville-KY-IN MSA	Louisville Metro
USPS Commer. & Residential % Change	2.7%	1.2%
IRS Returns % Change	5.0%	-7.0%

MARKET STRENGTH/BUYING POWER figures address the population's consumer potential, gauging purchasing power by estimating aggregate income and income density and adjusting these figures to account for the estimated monetary value of unregulated economic activity (or the informal economy) within a neighborhood. Income estimates provided by the census, and census derived projections, are now outdated and prone to well-understood inaccuracies resulting from self reported income. In contrast, the DrillDown analysis incorporates the most recent income estimates from the three major credit bureaus. When aggregated to the neighborhood level, higher average household incomes result in concentrated buying power greater than previously understood. Moreover, higher population density in inner-city neighborhoods translates into concentrated buying power that supersedes their suburban counterparts, even in cases where average household incomes are comparatively lower. Traditional market analysis models used by retailers and financial institutions overlook the significant buying power generated by the local informal economy and therefore misinform private sector investment decisions. Information gaps and poor market data can drastically influence the economic prospects of neighborhoods, particularly in low income areas where traditional demographic data does not accurately capture market potential. Accurate measurements of a community's total economic activity may attract new investment and assist policy makers in identifying those barriers that prevent small and medium enterprises from entering the formal market. Increased information on small businesses operating in under-regulated environments might encourage the engagement of mainstream small business lenders.

INCOME: Household income estimates are derived in a series of calculations. First, a count is made of the number of individuals per income bracket, as determined by the three credit bureau income estimates. Then, the average income at the block group level is calculated by applying the Bureau of Labor and Statistics Consumer Expenditure Survey's estimated average income for individuals within a particular income range (projected from 2004 to 2006) to the income distribution determined. The third calculation adjusts the income estimate to account for informal economic activity.

INFORMAL ECONOMY: By weighting the following proxies, the DrillDown estimates the monetary value of unregulated economic activity: households with income below \$30,000; difference between household income and household expenditures; the percentage of households with no credit record; the percentage of utility payments made in cash; the number of nontraditional financial service providers per household and per acre; the difference between estimated housing costs and real home values; and the percent foreign born population.

NOTE: Income change from Census 2000 figures is not adjusted for inflation.

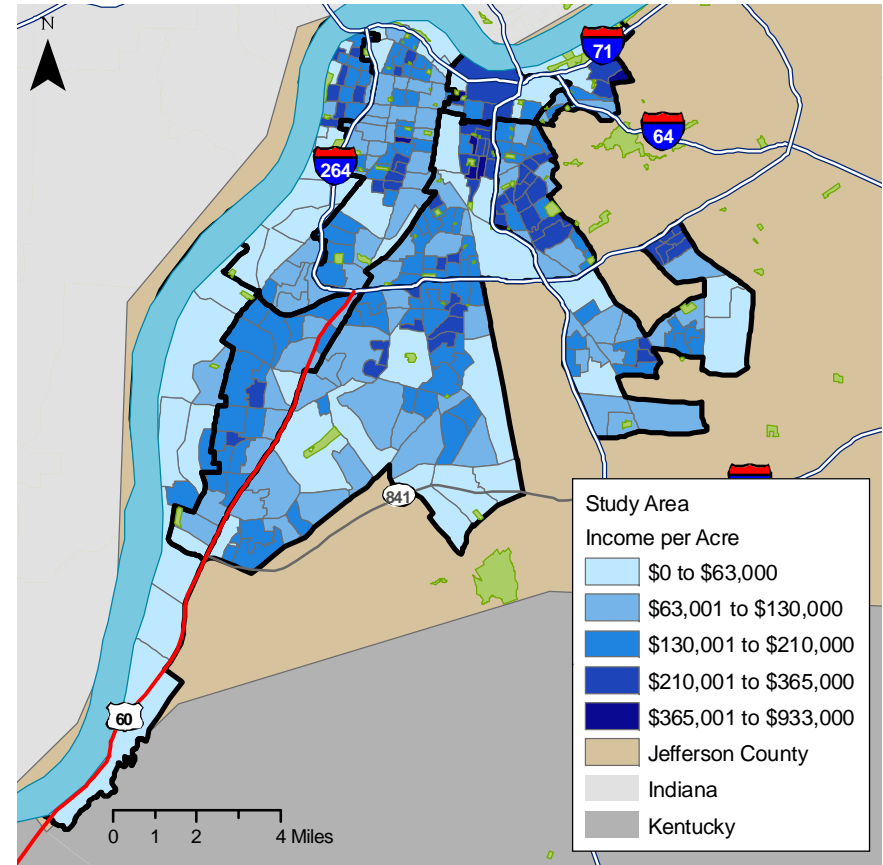
DrillDown Median Household Income % Above Census 2000			
1	Downtown	17%	6 Dixie SE 11%
2	Central North	14%	7 Central South 10%
3	Bardstown South	13%	8 Northeast 10%
4	Dixie SW	12%	9 Bardstown North 9%
5	Dixie NW	11%	10 Dixie NE 7%

DrillDown Average Household Income % Above Census 2000			
1	Downtown	120%	6 Bardstown North 16%
2	Central North	23%	7 Bardstown South 16%
3	Northeast	22%	8 Dixie NW 16%
4	Dixie SE	20%	9 Dixie NE 14%
5	Dixie SW	20%	10 Central South 10%

DrillDown Aggregate Neighborhood Income % Above Census 2000				
1	Downtown	412%	6 Bardstown South	22%
2	Dixie SW	45%	7 Dixie NW	18%
3	Dixie SE	34%	8 Central North	18%
4	Northeast	29%	9 Bardstown North	16%
5	Dixie NE	25%	10 Central South	16%

DrillDown Income Density (Income per Acre)				
1	Downtown	\$202,452	6 Dixie NE	\$92,368
2	Bardstown North	\$163,109	7 Central South	\$85,994
3	Dixie SE	\$130,691	8 Northeast	\$72,610
4	Central North	\$112,706	9 Dixie NW	\$68,747
5	Bardstown South	\$95,864		

% Informal Economy				
1	Downtown	14.6%	6 Central South	5.4%
2	Northeast	5.7%	7 Dixie SE	5.3%
3	Bardstown North	5.6%	8 Dixie SW	5.3%
4	Bardstown South	5.6%	9 Dixie NW	5.3%
5	Central North	5.4%	10 Dixie NE	5.3%

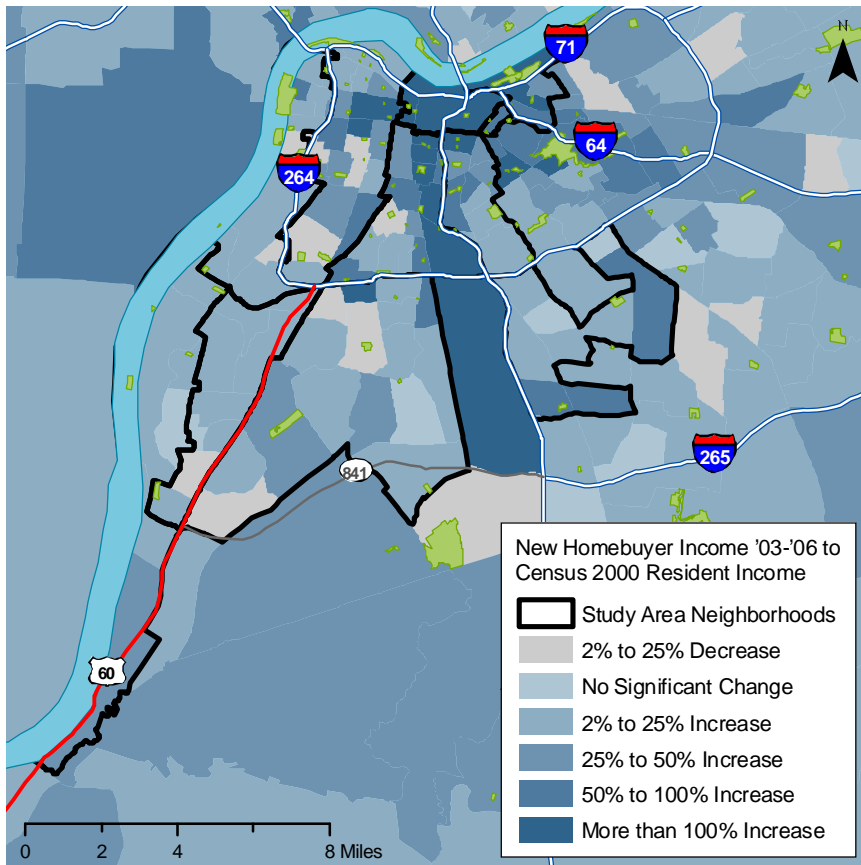


IRS ADJUSTED GROSS INCOME: The change in IRS adjusted gross income serves as an indicator of neighborhood income change. The percent change in adjusted gross income reported for each neighborhood is extrapolated from 1998 and 2005 zip code level data available from the Internal Revenue Service (IRS). The 1998 values are adjusted for inflation to 2005 dollars. The zip code level data is adjusted to different geographies by weighting the number of returns to the Census 2000 households at the block group level.

NEW HOMEOWNERS AVERAGE HOUSEHOLD INCOME: The average income of new home buyers compared to Census 2000 average household income is an additional indicator of neighborhood change. New homeowners average income is derived from tract-level home loan data provided by Home Mortgage Disclosure Act (HMDA), 2003-2006; including all home purchase loans for 1-4 unit structures intended as the primary residence (not rental or second home).

% Change in IRS Adjusted Gross Income (1998 - 2005)					
1	Downtown	6.7%	6	Dixie SE	-4.4%
2	Northeast	2.1%	7	Central South	-4.6%
3	Bardstown North	-2.7%	8	Bardstown South	-5.0%
4	Dixie SW	-3.4%	9	Dixie NE	-5.9%
5	Dixie NW	-3.7%	10	Central North	-6.4%

New Homebuyer's Average Household Income 2003 - 2006 % Above Census 2000					
1	Downtown	458%	6	Dixie SW	23%
2	Central North	68%	7	Central South	14%
3	Northeast	58%	8	Dixie SE	12%
4	Bardstown North	38%	9	Bardstown South	11%
5	Dixie NE	33%	10	Dixie NW	5%



MARKET STABILITY/RISK indicators further gauge the viability of business investment in a neighborhood, assessing the presence of community stakeholders and demonstrating trends in real estate property values and crime. Through an estimation of owner occupied units and buildings, the DrillDown assesses homeownership, a factor widely thought to increase individual investment in a community. Since a greater proportion of urban housing stock is multi-unit or multi-family, when compared to suburban housing, Social Compact assesses owner occupancy by building and in so doing reveals a greater number of neighborhood stakeholders. For example, a resident who owns a three-unit building may live in one unit while renting out the other two; owner occupancy measured by unit is 33%; whereas occupancy by building is 100%.

HOMEOWNERSHIP/OWNER OCCUPANCY: An estimate of the percentage of residential units or buildings where the unit or building owner is a resident. Owner occupancy is determined through matching mailing and street addresses provided by municipal tax assessor records.

DrillDown % of Residential Buildings Occupied by Owner % Above Census 2000					
1	Dixie SE	83%	6	Northeast	65%
2	Dixie SW	78%	7	Bardstown South	56%
3	Central South	74%	8	Dixie NE	53%
4	Dixie NW	73%	9	Central North	53%
5	Bardstown North	68%	10	Downtown	16%

DrillDown % of Residential Units Occupied by Owner % Above Census 2000					
1	Dixie SW	77%	6	Bardstown South	54%
2	Dixie SE	76%	7	Dixie NE	48%
3	Central South	69%	8	Northeast	46%
4	Dixie NW	65%	9	Central North	34%
5	Bardstown North	60%	10	Downtown	5%

Census 2000 % of Residential Units Occupied by Owner % Above Census 2000					
1	Dixie SW	84%	6	Dixie NE	54%
2	Dixie SE	76%	7	Bardstown South	47%
3	Dixie NW	70%	8	Northeast	41%
4	Central South	64%	9	Central North	36%
5	Bardstown North	61%	10	Downtown	6%

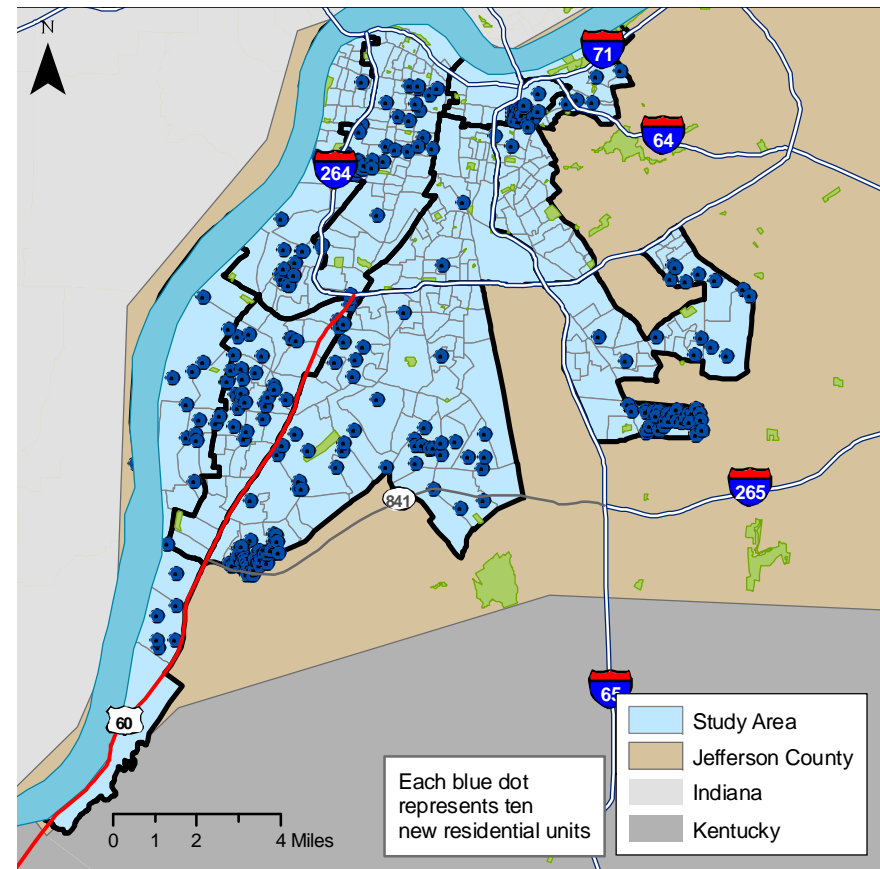
MEDIAN HOME SALE VALUE: Median home sale value is calculated using property transaction data from property sales and proprietary and municipal real estate data over an 18 month period (October 2006 to May 2007).

BUILDING RECORDS: New residential units (new construction) and building rehabilitation (additions, alterations, and repairs to existing structures) is assessed using project descriptions obtained from municipal building permit records for the stated period of time. The DrillDown analyzes building permit activity over time to potentially capture upward trends in residential construction and renovation, which would indicate property investment and a vibrant housing market.

Median Home Sale Value % Above Census 2000					
1	Downtown	302%	6	Bardstown South	35%
2	Dixie NE	75%	7	Bardstown North	33%
3	Northeast	40%	8	Dixie SW	16%
4	Central North	39%	9	Central South	7%
5	Dixie NW	38%	10	Dixie SE	2%

DrillDown Total Number of Permitted New Residential Units (2003 - 2008)					
1	Central South	855	6	Dixie SW	243
2	Bardstown South	499	7	Dixie NW	169
3	Dixie NE	456	8	Bardstown North	63
4	Dixie SE	382	9	Northeast	42
5	Downtown	249	10	Central North	37

DrillDown % of Residential Buildings with Permitted Rehab Activity (2003 - 2008)					
1	Northeast	2.7%	6	Central South	1.5%
2	Bardstown North	2.4%	7	Dixie SE	1.4%
3	Central North	1.9%	8	Downtown	1.3%
4	Dixie NE	1.7%	9	Bardstown South	1.2%
5	Dixie SW	1.5%	10	Dixie NW	1.2%

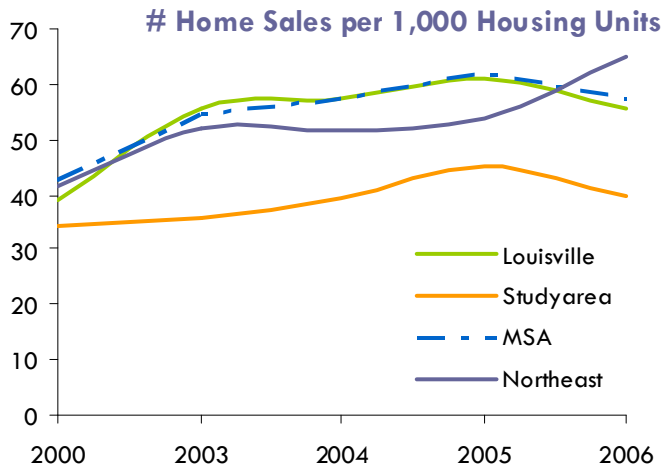


Map represents only permitted new units from new residential construction. Please note that dot placement in map above corresponds to census block groups and not actual street addresses. Dots may be overlapping.

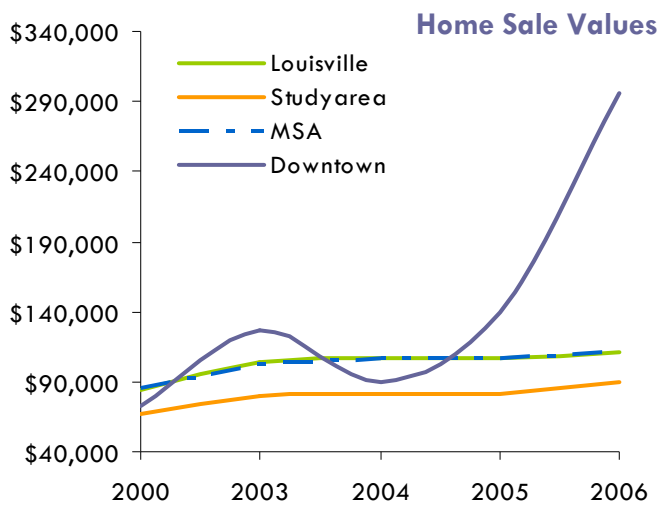
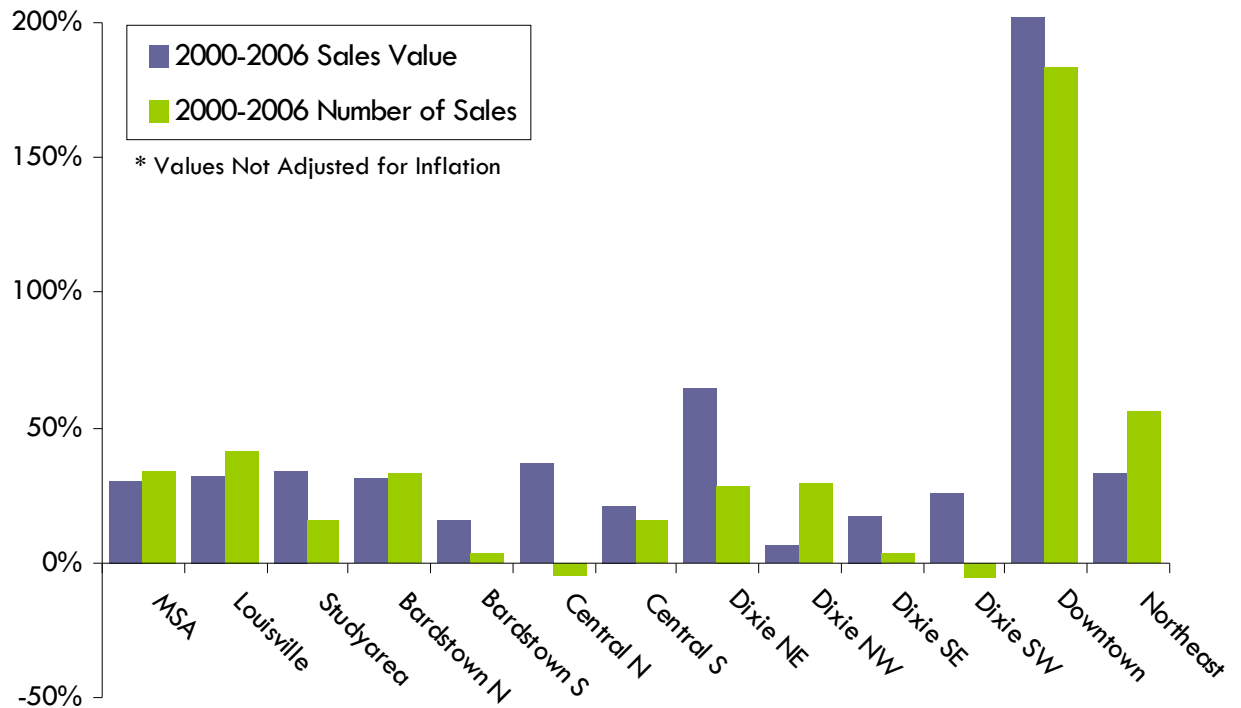
Social Compact analyzed recent home sales activity in the Louisville Metro area in order to assess recent trends in the housing market. The Louisville-KY MSA, city, study area and neighborhoods are discussed below.

Number of Home Sales: Across the region the number of home sales has increased since 2000. Within the study area the highest volume of sales (as measured by sales per 1,000 single family units) was in the Northeast neighborhood, which surpassed the relative volume of the MSA and City in 2006.

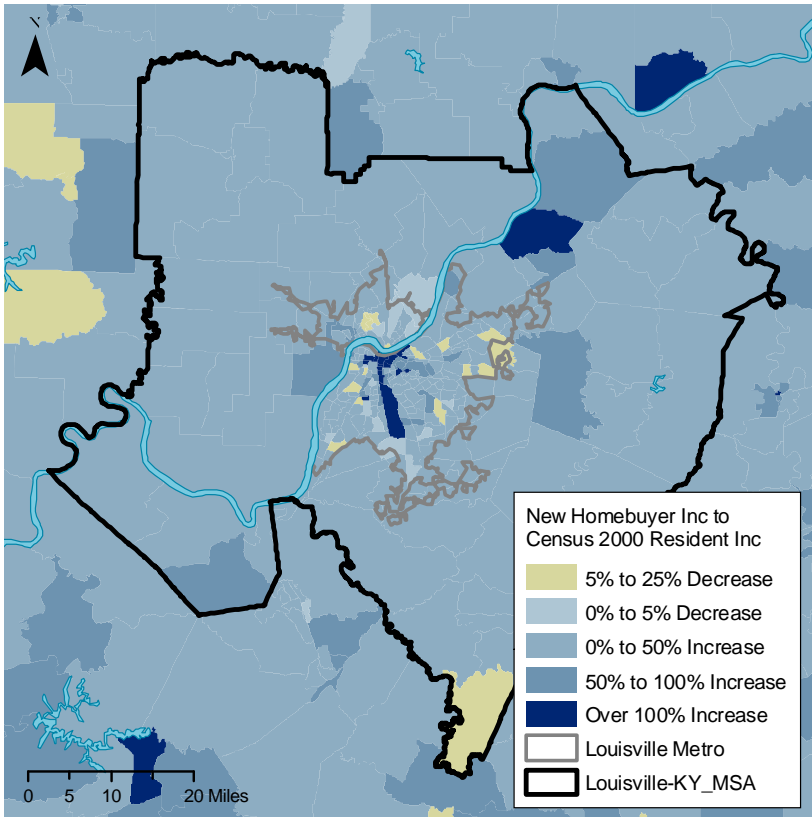
Change in Home Sale Values: Louisville metro experienced a moderate increase in home values between 2000 and 2006, from \$84,943 to \$110,862. Home values in the Study Area climbed slightly faster from \$67,078 to \$89,630. This increase was most dramatic in the Downtown, where the median home sale value is more than four times the Census 2000 value..



Change in Median Home Sales Values 2000-2006

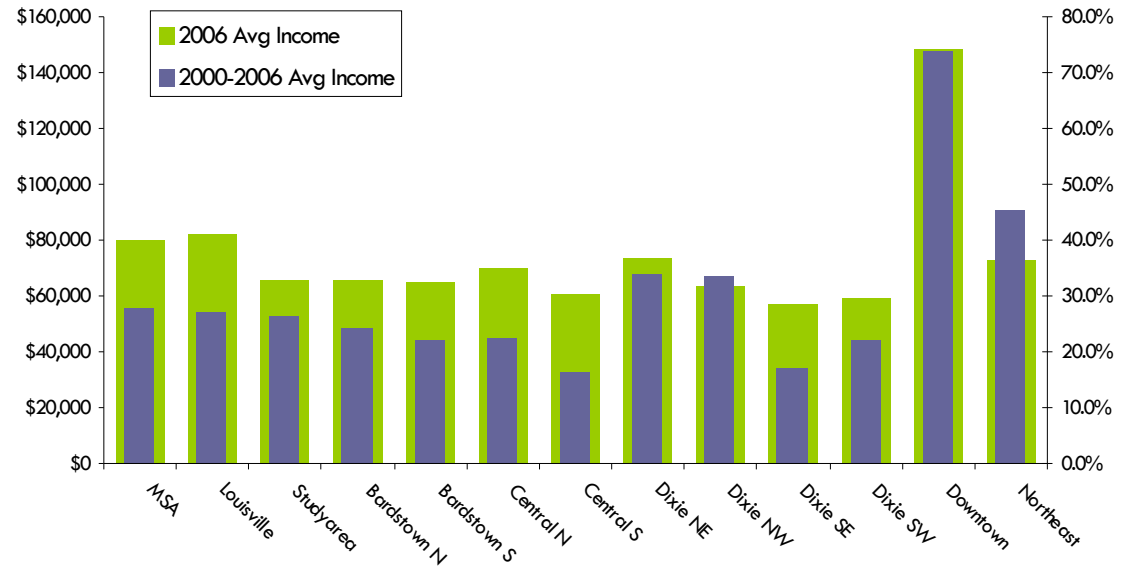


New Homebuyer Income Relative to Census 2000 Resident Income



Average Income of Primary Residence Home Buyers: Income change in the Downtown, Northeast, Dixie NE and Dixie NW neighborhoods has outpaced change in the City and MSA.

Average Income of Primary Residence Home Buyers



Source: Home Mortgage Disclosure Act Data (2000-2006); First American Core Logic, 2007

Primary Residence Loans: Most home loans are made to individuals purchasing homes as a principal dwelling (owner occupied). This percentage was higher in 2006 compared to 2000. The study area had the greatest change in the percentage of principal dwelling loans. Dixie NE, Dixie NW and Central N all had less than 70% principal dwelling loans, where a significant number of properties are purchased as a principal dwelling.

Recent Study Area Homes Sales Values:

2007	Median Home Sale Values	Number of Sales
Bardstown N	\$101,753	802
Bardstown S	\$94,302	636
Central N	\$98,823	648
Central S	\$106,935	1586
Dixie NE	\$71,169	991
Dixie NW	\$78,449	801
Dixie SE	\$104,786	1031
Dixie SW	\$105,192	770
Downtown	\$187,250	38
Northeast	\$114,208	214

	MSA	Louisville	Studyarea
2000	87%	85%	73%
2006	91%	88%	82%

MARKET POTENTIAL is characterized by market anomalies such as high incomes coupled with inadequate financial services and unmet retail demand. While these anomalies may be known intuitively by business leaders in a community, Social Compact DrillDown data provides a more accurate foundation for devising business attraction strategies. Access to traditional financial services and fresh food are essential components of comprehensive community development, yet many mainstream financial institutions and supermarkets tend not to invest in the inner city as they are largely unaware of the economic potential. As a result, many inner city neighborhoods have fewer traditional financial institutions and grocery stores per capita when compared to suburban neighborhoods.

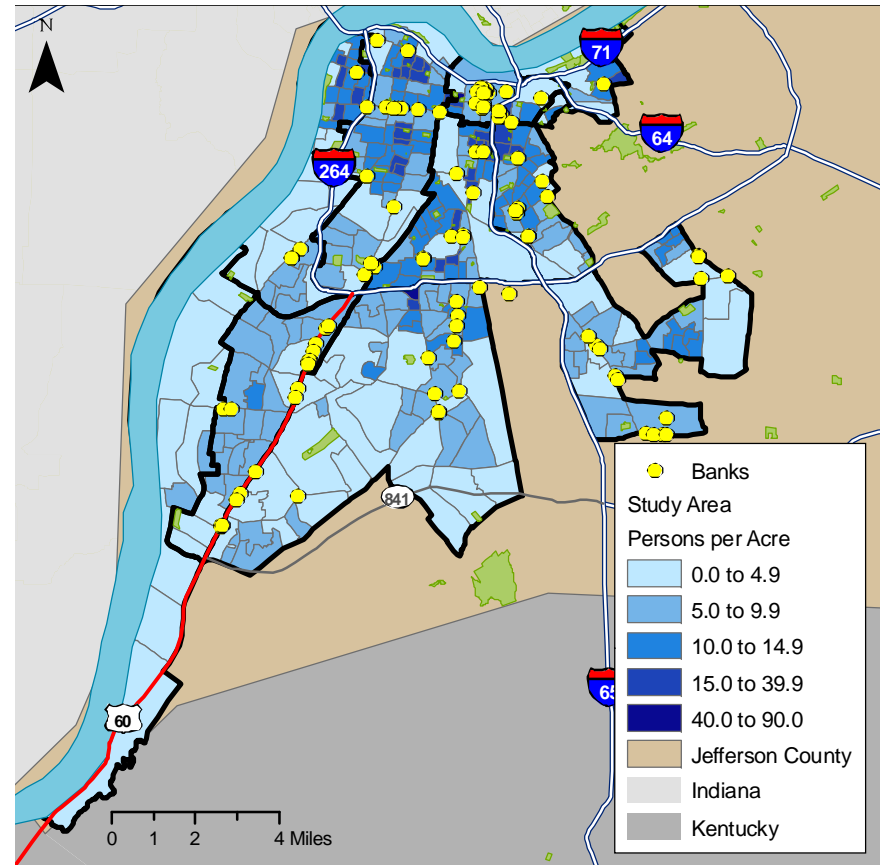
TRADITIONAL FINANCIAL INSTITUTIONS include banks and credit unions; based on listings provided by the Federal Deposit Insurance Corporation (FDIC), 2007. The DrillDown provides information on the presence of traditional and nontraditional financial service institutions in order to determine residents access to these services. The DrillDown measurement of the number of institutions per 10,000 households is used simply to provide a frame of reference for understanding this indicator.

AVERAGE DISTANCE is reported by neighborhood and represents the averages of the distance in miles from each census block group center to the closest institution within two miles of the study area boundary. In the case that a traditional financial service institution is located on or just beyond the neighborhood boundaries used in the DrillDown analysis, this indicator serves as a more accurate determinant of residents' access to services.

Traditional Financial Service Institutions per 10,000 Households (Banks and Credit Unions)				
1	Dixie SW	1.4	6 Central North	8.0
2	Northeast	2.4	7 Dixie SE	8.4
3	Dixie NE	5.9	8 Dixie NW	8.5
4	Bardstown North	6.9	9 Bardstown South	11.4
5	Central South	6.9	10 Downtown	27.1

Average Distance to Traditional Financial Service Institution (in miles)				
1	Dixie SW	1.89	6 Dixie NE	0.55
2	Bardstown South	0.78	7 Northeast	0.53
3	Central South	0.77	8 Bardstown North	0.47
4	Dixie NW	0.69	9 Central North	0.42
5	Dixie SE	0.64	10 Downtown	0.31

NOTE: Map depicts banks up to two miles beyond the Louisville study area boundary. Points may be overlapping.



Limited access to traditional banking and financial services has long been a barrier to wealth creation in marginalized communities. This lack of access often translates to higher costs for basic financial transactions (1). Communities faced with a high presence of check cashing institutions, pay-day loan centers and other predatory financial services providers fall victim to higher transactional fees; a recent study found that “borrowers pay \$4.2 billion every year in excessive payday lending fees (2).”

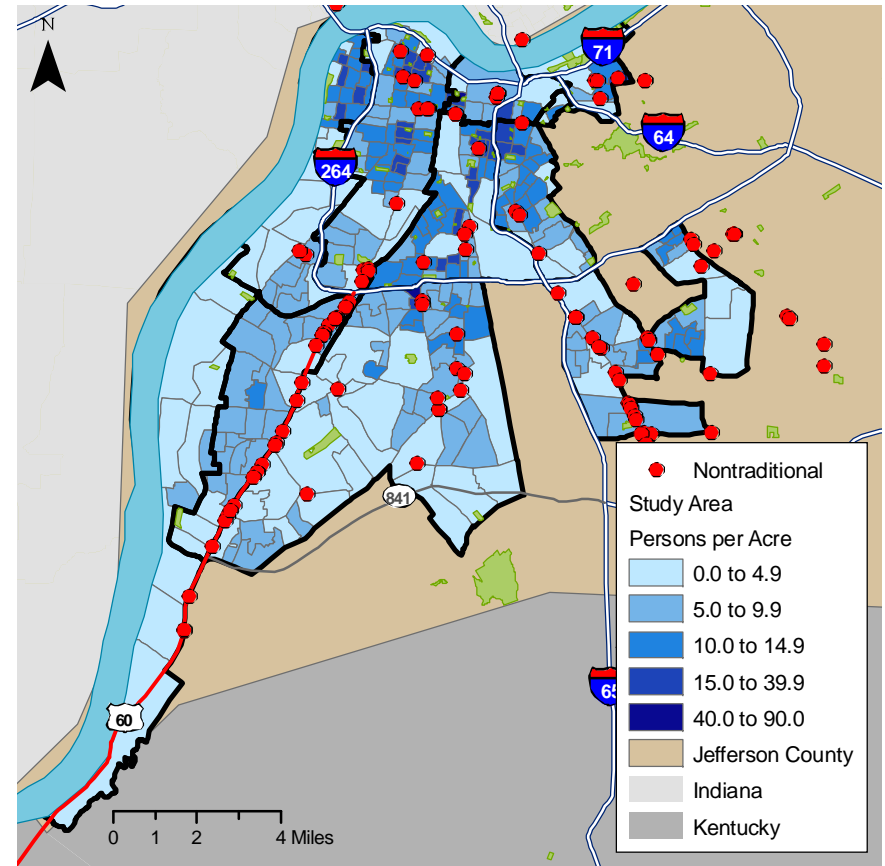
HOUSEHOLDS LACKING CREDIT RECORDS: A proxy for underbanked households, a percentage of households lacking an associated record with any of the three credit bureaus.

NONTRADITIONAL FINANCIAL INSTITUTIONS include check cashing establishments, pawnshops and payday lending institutions; based on listings provided by InfoUSA.

Nontraditional Financial Service Institutions per 10,000 Households (Pawnshops, Payday Lenders, Check Cashers)					
1	Bardstown South	10.8	6	Dixie NE	4.7
2	Northeast	9.7	7	Bardstown North	3.8
3	Dixie SE	9.7	8	Central North	3.4
4	Central South	7.9	9	Dixie NW	1.7
5	Downtown	7.2	10	Dixie SW	1.4

Average Distance to Nontraditional Financial Service Institutions (in miles)					
1	Northeast	0.35	6	Dixie NE	0.67
2	Downtown	0.44	7	Central South	0.68
3	Central North	0.50	8	Dixie SE	0.69
4	Bardstown South	0.53	9	Dixie NW	1.26
5	Bardstown North	0.65	10	Dixie SW	1.80

% of Households Lacking Credit Histories					
1	Downtown	74%	6	Central South	9%
2	Central North	15%	7	Dixie NW	8%
3	Dixie NE	14%	8	Bardstown North	8%
4	Bardstown South	11%	9	Northeast	5%
5	Dixie SW	10%	10	Dixie SE	4%



NOTE: Map depicts nontraditional institutions up to two miles beyond the Louisville DrillDown study area boundary. Points may be overlapping.

(1) Barr, M. (2004). *Banking the Poor: Policies to Bring Low-Income Americans Into the Financial Mainstream*. Washington, DC: The Brookings Institution.
 (2) King, U., Parrish, L. & Tanik, O. (November 2006). *Financial Quicksand: Payday lending sinks borrowers in debt with \$4.2 billion in predatory fees every year*. Center for Responsible Lending: Durham, NC.

An absence of affordable, quality food can lead to demonstrable health complications such as obesity, diabetes and hypertension (3). Understanding the demand for groceries in communities is essential to development professionals and legislators as many urban areas have begun crafting incentives for grocers to locate in their communities. The DrillDown quantifies unmet market demand as the difference between grocery store revenue and estimated expenditures. This calculation, coupled with buying power and aggregate income estimates, demonstrates and promotes opportunities for both full service grocery stores and financial services development in underserved neighborhoods.

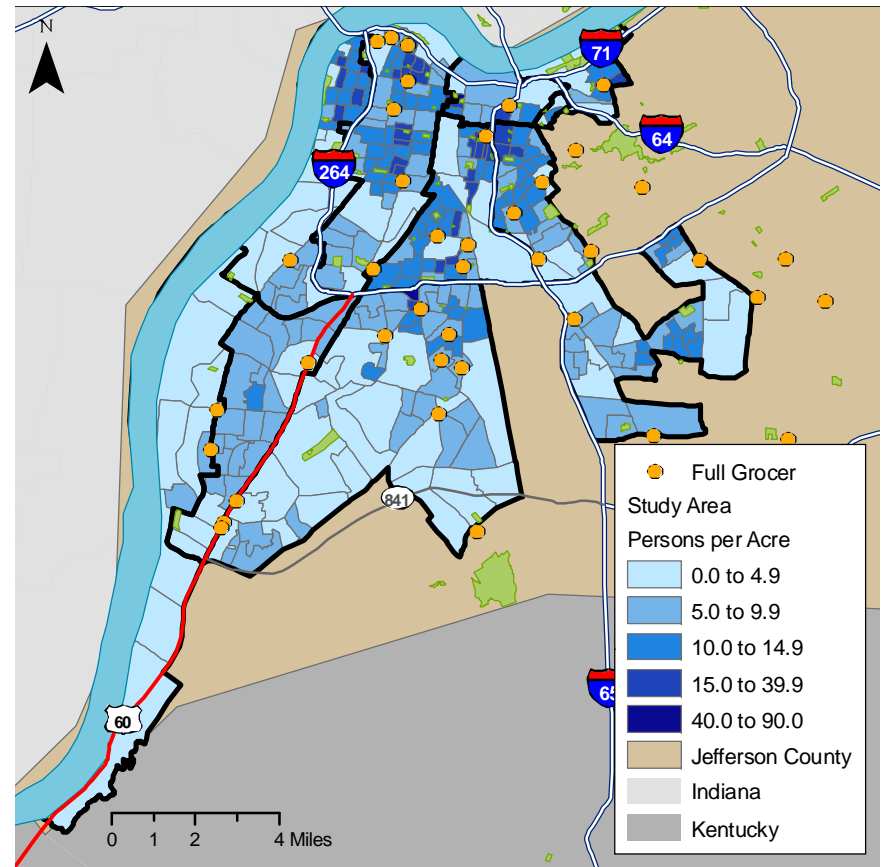
GROCERY ANALYSIS: Full service grocers include supermarkets and other grocery providers with 20 or more employees or those establishments identified by local partners as full service grocers. Grocery listings and categories are provided by ESRI Business Analyst and InfoUSA.

GROCERY LEAKAGE identifies the gap between available grocery retail within the neighborhood and the grocery retail spending of residents themselves.

Total Number of Full Service Grocers per 10,000 Households				
1	Dixie SW	0.0	6 Dixie NE	1.7
2	Downtown	0.0	7 Bardstown South	1.8
3	Dixie NW	0.8	8 Central South	1.9
4	Dixie SE	1.3	9 Northeast	2.4
5	Bardstown North	1.5	10 Central North	3.4

Average Distance to Full Service Grocers (in miles)				
1	Dixie SW	2.11	6 Central South	0.88
2	Dixie NW	1.28	7 Dixie NE	0.64
3	Dixie SE	1.04	8 Bardstown North	0.60
4	Downtown	1.00	9 Central North	0.55
5	Bardstown South	0.96	10 Northeast	0.53

Neighborhood Grocery Leakage				
1	Dixie SE	\$38.4 M	6 Dixie NW	-\$4.1 M
2	Downtown	\$28.9 M	7 Bardstown South	-\$9.3 M
3	Dixie SW	\$21.4 M	8 Northeast	-\$13.9 M
4	Dixie NE	\$10.8 M	9 Central North	-\$91.3 M
5	Bardstown North	\$8.0 M	10 Central South	-\$109.1 M



NOTE: Map depicts full service grocers up to two miles beyond the Louisville DrillDown study area boundary. Points may be overlapping.

(3) Gallagher, M. (2006). Examining the Impact of Food Deserts on Public Health in Chicago. Research and Consulting Group.

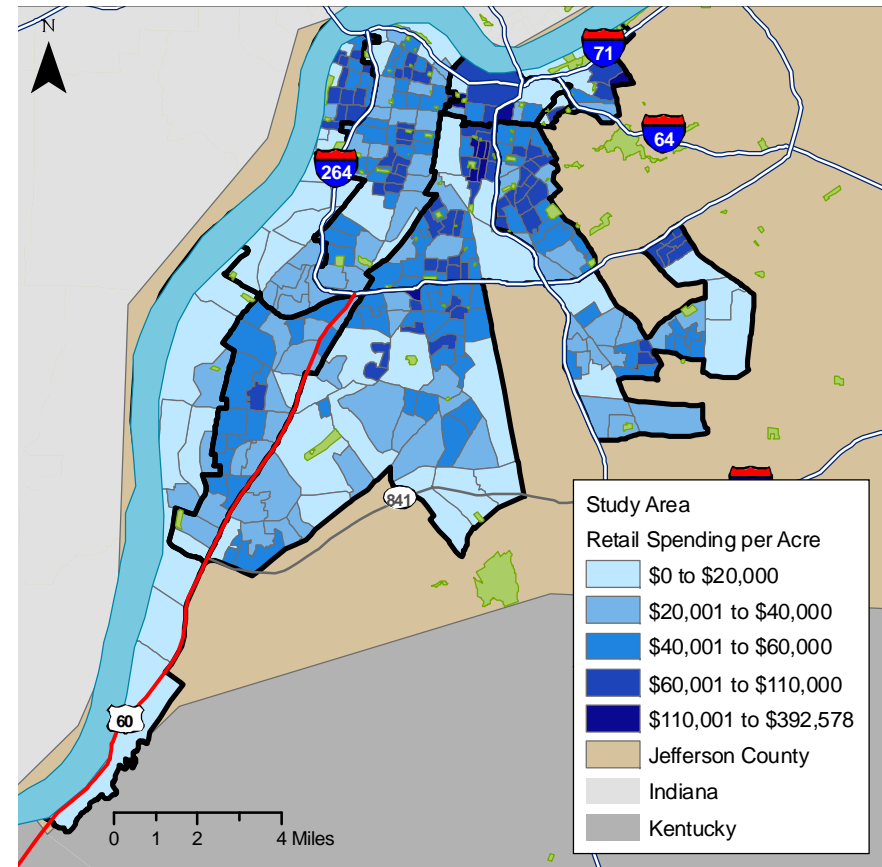
RESIDENT RETAIL EXPENDITURES: Through an analysis of average consumer spending by income ranges based on the most recent Consumer Expenditure Survey conducted by the Bureau of Labor and Statistics, Social Compact calculates aggregate resident expenditures (retail and otherwise). The Consumer Expenditure Survey categories are then matched to corresponding North American Industry Classification System (NAICS) codes for existing retail businesses.

NEIGHBORHOOD LEAKAGE: An estimate of the flow of dollars in and out of a particular neighborhood, derived through subtracting annual sales revenue from aggregated resident expenditures. A positive dollar amount means residents expenditures exceed business revenues and represents unmet demand for the given geography. A negative dollar amount does not necessarily imply that neighborhoods are sufficiently retailed, rather that business revenues exceed resident expenditures in the area. Negative leakage can often be explained by dollars that flow into a neighborhood as a result of visitor and worker spending due to the presence of destination shopping and flagship retailers.

Neighborhood Retail Leakage					
1	Dixie NE	\$138.2 M	6	Downtown	\$45.5 M
2	Dixie SE	\$119.5 M	7	Central South	\$42.7 M
3	Dixie NW	\$96.3 M	8	Northeast	\$1.9 M
4	Dixie SW	\$84.6 M	9	Central North	-\$42.4 M
5	Bardstown North	\$69.5 M	10	Bardstown South	-\$359.4 M

Neighborhood Retail Spending Density (Spending per Acre)					
1	Downtown	\$57,690	6	Bardstown South	\$28,724
2	Bardstown North	\$49,065	7	Central South	\$23,940
3	Central North	\$38,028	8	Northeast	\$21,719
4	Dixie SE	\$36,766	9	Dixie NW	\$20,522
5	Dixie NE	\$30,555	10	Dixie SW	\$7,008

Note: Neighborhood retail leakage does not include resident expenditures for restaurants.



Frequently Asked Questions

Q: What is the Louisville Metro DrillDown?

A: The Louisville Metro Neighborhood Market DrillDown is an assets-based market analysis conducted by Social Compact that combines numerous data sets, both public and private, national and local, in order to build a set of community economic indicators that are tailored to urban markets. These indicators can be used to more accurately describe the size (population), strength (income and buying power), stability (homeownership and residential investment) and investment opportunity of a given market.

Q: How is the DrillDown different from a traditional market analysis?

A: Traditional market analyses are often modeled from the decennial census, despite growing evidence that the census undercounts low-income and minority neighborhoods at a higher rate than their wealthier counterparts. This undercount contributes to the continued undervaluing of the economic potential of urban communities, many of them underserved. In contrast, rather than relying on any one dataset, the DrillDown indicators surface from a combined body of data from a wide spectrum of sources. Tested against the intuitive knowledge of local practitioners and business leaders in over 300 neighborhoods across the country, the DrillDown has a proven track record of accurately capturing market characteristics in small, dense, and rapidly changing urban geographies.

Q: Who are the DrillDown partners?

A: The DrillDown was conducted by Social Compact in partnership with the Louisville Metro Department of Economic Development.

Q: Who is the DrillDown for and how can they use it?

A: The DrillDown can serve as a resource to nonprofit and community organizations, local businesses, government and private sector decision makers. DrillDown indicators have been used to inform: current and future community and economic development initiatives; neighborhood revitalization plans; retail attraction and small business development; and expanding access to grocery providers and traditional banking and financial services.

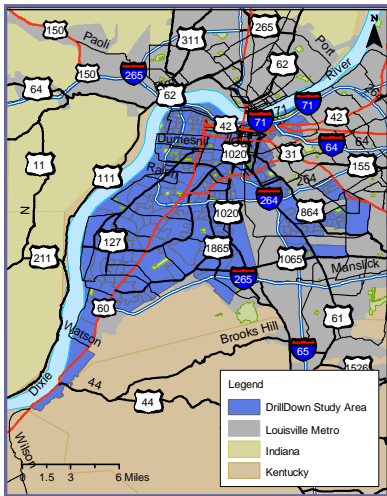
Q: What is a DrillDown market profile?

A: In addition to this report, DrillDown indicators are available in the form of a two-page detailed market profile, or “snapshot,” for individual neighborhood markets. To view the Louisville study area snapshots, please see page 24 of the DrillDown report.

Q: Where can I get a copy of the Louisville Metro DrillDown report?

A: The Louisville Metro DrillDown report is available for download at Social Compact’s website: <http://www.socialcompact.org>.

DrillDown Market Overview



MARKET SIZE	2008 DRILLDOWN	2008 Traditional Est.	2000 Census	Comparison DrillDown/Trad. Est.
Total Population	361,879	317,062	334,834	14.1%
Population per Acre	4.7	4.1	4.3	
Total # Households	152,106	134,926	139,202	12.7%
% Change in Total USPS Count	1.7% ('05-'07)			
% Change in IRS Returns	-7% ('98-'05)			

MARKET STRENGTH	2008 DRILLDOWN	2008 Traditional Est.	2000 Census	Comparison DrillDown/Trad. Est.
Average Household Income	\$43,788	\$41,605	\$37,318	5.2%
Median Household Income	\$33,056	\$33,224	\$30,009	-0.5%
Aggregate Neighborhood Income	\$6,660 Million	\$5,614 Million	\$5,195 Million	18.6%
% Informal Economy	5.6%			
Aggregate Income per Acre	\$86,235	(7.4 times the MSA income)		
Average Income New Home Buyers	\$48,534	(30% above Census Avg HH Inc)		
% Change in Adj Gross Income*	-3% ('98-'05)			

* IRS Income adjusted for inflation

* Louisville-KY MSA Income per Acre = \$11,595

MARKET STABILITY	2008 DRILLDOWN	2008 Traditional Est.	2000 Census	Comparison DrillDown/Trad. Est.
% Owner Occupancy - Unit	55.2%	56.9%	56.5%	-2.3%
% Owner Occupancy - Bldg	65.4%			
Median Home Sale Value	\$96,226	\$91,538	\$71,118	5.1%
New Residential Units '03 - '07	2,995	21.5 per 1K households		
Residential Rehab Activity '03-'07	1.6% of residential buildings			

BUSINESS	Total #	Total Revenue	Total Employees	Estimated Annual Employee Spending Potential
All Businesses	13,049	\$37,811 Million	213,584	x \$2,787 / yr = \$595.3 Million in annual employee spending

RETAIL DEMAND	Estimated Revenue	Resident Expenditures	Estimated Leakage	Estimated Sq Ft Potential
All Retail	\$1798.4 Million	\$1994.6 Million	\$196.3 Million	
Apparel	\$135.0 Million	\$219.5 Million	\$84.5 Million	248,783
Grocery	\$553.9 Million	\$433.8 Million	-\$120.1 Million	0
Restaurant	\$403.2 Million	\$317.0 Million	-\$86.2 Million	0

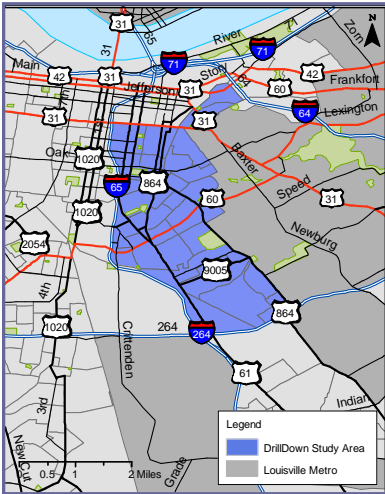
GROCERY DEMAND	Total #	# per 10K HH	Average Distance	Total Expenditures	Total Leakage	Estimated Sq. Ft. Potential
All Grocers	67	4.4		\$433.8 Million		
Full Service Grocers Only	25	1.6	0.87mi		-\$120.1 Million	0

FINANCIAL SERVICES	Total #	# per 10K HH	Average Distance
Banks & Credit Unions	133	8.7	
Banks Only	97	6.4	0.65 mi
Pawnshops, Checkcashers, Payday Lenders	95	6.2	0.72 mi
% of households lacking credit histories = 15%			

In partnership with Louisville Metro and with support from the Federal Reserve Bank of St. Louis, Fifth Third Bank, PNC Bank, Community Resource Network, Louisville Metro Economic Development Department, Making Connections Louisville, Metro United Way, and US Bank, Social Compact applied its Neighborhood Market DrillDown analysis to a number of neighborhoods in the City of Louisville.

SOCIAL COMPACT is a national not-for-profit corporation led by a board of business leaders whose mission is to help strengthen neighborhoods by stimulating private market investment in underserved communities. Established to provide up-to-date profiles of market size, strength, and stability for small, dense, and rapidly changing urban geographies, Social Compact's Neighborhood Market DrillDown uses numerous sources of market data to identify the fundamental business attributes and market characteristics of urban communities and aims to expose market anomalies and opportunities that may have previously been overlooked by traditional market analyses. The DrillDown serves as a resource to community organizations, government decision makers and the private sector. Social Compact is at the forefront of identifying the market potential of underserved neighborhoods and believes that a public private partnership that involves community members and leverages private investment is the most sustainable form of community economic development.

DrillDown Market Overview



MARKET SIZE	2008 DRILLDOWN	2008 Traditional Est.	2000 Census	Comparison DrillDown/Trad. Est.
Total Population	30,344	27,604	30,005	9.9%
Population per Acre	8.6	7.8	8.5	
Total # Households	13,044	12,332	13,044	5.8%
% Change in Total USPS Count	0.2% ('05-'07)			
% Change in IRS Returns	-7% ('98-'05)			

MARKET STRENGTH	2008 DRILLDOWN	2008 Traditional Est.	2000 Census	Comparison DrillDown/Trad. Est.
Average Household Income	\$44,042	\$43,787	\$37,950	0.6%
Median Household Income	\$32,529	\$33,904	\$29,912	-4.1%
Aggregate Neighborhood Income	\$574 Million	\$540 Million	\$495 Million	6.4%
% Informal Economy	5.3%			
Aggregate Income per Acre	\$162,607	(14.0 times the MSA income)		
Average Income New Home Buyers	\$52,266	(38% above Census Avg HH Inc)		
% Change in Adj Gross Income*	-3% ('98-'05)			

* IRS Income adjusted for inflation
* Louisville-KY MSA Income per Acre = \$11,595

MARKET STABILITY	2008 DRILLDOWN	2008 Traditional Est.	2000 Census	Comparison DrillDown/Trad. Est.
% Owner Occupancy - Unit	60.6%	60.7%	60.8%	-0.3%
% Owner Occupancy - Bldg	68.3%			
Median Home Sale Value	\$98,000	\$92,958	\$73,511	5.4%
New Residential Units '03 - '07	63	4.8 per 1K households		
Residential Rehab Activity '03-'07	2.4% of residential buildings			

BUSINESS	Total #	Total Revenue	Total Employees	Estimated Annual Employee Spending Potential
All Businesses	1,205	\$2,566 Million	13,058	x \$2,787 / yr = \$36.4 Million in annual employee spending

RETAIL DEMAND	Estimated Revenue	Resident Expenditures	Estimated Leakage	Estimated Sq Ft Potential
All Retail	\$103.9 Million	\$173.3 Million	\$69.5 Million	
Apparel	\$2.0 Million	\$19.0 Million	\$17.0 Million	50,078
Grocery	\$29.6 Million	\$37.7 Million	\$8.0 Million	23,440
Restaurant	\$40.5 Million	\$27.5 Million	-\$13.0 Million	0

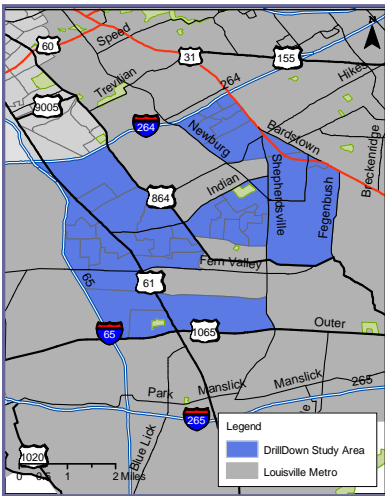
GROCERY DEMAND	Total #	# per 10K HH	Average Distance	Total Expenditures	Total Leakage	Estimated Sq. Ft. Potential
All Grocers	4	3.1		\$37.7 Million		
Full Service Grocers Only	2	1.5	0.6mi		\$8.0 Million	23,440

FINANCIAL SERVICES	Total #	# per 10K HH	Average Distance
Banks & Credit Unions	9	6.9	
Banks Only	8	6.1	0.47 mi
Pawnshops, Checkcashers, Payday Lenders	5	3.8	0.65 mi
% of households lacking credit histories = 8%			

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DrillDown Market Overview



MARKET SIZE	2008 DRILLDOWN	2008 Traditional Est.	2000 Census	Comparison DrillDown/Trad. Est.
Total Population	39,879	35,666	37,923	11.8%
Population per Acre	5.1	4.6	4.9	
Total # Households	16,681	15,390	15,926	8.4%
% Change in Total USPS Count	0.7% ('05-'07)			
% Change in IRS Returns	-5% ('98-'05)			

MARKET STRENGTH	2008 DRILLDOWN	2008 Traditional Est.	2000 Census	Comparison DrillDown/Trad. Est.
Average Household Income	\$44,770	\$39,798	\$38,690	12.5%
Median Household Income	\$35,493	\$33,666	\$31,430	5.4%
Aggregate Neighborhood Income	\$747 Million	\$612 Million	\$616 Million	21.9%
% Informal Economy	5.3%			
Aggregate Income per Acre	\$95,569	(8.2 times the MSA income)		
Average Income New Home Buyers	\$42,763	(11% above Census Avg HH Inc)		
% Change in Adj Gross Income*	-5% ('98-'05)			

* IRS Income adjusted for inflation
* Louisville-KY MSA Income per Acre = \$11,595

MARKET STABILITY	2008 DRILLDOWN	2008 Traditional Est.	2000 Census	Comparison DrillDown/Trad. Est.
% Owner Occupancy - Unit	54.9%	46.4%	47.0%	16.8%
% Owner Occupancy - Bldg	56.3%			
Median Home Sale Value	\$98,000	\$93,993	\$72,803	4.3%
New Residential Units '03 - '07	499	31.3 per 1K households		
Residential Rehab Activity '03-'07	1.2% of residential buildings			

BUSINESS	Total #	Total Revenue	Total Employees	Estimated Annual Employee Spending Potential
All Businesses	1,761	\$5,705 Million	28,164	x \$2,787 / yr = \$78.5 Million in annual employee spending

RETAIL DEMAND	Estimated Revenue	Resident Expenditures	Estimated Leakage	Estimated Sq Ft Potential
All Retail	\$583.9 Million	\$224.5 Million	-\$359.4 Million	
Apparel	\$79.1 Million	\$24.6 Million	-\$54.5 Million	0
Grocery	\$58.0 Million	\$48.7 Million	-\$9.3 Million	0
Restaurant	\$73.6 Million	\$35.6 Million	-\$38.0 Million	0

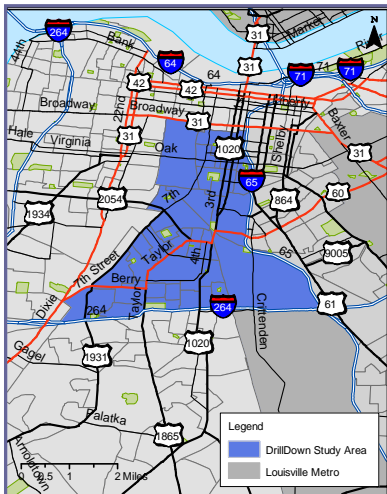
GROCERY DEMAND	Total #	# per 10K HH	Average Distance	Total Expenditures	Total Leakage	Estimated Sq. Ft. Potential
All Grocers	5	3.0		\$48.7 Million		
Full Service Grocers Only	3	1.8	0.96mi		-\$9.3 Million	0

FINANCIAL SERVICES	Total #	# per 10K HH	Average Distance
Banks & Credit Unions	19	11.4	
Banks Only	14	8.4	0.78 mi
Pawnshops, Checkcashers, Payday Lenders	18	10.8	0.53 mi
% of households lacking credit histories = 11%			

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DrillDown Market Overview



MARKET SIZE	2008 DRILLDOWN	2008 Traditional Est.	2000 Census	Comparison DrillDown/Trad. Est.
Total Population	39,094	36,909	40,120	5.9%
Population per Acre	7.2	6.8	7.4	
Total # Households	17,585	17,184	18,419	2.3%
% Change in Total USPS Count	-0.1% ('05-'07)			
% Change in IRS Returns	-1.2% ('98-'05)			

MARKET STRENGTH	2008 DRILLDOWN	2008 Traditional Est.	2000 Census	Comparison DrillDown/Trad. Est.
Average Household Income	\$34,650	\$31,773	\$28,250	9.1%
Median Household Income	\$26,016	\$24,960	\$22,899	4.2%
Aggregate Neighborhood Income	\$609 Million	\$546 Million	\$520 Million	11.6%
% Informal Economy	4.8%			
Aggregate Income per Acre	\$112,008	(9.7 times the MSA income)		
Average Income New Home Buyers	\$47,320	(68% above Census Avg HH Inc)		
% Change in Adj Gross Income*	-6% ('98-'05)			

* IRS Income adjusted for inflation

* Louisville-KY MSA Income per Acre = \$11,595

MARKET STABILITY	2008 DRILLDOWN	2008 Traditional Est.	2000 Census	Comparison DrillDown/Trad. Est.
% Owner Occupancy - Unit	34.5%	35.5%	35.5%	-2.9%
% Owner Occupancy - Bldg	53.2%			
Median Home Sale Value	\$97,000	\$88,105	\$69,721	10.1%
New Residential Units '03 - '07	37	2.0 per 1K households		
Residential Rehab Activity '03-'07	1.9% of residential buildings			

BUSINESS	Total #	Total Revenue	Total Employees	Estimated Annual Employee Spending Potential
All Businesses	1,542	\$4,760 Million	28,347	x \$2,787 / yr = \$79.0 Million in annual employee spending

RETAIL DEMAND	Estimated Revenue	Resident Expenditures	Estimated Leakage	Estimated Sq Ft Potential
All Retail	\$249.3 Million	\$206.9 Million	-\$42.4 Million	
Apparel	\$11.4 Million	\$22.3 Million	\$10.9 Million	32,022
Grocery	\$138.0 Million	\$46.7 Million	-\$91.3 Million	0
Restaurant	\$39.2 Million	\$32.0 Million	-\$7.2 Million	0

GROCERY DEMAND	Total #	# per 10K HH	Average Distance	Total Expenditures	Total Leakage	Estimated Sq. Ft. Potential
All Grocers	17	9.7		\$46.7 Million		
Full Service Grocers Only	6	3.4	0.55mi		-\$91.3 Million	0

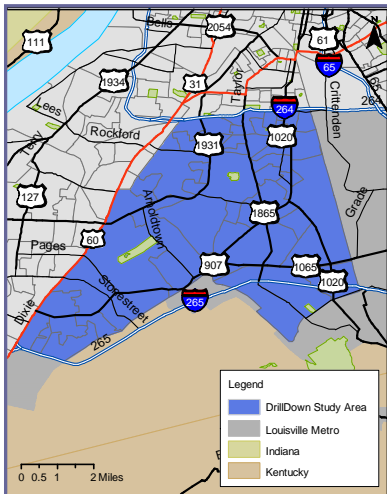
FINANCIAL SERVICES	Total #	# per 10K HH	Average Distance
Banks & Credit Unions	14	8	
Banks Only	10	5.7	0.42 mi
Pawnshops, Checkcashers, Payday Lenders	6	3.4	0.5 mi

% of households lacking credit histories = 15%

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DrillDown Market Overview



MARKET SIZE	2008 DRILLDOWN	2008 Traditional Est.	2000 Census	Comparison DrillDown/Trad. Est.
Total Population	79,532	72,773	75,276	9.3%
Population per Acre	4.3	4.0	4.1	
Total # Households	31,798	29,979	30,351	6.1%
% Change in Total USPS Count	1.5% ('05-'07)			
% Change in IRS Returns	-4% ('98-'05)			

MARKET STRENGTH	2008 DRILLDOWN	2008 Traditional Est.	2000 Census	Comparison DrillDown/Trad. Est.
Average Household Income	\$49,280	\$50,383	\$44,894	-2.2%
Median Household Income	\$42,248	\$42,504	\$38,252	-0.6%
Aggregate Neighborhood Income	\$1,567 Million	\$1,510 Million	\$1,363 Million	3.7%
% Informal Economy	4.8%			
Aggregate Income per Acre	\$85,461	(7.4 times the MSA income)		
Average Income New Home Buyers	\$51,142	(14% above Census Avg HH Inc)		
% Change in Adj Gross Income*	-5% ('98-'05)			

* IRS Income adjusted for inflation
 * Louisville-KY MSA Income per Acre = \$11,595

MARKET STABILITY	2008 DRILLDOWN	2008 Traditional Est.	2000 Census	Comparison DrillDown/Trad. Est.
% Owner Occupancy - Unit	69.5%	65.0%	64.5%	7.7%
% Owner Occupancy - Bldg	73.7%			
Median Home Sale Value	\$97,000	\$115,300	\$90,581	-15.9%
New Residential Units '03 - '07	855	28.2 per 1K households		
Residential Rehab Activity '03-'07	1.5% of residential buildings			

BUSINESS	Total #	Total Revenue	Total Employees	Estimated Annual Employee Spending Potential
All Businesses	2,002	\$4,681 Million	21,865	x \$2,787 / yr = \$60.9 Million in annual employee spending

RETAIL DEMAND	Estimated Revenue	Resident Expenditures	Estimated Leakage	Estimated Sq Ft Potential
All Retail	\$396.3 Million	\$439.0 Million	\$42.7 Million	
Apparel	\$8.0 Million	\$49.0 Million	\$40.9 Million	120,517
Grocery	\$201.8 Million	\$92.7 Million	-\$109.1 Million	0
Restaurant	\$58.7 Million	\$71.0 Million	\$12.3 Million	52,661

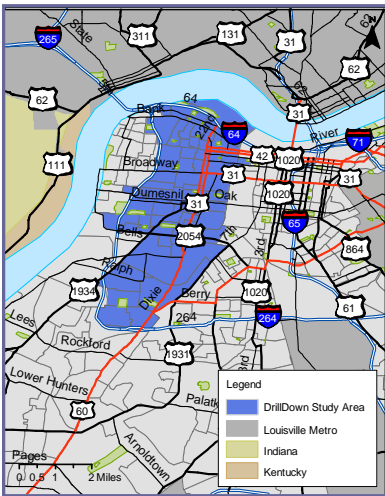
GROCERY DEMAND	Total #	# per 10K HH	Average Distance	Total Expenditures	Total Leakage	Estimated Sq. Ft. Potential
All Grocers	16	5.0		\$92.7 Million		
Full Service Grocers Only	6	1.9	0.88mi		-\$109.1 Million	0

FINANCIAL SERVICES	Total #	# per 10K HH	Average Distance
Banks & Credit Unions	22	6.9	
Banks Only	17	5.3	0.77 mi
Pawnshops, Checkcashers, Payday Lenders	25	7.9	0.68 mi
% of households lacking credit histories = 9%			

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DrillDown Market Overview



MARKET SIZE	2008 DRILLDOWN	2008 Traditional Est.	2000 Census	Comparison DrillDown/Trad. Est.
Total Population	59,974	52,244	54,479	14.8%
Population per Acre	6.5	5.7	5.9	
Total # Households	23,574	21,125	21,493	11.6%
% Change in Total USPS Count	2.2% ('05-'07)			
% Change in IRS Returns	-13% ('98-'05)			

MARKET STRENGTH	2008 DRILLDOWN	2008 Traditional Est.	2000 Census	Comparison DrillDown/Trad. Est.
Average Household Income	\$35,933	\$35,329	\$31,553	1.7%
Median Household Income	\$25,429	\$27,569	\$23,871	-7.8%
Aggregate Neighborhood Income	\$847 Million	\$746 Million	\$678 Million	13.5%
% Informal Economy	5.2%			
Aggregate Income per Acre	\$92,235	(8.0 times the MSA income)		
Average Income New Home Buyers	\$42,038	(33% above Census Avg HH Inc)		
% Change in Adj Gross Income*	-6% ('98-'05)			

* IRS Income adjusted for inflation
* Louisville-KY MSA Income per Acre = \$11,595

MARKET STABILITY	2008 DRILLDOWN	2008 Traditional Est.	2000 Census	Comparison DrillDown/Trad. Est.
% Owner Occupancy - Unit	48.5%	54.2%	54.4%	-10.9%
% Owner Occupancy - Bldg	53.3%			
Median Home Sale Value	\$89,500	\$65,868	\$51,233	35.9%
New Residential Units '03 - '07	456	21.2 per 1K households		
Residential Rehab Activity '03-'07	1.7% of residential buildings			

BUSINESS	Total #	Total Revenue	Total Employees	Estimated Annual Employee Spending Potential
All Businesses	1,494	\$3,790 Million	17,311	x \$2,787 / yr = \$48.2 Million in annual employee spending

RETAIL DEMAND	Estimated Revenue	Resident Expenditures	Estimated Leakage	Estimated Sq Ft Potential
All Retail	\$142.4 Million	\$280.6 Million	\$138.2 Million	
Apparel	\$5.0 Million	\$30.5 Million	\$25.4 Million	74,908
Grocery	\$52.4 Million	\$63.1 Million	\$10.8 Million	31,436
Restaurant	\$36.6 Million	\$43.8 Million	\$7.2 Million	30,718

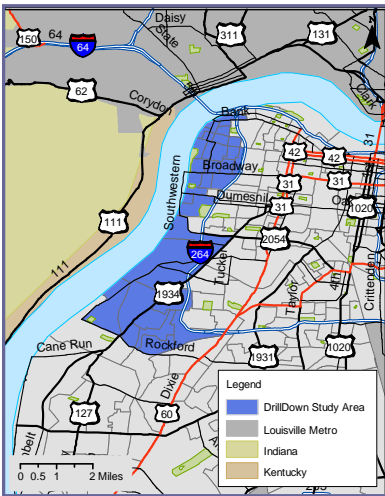
GROCERY DEMAND	Total #	# per 10K HH	Average Distance	Total Expenditures	Total Leakage	Estimated Sq. Ft. Potential
All Grocers	13	5.5		\$63.1 Million		
Full Service Grocers Only	4	1.7	0.64mi		\$10.8 Million	31,436

FINANCIAL SERVICES	Total #	# per 10K HH	Average Distance
Banks & Credit Unions	14	5.9	
Banks Only	11	4.7	0.55 mi
Pawnshops, Checkcashers, Payday Lenders	11	4.7	0.67 mi
% of households lacking credit histories = 14%			

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MARKET SIZE	2008 DRILLDOWN	2008 Traditional Est.	2000 Census	Comparison DrillDown/Trad. Est.
Total Population	30,711	26,887	30,220	14.2%
Population per Acre	4.0	3.5	3.9	
Total # Households	11,806	10,670	11,614	10.7%
% Change in Total USPS Count	1.4% ('05-'07)			
% Change in IRS Returns	-10% ('98-'05)			

MARKET STRENGTH	2008 DRILLDOWN	2008 Traditional Est.	2000 Census	Comparison DrillDown/Trad. Est.
Average Household Income	\$44,693	\$41,141	\$38,576	8.6%
Median Household Income	\$32,694	\$31,758	\$29,538	2.9%
Aggregate Neighborhood Income	\$528 Million	\$439 Million	\$448 Million	20.2%
% Informal Economy	5.2%			
Aggregate Income per Acre	\$68,648	(5.9 times the MSA income)		
Average Income New Home Buyers	\$40,394	(5% above Census Avg HH Inc)		
% Change in Adj Gross Income*	-4% ('98-'05)			

* IRS Income adjusted for inflation
* Louisville-KY MSA Income per Acre = \$11,595

MARKET STABILITY	2008 DRILLDOWN	2008 Traditional Est.	2000 Census	Comparison DrillDown/Trad. Est.
% Owner Occupancy - Unit	65.0%	70.6%	70.1%	-7.3%
% Owner Occupancy - Bldg	73.2%			
Median Home Sale Value	\$89,500	\$82,838	\$64,654	8.0%
New Residential Units '03 - '07	169	14.6 per 1K households		
Residential Rehab Activity '03-'07	1.2% of residential buildings			

BUSINESS	Total #	Total Revenue	Total Employees	Estimated Annual Employee Spending Potential
All Businesses	520	\$2,286 Million	5,845	x \$2,787 / yr = \$16.3 Million in annual employee spending

RETAIL DEMAND	Estimated Revenue	Resident Expenditures	Estimated Leakage	Estimated Sq Ft Potential
All Retail	\$61.4 Million	\$157.7 Million	\$96.3 Million	
Apparel	\$1.6 Million	\$17.3 Million	\$15.7 Million	46,349
Grocery	\$38.3 Million	\$34.2 Million	-\$4.1 Million	0
Restaurant	\$6.9 Million	\$25.0 Million	\$18.1 Million	77,602

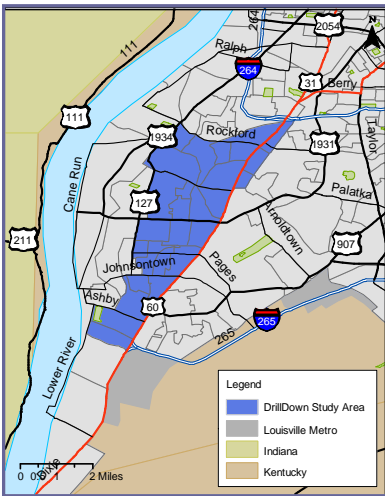
GROCERY DEMAND	Total #	# per 10K HH	Average Distance	Total Expenditures	Total Leakage	Estimated Sq. Ft. Potential
All Grocers	5	4.2		\$34.2 Million		
Full Service Grocers Only	1	0.8	1.28mi		-\$4.1 Million	0

FINANCIAL SERVICES	Total #	# per 10K HH	Average Distance
Banks & Credit Unions	10	8.5	
Banks Only	6	5.1	0.69 mi
Pawnshops, Checkcashers, Payday Lenders	2	1.7	1.26 mi
% of households lacking credit histories = 8%			

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MARKET SIZE	2008 DRILLDOWN	2008 Traditional Est.	2000 Census	Comparison DrillDown/Trad. Est.
Total Population	38,008	33,804	34,164	12.4%
Population per Acre	6.1	5.4	5.5	
Total # Households	15,420	14,179	13,899	8.8%
% Change in Total USPS Count	2.4% ('05-'07)			
% Change in IRS Returns	2% ('98-'05)			

MARKET STRENGTH	2008 DRILLDOWN	2008 Traditional Est.	2000 Census	Comparison DrillDown/Trad. Est.
Average Household Income	\$52,701	\$49,863	\$43,834	5.7%
Median Household Income	\$43,107	\$43,155	\$38,991	-0.1%
Aggregate Neighborhood Income	\$813 Million	\$707 Million	\$609 Million	14.9%
% Informal Economy	5.2%			
Aggregate Income per Acre	\$130,503	(11.3 times the MSA income)		
Average Income New Home Buyers	\$49,066	(12% above Census Avg HH Inc)		
% Change in Adj Gross Income*	-4% ('98-'05)			

* IRS Income adjusted for inflation
* Louisville-KY MSA Income per Acre = \$11,595

MARKET STABILITY	2008 DRILLDOWN	2008 Traditional Est.	2000 Census	Comparison DrillDown/Trad. Est.
% Owner Occupancy - Unit	76.4%	75.3%	75.6%	1.0%
% Owner Occupancy - Bldg	83.2%			
Median Home Sale Value	\$89,500	\$112,667	\$87,487	-20.6%
New Residential Units '03 - '07	382	27.5 per 1K households		
Residential Rehab Activity '03-'07	1.4% of residential buildings			

BUSINESS	Total #	Total Revenue	Total Employees	Estimated Annual Employee Spending Potential
All Businesses	694	\$1,234 Million	6,735	x \$2,787 / yr = \$18.8 Million in annual employee spending

RETAIL DEMAND	Estimated Revenue	Resident Expenditures	Estimated Leakage	Estimated Sq Ft Potential
All Retail	\$109.5 Million	\$228.9 Million	\$119.5 Million	
Apparel	\$11.0 Million	\$25.5 Million	\$14.5 Million	42,795
Grocery	\$10.1 Million	\$48.5 Million	\$38.4 Million	111,990
Restaurant	\$24.6 Million	\$37.1 Million	\$12.5 Million	53,467

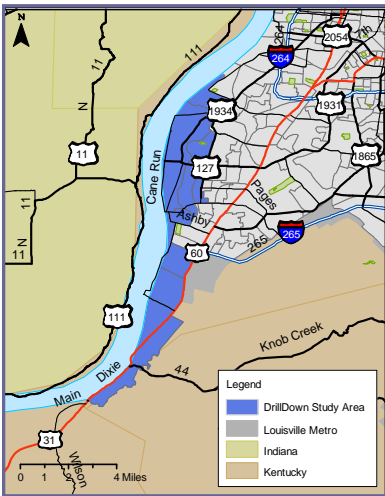
GROCERY DEMAND	Total #	# per 10K HH	Average Distance	Total Expenditures	Total Leakage	Estimated Sq. Ft. Potential
All Grocers	2	1.3		\$48.5 Million		
Full Service Grocers Only	2	1.3	1.04mi		\$38.4 Million	111,990

FINANCIAL SERVICES	Total #	# per 10K HH	Average Distance
Banks & Credit Unions	13	8.4	
Banks Only	11	7.1	0.64 mi
Pawnshops, Checkcashers, Payday Lenders	15	9.7	0.69 mi
% of households lacking credit histories = 4%			

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MARKET SIZE	2008 DRILLDOWN	2008 Traditional Est.	2000 Census	Comparison DrillDown/Trad. Est.
Total Population	18,618	15,650	15,477	19.0%
Population per Acre	1.3	1.1	1.1	
Total # Households	7,032	6,061	5,814	16.0%
% Change in Total USPS Count	3.4% ('05-'07)			
% Change in IRS Returns	4% ('98-'05)			

MARKET STRENGTH	2008 DRILLDOWN	2008 Traditional Est.	2000 Census	Comparison DrillDown/Trad. Est.
Average Household Income	\$48,470	\$45,020	\$40,412	7.7%
Median Household Income	\$41,753	\$40,567	\$37,364	2.9%
Aggregate Neighborhood Income	\$341 Million	\$273 Million	\$235 Million	24.9%
% Informal Economy	5.2%			
Aggregate Income per Acre	\$23,893	(2.1 times the MSA income)		
Average Income New Home Buyers	\$49,573	(23% above Census Avg HH Inc)		
% Change in Adj Gross Income*	-3% ('98-'05)			

* IRS Income adjusted for inflation
* Louisville-KY MSA Income per Acre = \$11,595

MARKET STABILITY	2008 DRILLDOWN	2008 Traditional Est.	2000 Census	Comparison DrillDown/Trad. Est.
% Owner Occupancy - Unit	77.4%	84.8%	84.2%	-8.1%
% Owner Occupancy - Bldg	78.0%			
Median Home Sale Value	\$89,500	\$95,824	\$76,895	-6.6%
New Residential Units '03 - '07	243	41.8 per 1K households		
Residential Rehab Activity '03-'07	1.5% of residential buildings			

BUSINESS	Total #	Total Revenue	Total Employees	Estimated Annual Employee Spending Potential
All Businesses	302	\$1,496 Million	6,151	x \$2,787 / yr = \$17.1 Million in annual employee spending

RETAIL DEMAND	Estimated Revenue	Resident Expenditures	Estimated Leakage	Estimated Sq Ft Potential
All Retail	\$15.4 Million	\$100.0 Million	\$84.6 Million	
Apparel	\$3.1 Million	\$11.1 Million	\$8.0 Million	23,452
Grocery	\$0 Million	\$21.4 Million	\$21.4 Million	62,513
Restaurant	\$5.9 Million	\$16.1 Million	\$10.2 Million	43,714

GROCERY DEMAND	Total #	# per 10K HH	Average Distance	Total Expenditures	Total Leakage	Estimated Sq. Ft. Potential
All Grocers	1	1.4		\$21.4 Million		
Full Service Grocers Only	0	0.0	2.11mi		\$21.4 Million	62,513

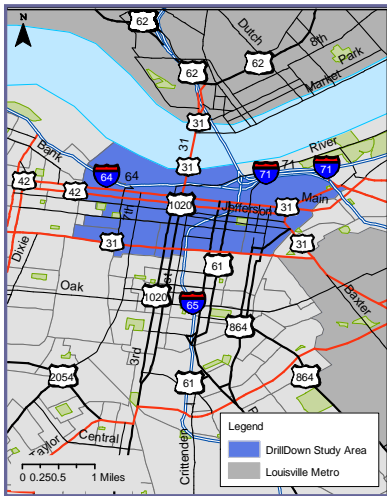
FINANCIAL SERVICES	Total #	# per 10K HH	Average Distance
Banks & Credit Unions	1	1.4	
Banks Only	0	0	1.89 mi
Pawnshops, Checkcashers, Payday Lenders	1	1.4	1.8 mi

% of households lacking credit histories = 10%

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MARKET SIZE	2008 DRILLDOWN	2008 Traditional Est.	2000 Census	Comparison DrillDown/Trad. Est.
Total Population	17,609	8,239	9,485	113.7%
Population per Acre	7.9	3.7	4.2	
Total # Households	11,058	4,200	4,749	163.3%
% Change in Total USPS Count	9.5% ('05-'07)			
% Change in IRS Returns	-1.4% ('98-'05)			

MARKET STRENGTH	2008 DRILLDOWN	2008 Traditional Est.	2000 Census	Comparison DrillDown/Trad. Est.
Average Household Income	\$40,986	\$21,698	\$18,667	88.9%
Median Household Income	\$16,307	\$14,834	\$13,982	9.9%
Aggregate Neighborhood Income	\$453 Million	\$91 Million	\$89 Million	397.3%
% Informal Economy	14.5%			
Aggregate Income per Acre	\$202,330	(17.4 times the MSA income)		
Average Income New Home Buyers	\$104,249	(458% above Census Avg HH Inc)		
% Change in Adj Gross Income*	7% ('98-'05)			

MARKET STABILITY	2008 DRILLDOWN	2008 Traditional Est.	2000 Census	Comparison DrillDown/Trad. Est.
% Owner Occupancy - Unit	4.9%	5.9%	5.9%	-17.1%
% Owner Occupancy - Bldg	15.9%			
Median Home Sale Value	\$145,000	\$67,329	\$36,040	115.4%
New Residential Units '03 - '07	249	52.4 per 1K households		
Residential Rehab Activity '03-'07	1.3% of residential buildings			

* IRS Income adjusted for inflation
* Louisville-KY MSA Income per Acre = \$11,595

BUSINESS	Total #	Total Revenue	Total Employees	Estimated Annual Employee Spending Potential
All Businesses	3,104	\$10,177 Million	81,497	x \$2,787 / yr = \$227.1 Million in annual employee spending

RETAIL DEMAND	Estimated Revenue	Resident Expenditures	Estimated Leakage	Estimated Sq Ft Potential
All Retail	\$83.8 Million	\$129.2 Million	\$45.5 Million	
Apparel	\$12.9 Million	\$14.3 Million	\$1.4 Million	4,082
Grocery	\$0 Million	\$28.9 Million	\$28.9 Million	84,090
Restaurant	\$84.7 Million	\$20.4 Million	-\$64.3 Million	0

GROCERY DEMAND	Total #	# per 10K HH	Average Distance	Total Expenditures	Total Leakage	Estimated Sq. Ft. Potential
All Grocers	3	2.7		\$28.9 Million		
Full Service Grocers Only	0	0.0	1.0mi		\$28.9 Million	84,090

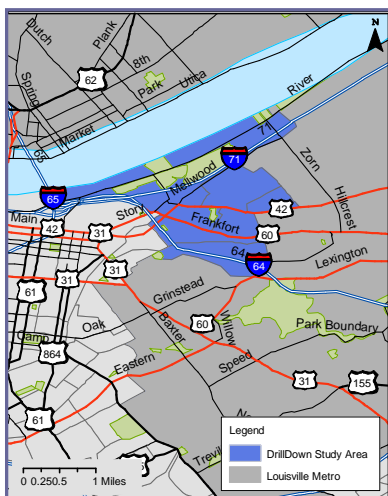
FINANCIAL SERVICES	Total #	# per 10K HH	Average Distance
Banks & Credit Unions	30	27.1	
Banks Only	19	17.2	0.31 mi
Pawnshops, Checkcashers, Payday Lenders	8	7.2	0.44 mi

% of households lacking credit histories = 74%

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SOCIAL COMPACT is a national not-for-profit corporation led by a board of business leaders whose mission is to help strengthen neighborhoods by stimulating private market investment in underserved communities. Established to provide up-to-date profiles of market size, strength, and stability for small, dense, and rapidly changing urban geographies, Social Compact's Neighborhood Market DrillDown uses numerous sources of market data to identify the fundamental business attributes and market characteristics of urban communities and aims to expose market anomalies and opportunities that may have previously been overlooked by traditional market analyses. The DrillDown serves as a resource to community organizations, government decision makers and the private sector. Social Compact is at the forefront of identifying the market potential of underserved neighborhoods and believes that a public private partnership that involves community members and leverages private investment is the most sustainable form of community economic development.

DrillDown Market Overview



MARKET SIZE	2008 DRILLDOWN	2008 Traditional Est.	2000 Census	Comparison DrillDown/Trad. Est.
Total Population	8,111	7,286	7,685	11.3%
Population per Acre	3.2	2.9	3.1	
Total # Households	4,108	3,806	3,893	7.9%
% Change in Total USPS Count	4.2% ('05-'07)			
% Change in IRS Returns	-6% ('98-'05)			

MARKET STRENGTH	2008 DRILLDOWN	2008 Traditional Est.	2000 Census	Comparison DrillDown/Trad. Est.
Average Household Income	\$44,130	\$38,998	\$36,359	13.2%
Median Household Income	\$32,339	\$32,025	\$29,288	1.0%
Aggregate Neighborhood Income	\$181 Million	\$148 Million	\$142 Million	22.1%
% Informal Economy	5.2%			
Aggregate Income per Acre	\$72,255	(6.2 times the MSA income)		
Average Income New Home Buyers	\$57,304	(58% above Census Avg HH Inc)		
% Change in Adj Gross Income*	2% ('98-'05)			

* IRS Income adjusted for inflation

* Louisville-KY MSA Income per Acre = \$11,595

MARKET STABILITY	2008 DRILLDOWN	2008 Traditional Est.	2000 Census	Comparison DrillDown/Trad. Est.
% Owner Occupancy - Unit	45.8%	41.6%	41.3%	10.9%
% Owner Occupancy - Bldg	64.6%			
Median Home Sale Value	\$117,000	\$105,934	\$83,324	10.4%
New Residential Units '03 - '07	42	10.8 per 1K households		
Residential Rehab Activity '03-'07	2.7% of residential buildings			

BUSINESS	Total #	Total Revenue	Total Employees	Estimated Annual Employee Spending Potential
All Businesses	425	\$1,117 Million	4,611	x \$2,787 / yr = \$12.9 Million in annual employee spending

RETAIL DEMAND	Estimated Revenue	Resident Expenditures	Estimated Leakage	Estimated Sq Ft Potential
All Retail	\$52.6 Million	\$54.5 Million	\$1.9 Million	
Apparel	\$.8 Million	\$5.9 Million	\$5.1 Million	15,144
Grocery	\$25.7 Million	\$11.8 Million	-\$13.9 Million	0
Restaurant	\$32.4 Million	\$8.6 Million	-\$23.9 Million	0

GROCERY DEMAND	Total #	# per 10K HH	Average Distance	Total Expenditures	Total Leakage	Estimated Sq. Ft. Potential
All Grocers	1	2.4		\$11.8 Million		
Full Service Grocers Only	1	2.4	0.53mi		-\$13.9 Million	0

FINANCIAL SERVICES	Total #	# per 10K HH	Average Distance
Banks & Credit Unions	1	2.4	
Banks Only	1	2.4	0.53 mi
Pawnshops, Checkcashers, Payday Lenders	4	9.7	0.35 mi

% of households lacking credit histories = 5%

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HOUSING UNITS, POPULATION, HOUSEHOLDS: The DrillDown assembles a list of residential addresses from municipal and proprietary tax assessment records, municipal building permit records, utility hookups, and credit bureau records. Households, or occupied units, are determined by multiplying the total number of residential addresses by the vacancy rate, determined through analysis of utility usage records, at the block group level. Total population is calculated by multiplying the number of households by the average household size and adding this number to the population in group quarters. Average household size and population in group quarters is provided at the block group level by the most recent census trend projections; group quarters population excludes individuals in correctional facilities.

USPS COMMERCIAL AND RESIDENTIAL COUNT is the total number of residential and commercial addresses that the U.S. Postal Service (USPS) has recorded in their database excluding addresses identified as vacant (not collecting mail for 90 days or longer) or no-stat (not occupied). The data is provided by U.S. Department of Housing and Urban Development (HUD) on a quarterly basis at the census tract level.

INCOME: Household income estimates are derived in a series of calculations. First, a count is made of the number of individuals per income bracket determined by the three credit bureau income estimates. Then, the average income at the block group level is calculated by applying the Bureau of Labor and Statistics Consumer Expenditure Survey's estimated average income for individuals within a particular income range (projected from 2004 to 2006) to the income distribution determined. The third calculation adjusts the income estimate to account for informal economic activity.

INFORMAL ECONOMY: By weighting the following proxies, the DrillDown estimates the monetary value of unregulated economic activity: households with income below \$30,000; difference between household income and household expenditures; the percentage of households with no credit record; the percentage of utility payments made in cash; the number of nontraditional financial service providers per household and per acre; the difference between estimated housing costs and real home values; and the percent foreign born population. The DrillDown average household income estimate is adjusted to include the proportion of neighborhood income attributed to informal economic activity. Median household income is not.

IRS ADJUSTED GROSS INCOME: The percent change in adjusted gross income reported for each neighborhood is extrapolated from 1998 and 2005 zip code level data available from the Internal Revenue Service (IRS). The 1998 values are adjusted for inflation to 2005 dollars. The zip code level data is adjusted to different geographies by weighting the number of returns to the Census 2000 households at the block group level.

NEW HOMEOWNERS AVERAGE HOUSEHOLD INCOME: New homeowners average income is derived from tract-level home loan data provided by Home Mortgage Disclosure Act (HMDA), 2003-2006; including all home purchase loans for 1-4 unit structures intended as the primary residence (not rental or second home).

HOMEOWNERSHIP/OWNER OCCUPANCY: An estimate of the percentage of residential units or buildings where the unit or building owner is a resident. Owner occupancy is determined through matching mailing and street addresses provided by municipal tax assessor records.

MEDIAN HOME SALE VALUE: Median home sale value is calculated using property transaction data from property sales and proprietary and municipal real estate data over an 18 month period.

BUILDING RECORDS: New residential units (new construction) and residential rehabilitation (additions, alterations, repairs) is assessed using municipal building permit records for the stated period of time.

FINANCIAL INSTITUTIONS: Traditional financial service institutions include banks and credit unions; based on listings provided by the Federal Deposit Insurance Corporation (FDIC), 2007. Nontraditional financial service institutions include establishments identified as check cashers, pawnshops and payday lenders as the primary service; based on listings provided by InfoUSA.

% OF HOUSEHOLDS LACKING CREDIT RECORDS: A proxy for underbanked households, this is the percentage of households lacking an associated record with any of the three major credit bureaus at the time of the analysis.

AVERAGE DISTANCE is reported by neighborhood and represents the averages of the distance in miles from the center of each census block group in the study area to the closest establishment within two miles of the study area boundary. In the case that an establishment is located on or just beyond the boundaries used in the DrillDown analysis, this indicator serves as a more accurate determinant of residents' access to these services.

GROCERY ANALYSIS: Full service grocers include supermarkets and other grocery providers with 20 or more employees and may also include other establishments identified by local partners as full service grocers. Grocery listings and categories are provided by ESRI Business Analyst and InfoUSA.

ALL BUSINESSES: Business listings, revenues and employee size are provided by ESRI Business Analyst and InfoUSA (including nonprofits and community based organizations, educational institutions and churches). Estimated annual worker spending is based on the International Council of Shopping Centers (ICSC) 2004 national average office worker expenditures on meals and consumer goods. An estimate of annual sales revenue is derived through an analysis of business data, characterized for various retail North American Industry Classification System (NAICS) codes.

RETAIL EXPENDITURES: Through an analysis of average consumer spending by income ranges based on the most recent Consumer Expenditure Survey conducted by the Bureau of Labor and Statistics, Social Compact calculates aggregate consumer expenditures (retail and otherwise). The Consumer Expenditure Survey categories are then matched to corresponding North American Industry Classification System (NAICS) codes for existing retail businesses.

NEIGHBORHOOD LEAKAGE: A value derived through subtracting annual retail sales revenue from aggregate retail expenditures that provides an estimate of the flow of dollars into and out of a particular neighborhood. Unlike retail estimates based on sector-specific trade areas, the DrillDown neighborhood leakage estimate is meant to identify the gap between available retail within the neighborhood and the retail spending of neighborhood residents themselves. A positive value represents unmet demand within a given geography. A negative value, or zero, does not necessarily imply that neighborhoods are sufficiently retailed, rather that particular demand may not be revealed through broad aggregate numbers. Negative leakage can also often be explained by dollars that flow into a neighborhood as a result of visitor and worker spending due to the presence of destination shopping and flagship retailers.

SOURCES: Acxiom Corporation, 2007; Claritas, 2008; Bureau of Labor Statistics, Consumer Expenditure Survey 2004; Equifax Corporation, 2007; Experian Corporation, 2007; ESRI Business Analyst; Federal Deposit Insurance Corporation, 2007; First American CoreLogic, 2007; InfoUSA, 2007; Internal Revenue Service (IRS), 1998, 2005; Home Mortgage Disclosure Act (HMDA), 2003 - 2006; Social Compact Analysis, 2007, 2008; U.S. Census Bureau, Census 2000; U.S. Department of Labor, 2004; municipal data.