

Quarterly Economic Report

March 2009

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www.northiowacorridor.com

The North Iowa Corridor EDC serves the economic development needs of Clear Lake, Mason City and Cerro Gordo County.

If there is something not in this report that you would like us to track, please feel free to call or email our office. You can reach us at 641.423.0315 or 800.944.1708 or email at adeterman@northiowacorridor.com.

If you or someone you know would like to receive the QER, please contact us with the email address and we will gladly add it to our list.

We look forward to hearing from you.

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Briefs.....

- ◆ **Motor Vehicle Sales** are a leading indicator of economic activity. It is the first indicator to turn down when the economy goes into a recession and the first to rise when it rebounds. Iowa Workforce Development News and Trends shows new vehicle registrations in Iowa are down 27.7% compared to March 2008.
- ◆ The state's seasonally adjusted unemployment rate increased to 5.2% in March 2009 from 4.9% in February. The U.S. unemployment rate increased to 8.5% in March from 8.1 in February and 5.1% one year ago.
- ◆ Iowa ranks 2nd in the nation in "Quality of Life". Iowa has jumped to second in the nation according to a 50 state comparison issued annually by Washington based *Congressional Quarterly Press*. Factors included a healthy population, safe neighborhoods and excellence in education. "This study reaffirms to Iowans and demonstrates to people outside the state what a great place Iowa is for families, careers, business, tourism and recreation," said Mike Tramontina, Director of the Iowa Department of Economic Development.
- ◆ Past North Iowa Corridor EDC Quarterly Economic Reports can be viewed at www.northiowacorridor.com/archives.html

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1st Quarter, 2009

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Cost of Living COMPARISON 1st Qtr 2009 100 = National Average

| Urban Area | 100% Composite Index | 13% Grocery | 28% Housing | 10% Utilities | 10% Transportation | 4% Health-care | 35% Misc. Goods |
|---|----------------------|-------------|-------------|---------------|--------------------|----------------|-----------------|
| Mason City | 85.0 | 87.9 | 65.5 | 93.6 | 98.9 | 96.4 | 92.4 |
| Ames | 97.7 | 90.0 | 103.3 | 90.4 | 103.8 | 95.3 | 96.1 |
| Cedar Rapids | 92.4 | 91.5 | 79.0 | 88.4 | 100.5 | 104.8 | 101.6 |
| Davenport- IA Moline- Rock Island -IL | 96.5 | 98.4 | 92.1 | 81.4 | 106.8 | 93.8 | 101.1 |
| Des Moines | 90.0 | 89.3 | 84.9 | 90.6 | 94.5 | 90.5 | 93.2 |
| Waterloo-Cedar Falls | 89.3 | 87.4 | 81.0 | 94.5 | 103.1 | 90.7 | 91.0 |
| Minneapolis | 114.4 | 118.1 | 128.7 | 98.4 | 108.9 | 106.6 | 108.0 |
| St. Paul | 110.1 | 112.6 | 120.2 | 97.8 | 109.2 | 104.1 | 105.0 |
| Rochester, MN | 98.2 | 90.1 | 84.1 | 117.1 | 104.3 | 107.2 | 104.9 |
| St. Cloud, MN | 99.1 | 100.6 | 80.7 | 116.3 | 104.4 | 101.6 | 107.4 |
| Omaha NE -Council Bluffs IA | 89.5 | 90.5 | 76.8 | 107.1 | 99.7 | 94.3 | 90.9 |

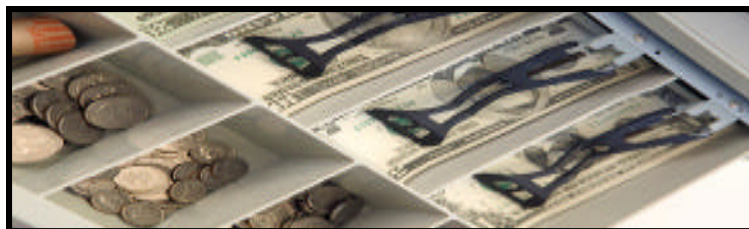
Source: C2ER—www.c2er.org

Commercial Air Fare COMPARISON

| TO: | FROM: | Des Moines | Minneapolis | Mason City | Cedar Rapids | Dubuque | Chicago | Moline | Omaha |
|---------------------|----------|------------|-------------|------------|--------------|---------|---------|--------|-------|
| Atlanta ATL | Leisure | 261 | 169 | 369 | 279 | 200 | 177 | 179 | 275 |
| | Business | 1000 | 394 | 909 | 882 | 524 | 319 | 399 | 578 |
| | Walk-Up | 1078 | 605 | 1219 | 1078 | 684 | 377 | 359 | 952 |
| Chicago, O'Hare ORD | Leisure | 209 | 109 | 303 | 209 | 209 | | 209 | 232 |
| | Business | 762 | 225 | 635 | 650 | 554 | | 590 | 259 |
| | Walk-Up | 936 | 319 | 779 | 871 | 804 | | 778 | 333 |
| Denver DEN | Leisure | 301 | 189 | 389 | 359 | 378 | 169 | 378 | 100 |
| | Business | 770 | 279 | 689 | 850 | 660 | 335 | 633 | 223 |
| | Walk-Up | 667 | 663 | 1104 | 1284 | 1017 | 563 | 793 | 355 |
| Las Vegas LAS | Leisure | 190 | 219 | 334 | 210 | 292 | 209 | 255 | 225 |
| | Business | 238 | 340 | 499 | 353 | 357 | 475 | 304 | 253 |
| | Walk-Up | 340 | 599 | 546 | 658 | 662 | 761 | 520 | 529 |
| New York City LGA | Leisure | 289 | 217 | 419 | 256 | 162 | 189 | 141 | 416 |
| | Business | 563 | 410 | 810 | 996 | 264 | 350 | 255 | 469 |
| | Walk-Up | 1,239 | 410 | 860 | 1260 | 314 | 629 | 288 | 673 |
| Orlando MCO | Leisure | 310 | 199 | 405 | 315 | 171 | 149 | 161 | 163 |
| | Business | 391 | 219 | 399 | 533 | 334 | 299 | 381 | 256 |
| | Walk-Up | 702 | 360 | 651 | 593 | 523 | 482 | 509 | 724 |
| Phoenix PHX | Leisure | 189 | 239 | 299 | 255 | 294 | 189 | 295 | 185 |
| | Business | 298 | 289 | 388 | 308 | 308 | 465 | 339 | 373 |
| | Walk-Up | 338 | 537 | 515 | 1058 | 760 | 721 | 668 | 452 |
| San Francisco SFO | Leisure | 210 | 239 | 289 | 439 | 380 | 234 | 380 | 219 |
| | Business | 264 | 439 | 480 | 850 | 614 | 495 | 628 | 197 |
| | Walk-Up | 804 | 618 | 875 | 1350 | 1124 | 811 | 900 | 197 |
| Seattle SEA | Leisure | 190 | 239 | 327 | 360 | 230 | 209 | 230 | 295 |
| | Business | 236 | 320 | 240 | 592 | 423 | 439 | 423 | 336 |
| | Walk-Up | 258 | 579 | 278 | 766 | 986 | 703 | 804 | 796 |
| Washington DCA | Leisure | 289 | 219 | 419 | 355 | 295 | 209 | 286 | 409 |
| | Business | 913 | 419 | 949 | 442 | 454 | 240 | 306 | 422 |
| | Walk-Up | 929 | 615 | 949 | 361 | 483 | 667 | 419 | 626 |
| Average | Leisure | 247 | 206 | 357 | 307 | 271 | 200 | 260 | 250 |
| | Business | 524 | 325 | 588 | 650 | 491 | 392 | 435 | 341 |
| | Walk-Up | 739 | 524 | 814 | 926 | 761 | 641 | 634 | 542 |

Source: Mason City Municipal Airport - Iowa DOT Office of Aviation 04.01.09

Retail Sales Tax REPORT



| | Number Businesses Reporting | | Taxable Sales | | Taxes Generated | |
|-------------|-----------------------------|----------|---------------|---------------|-----------------|-------------|
| | 06/30/07 | 06/30/08 | 06/30/07 | 06/30/08 | 06/30/07 | 06/30/08 |
| Clear Lake | 341 | 337 | \$23,701,000 | \$24,064,362 | \$1,185,053 | \$1,203,215 |
| Mason City | 958 | 938 | \$136,346,917 | \$146,530,309 | \$6,817,382 | \$7,326,499 |
| Cerro Gordo | 1438 | 1411 | \$164,416,868 | \$175,287,253 | \$8,233,171 | \$8,764,338 |

Source: Iowa Department of Revenue & Finance

Financial INSTITUTION DEPOSIT

Cerro Gordo County

| June 2006 | June 2007 | June 2008 | % Change 2007-08 |
|-----------|-----------|-----------|------------------|
| \$891,387 | \$919,047 | \$908,715 | -1.12% |

Source: Federal Deposit Insurance Corporation

Labor SUMMARY

Cerro Gordo County

| | March 2008 | Feb 2009 | March 2009 | Change 3/08-3/09 |
|-------------|------------|----------|------------|------------------|
| Labor Force | 25,320 | 25,830 | 25,980 | +2.6% |
| Unemployed | 1,190 | 1,520 | 1,630 | +36.97% |
| Rate | 4.7% | 5.9% | 6.3% | +1.6% |
| Employment | 24,130 | 24,330 | 24,350 | +0.91% |

Source: Iowa Workforce Development



Housing SALES Mason City

| | March '08 | 2008 YTD | March '09 | 2009 YTD |
|--------------------|-------------|-------------|-------------|-------------|
| Listings Sold | 30 | 63 | 23 | 53 |
| Dollar/Sale Volume | \$3,282,346 | \$6,927,947 | \$2,082,511 | \$4,732,861 |

Source: Mason City MLS
Clear Lake Report not available.



Residential REAL ESTATE ACTIVITY

| | Mar2008/YTD | Mar 2009/YTD |
|--|-------------|--------------|
| | Amount | Amount |

Mason City

| | | |
|---|---------------------|------|
| Total Permits (units year to date) | 1/1 | 0/0 |
| Single Family Housing Permits & Multi-Family Housing Permit | \$186,443/\$186,443 | none |

Source: Mason City Community Development Department,
U.S. Census Bureau and Greater Mason City Board of Realtors

Vehicle TITLE ACTIVITY

Cerro Gordo County

| 2007 | 2008 | 1st qtr '08 | 1st qtr '09 | YTD '09 |
|--------|--------|-------------|-------------|---------|
| 15,609 | 21,973 | 4,316 | 4,113 | 4,113 |

Source: Cerro Gordo County, Treasurer's Office

| State of Iowa | | |
|-------------------------------------|------|----------|
| Rank of City Consolidated Tax Rates | | |
| Taxes Payable FY 2009 | | |
| City | Rank | Rate |
| (1=High) | | |
| Waterloo | 50 | 43.32425 |
| Marshall-town | 77 | 41.93830 |
| Hampton | 90 | 41.46782 |
| Iowa Falls | 102 | 41.24301 |
| Fort Dodge | 107 | 41.09263 |
| Ankeny | 116 | 40.92394 |
| Webster City | 229 | 38.68276 |
| Forest City | 251 | 38.23373 |
| Charles City | 313 | 37.05782 |
| Cedar Rapids | 382 | 36.25611 |
| Osage | 383 | 36.23733 |
| Cedar Falls | 455 | 35.29591 |
| Waverly | 460 | 35.25565 |
| Lake Mills | 493 | 34.70901 |
| St. Ansgar | 497 | 34.64293 |
| Mason City | 544 | 33.81858 |
| Garner | 643 | 32.55432 |
| Clear Lake | 731 | 31.16867 |

Online RESOURCES

- ▶ Bureau of Labor Statistics of the U.S. Department of Labor—www.bls.gov
- ▶ Greater Mason City Board of Realtors— www.masoncitymls.com
- ▶ Iowa Department of Transportation Office of Aviation—www.dot.state.ia.us
- ▶ Iowa Workforce Development—www.iowaworkforce.org
- ▶ Mason City Convention and Visitor's Bureau—www.masoncitytourism.com
- ▶ Mason City Chamber of Commerce—www.masoncityia.com
- ▶ Mason City Municipal Airport—www.masoncity.net
- ▶ The Council for Community and Economic Research , C2ER—www.c2er.org
- ▶ U.S. Census Bureau—www.census.gov