CapeCod
CHAMBER OF COMMERCE
307 Main Street, Suite 2, P.O. Box 790, Hyannis, MA 02601, 508 862-0700

December 2, 2002

Dear Participant in the Cape Cod Economy:

The Cape Cod Chamber of Commerce is pleased to present the Third Quarter (Q3) 2002 Economic Update, an in-depth look at economic activity for that period in several categories.

The Chamber gratefully acknowledges the financial support for this Economic Update from:

CAPE COD BANK & TRUST
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This data product was developed by the Cape Cod Chamber of Commerce. We welcome inquiries from companies that wish to sponsor the Economic Update. Please contact me for details.

See pages 9 through 11 of the Third Quarter, 2002 Economic Update (Select bookmark labeled “Notes on Data and Sources”) for detailed descriptions of the reporting categories, their content, sources, and considerations in using the data.

Sincerely yours,

Wendy K. Northcross,
Executive Director

Cape Cod Chamber of Commerce
QUARTERLY ECONOMIC UPDATE

Third Quarter, 2002

CapeCod CHAMBER OF COMMERCE

	SECTOR	THIRD & PREVIOUS QUARTER SUMMARY AND COMPARISON					
		BARNSTABLE COUNTY					
	Retail & Other Credit Spending on One Major Credit Card	Q3-01	Q3-02	% Change	Q2-01	Q2-02	% Change
	Total transactions – All Credit Charges	609,117	696,092	14%	299,778	338,602	13%
	Avg. transaction amt. – All Credit Charges	$111	$108	-3%	$110	$108	-2%
	Total $ Volume – All Credit Card Charges	$67,398,643	$75,142,877	11%	$33,017,157	$36,625,061	11%
	Avg. transaction amount - Restaurants	$79	$79	0%	$78	$78	0%
	Total transactions – Restaurants	178,402	188,393	6%	86,977	90,227	4%
	Avg. transaction amount - Lodging	$357	$361	1%	$351	$366	4%
	Total transactions – Lodging	50,163	53,945	8%	24,629	26,276	7%
	Avg. transaction amount - Fuel products	$34	$28	-18%	$34	$30	-12%
	Total transactions – Fuel Products	12,378	13,654	10%	6,063	6,530	8%
	Avg. transaction amount - Dept. Stores	$91	$95	4%	$92	$98	7%
	Total transactions – Dept. Stores	10,340	9,953	-4%	5,278	5,205	-1%
	Avg. transaction amount - Big Ticket Items	$212	$197	-7%	$224	$192	-14%
	Total transactions – Big Ticket Items	20,981	25,818	23%	10,688	13,010	22%
	Avg. transaction amount - Supermarkets	$53	$57	8%	$53	$59	11%
	Total transactions – Supermarkets	38,806	87,058	124%	19,536	42,363	117%

Legend for left column: "+" indicates $000's "o" indicates $10,000's "-" indicates 000's

OTHER SECTORS – QUARTERLY AND YEAR-TO-DATE SUMMARY (See pages 2 and 3 for subregion data)

	SECTOR	BARNSTABLE COUNTY					
	Real Estate	Q3-01	Q3-02	% Change	YTDQ3-01	YTDQ3-02	% Change
	# Single family (s.f.) homes sold, B&T	1,230	1,135	-8%	3,483	3,515	1%
	Avg sale price of s.f. homes sold, B&T	$279,938	$328,622	17%	$261,749	$303,061	16%
	Construction						
	# Residential permits issued	288	331	15%	1031	858	-17%
o	$ Value of residential permits issued	7,617.5	8,309.7	9%	23,683.4	18,773.0	-21%
	# Commercial permits issued	9	13	44%	45	47	4%
+	$ Value of commercial permits issued	2,746.1	5,771.8	110%	16,088.8	22,957.5	43%
	Tourism						
+	Total State/Local room tax revenue	$11,800,587	$12,429,284	5%	$17,845,535	$18,683,026	5%
	(Reflects taxes paid through end of September)						
	# visits to two CC visitor centers	102,870	120,501	17%	179,652	212,893	19%
	# visits to CC Nat'l Seashore Areas	2,241,129	2,206,729	-2%	3,798,454	3,838,039	1%
	General						
	Est. avg daily e-bound traffic vol both bridges	60,086	61,348	2%	49,125	51,907	6%
	Est. avg daily w-bound traffic vol both bridges	60,856	61,282	1%	49,037	51,157	4%
	DET avg. total work force	120,806	123,961	3%	110,491	113,038	2%
	Unemployment Rate (%)	2.55	3.15	24%	3.82	4.17	9%

CapeCod CHAMBER OF COMMERCE

See pages 9 through 11 for data sources and interpretive information.

Cape Cod Chamber of Commerce
QUARTERLY ECONOMIC UPDATE
Third Quarter, 2002

	SECTOR	THIRD QUARTER AND % CHANGE SUMMARY					
		Upper Cape			Mid Cape		
	Retail & Other Credit Spending on One Major Credit Card	Q3-01	Q3-02	% Change	Q3-01	Q3-02	% Change
	Total transactions – All Credit Charges	166,008	194,156	17%	241,590	272,181	13%
	Avg. transaction amt. – All Credit Charges	$96	$94	-2%	$107	$105	-2%
	Total $ Volume – All Credit Card Charges	$15,896,915	$18,247,663	15%	$25,814,828	$28,531,234	11%
	Avg. transaction amount - Restaurants	$72	$70	-3%	$78	$77	-1%
	Total transactions – Restaurants	45,248	47,064	4%	73,757	77,929	6%
	Avg. transaction amount - Lodging	$309	$318	3%	$306	$316	3%
	Total transactions – Lodging	8,882	9,098	2%	17,864	19,257	8%
	Avg. transaction amount - Fuel products	$44	$32	-27%	$28	$25	-11%
	Total transactions – Fuel Products	4,418	5,021	14%	5,629	6,317	12%
	Avg. transaction amount - Dept. Stores	$385	$174	-55%	$89	$93	4%
	Total transactions – Dept. Stores	50	77	54%	9,819	9,360	-5%
	Avg. transaction amount - Big Ticket Items	$178	$193	8%	$187	$176	-6%
	Total transactions – Big Ticket Items	3,669	5,531	51%	12,672	14,555	15%
	Avg. transaction amount - Supermarkets	$54	$57	6%	$51	$55	8%
	Total transactions – Supermarkets	10,372	27,549	166%	12,011	28,091	134%

Legend for left column: "+" indicates $000's "o" indicates $10,000's "-" indicates 000's

OTHER SECTORS – QUARTERLY AND % CHANGE SUMMARY

	SECTOR	Upper Cape			Mid Cape		
	Real Estate	Q3-01	Q3-02	% Change	Q3-01	Q3-02	% Change
	# Single family (s.f.) homes sold, B&T	437	372	-15%	545	485	-11%
	Avg sale price of s.f. homes sold, B&T	$287,561	$323,403	12%	$251,349	$300,746	20%
	Construction						
	# Residential permits issued	140	165	18%	56	62	11%
o	$ Value of residential permits issued	3,724.8	3,472.3	-7%	1,716.0	1,899.6	11%
	# Commercial permits issued	4	3	-25%	3	6	100%
+	$ Value of commercial permits issued	2,637.0	469.8	-82%	1,216.7	3,827.0	215%
	Tourism						
+	Total State/Local room tax revenue (Reflects taxes paid through end of September)	1,926,670	1,837,475	-5%	4,837,847	5,123,411	6%
	# visits to two CC visitor centers	89,929	108,046	20%	12,941	12,455	-4%
	# visits to CC Nat'l Seashore Areas	--	--	--	--	--	--
	General						
	Est. avg daily e-bound traffic vol both bridges	60,086	61,348	2%	--	--	--
	Est. avg daily w-bound traffic vol both bridges	60,856	61,282	1%	--	--	--
	DET avg. total work force	44,497	45,032	1%	45,924	47,670	4%
	Unemployment Rate (%)	2.71	3.51	30%	2.54	3.07	21%

See pages 9 through 11 for data sources and interpretive information.

Cape Cod Chamber of Commerce
QUARTERLY ECONOMIC UPDATE
Third Quarter, 2002

	SECTOR	THIRD QUARTER AND % CHANGE SUMMARY					
		Lower Cape			Outer Cape		
	Retail & Other Credit Spending on One Major Credit Card	Q3-01	Q3-02	% Change	Q3-01	Q3-02	% Change
	Total transactions – All Credit Charges	126,330	152,236	21%	75,189	77,519	3%
	Avg. transaction amt. – All Credit Charges	$138	$128	-7%	$110	$114	4%
	Total $ Volume – All Credit Card Charges	$17,388,834	$19,491,159	12%	$8,298,066	$8,872,821	7%
	Avg. transaction amount - Restaurants	$85	$85	0%	$88	$89	1%
	Total transactions – Restaurants	35,602	38,269	7%	23,795	25,131	6%
	Avg. transaction amount - Lodging	$436	$428	-2%	$351	$357	2%
	Total transactions – Lodging	17,637	19,373	10%	5,780	6,217	8%
	Avg. transaction amount - Fuel products	$31	$29	-6%	0	0	#DIV/0!
	Total transactions – Fuel Products	2,331	2,316	-1%	0	0	#DIV/0!
	Avg. transaction amount - Dept. Stores	$137	$92	-33%	$114	$120	5%
	Total transactions – Dept. Stores	10	118	1080%	461	398	-14%
	Avg. transaction amount - Big Ticket Items	$393	$301	-23%	$176	$180	2%
	Total transactions – Big Ticket Items	2,794	3,601	29%	1,846	2,131	15%
	Avg. transaction amount - Supermarkets	$51	$61	20%	$56	$57	2%
	Total transactions – Supermarkets	9,251	24,045	160%	7,172	7,373	3%

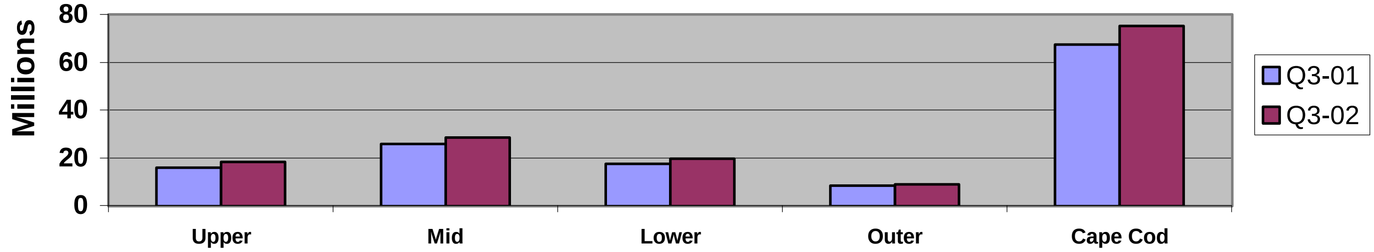
Legend for left column: "+" indicates $000's "o" indicates $10,000's "-" indicates 000's

OTHER SECTORS – QUARTERLY AND % CHANGE SUMMARY

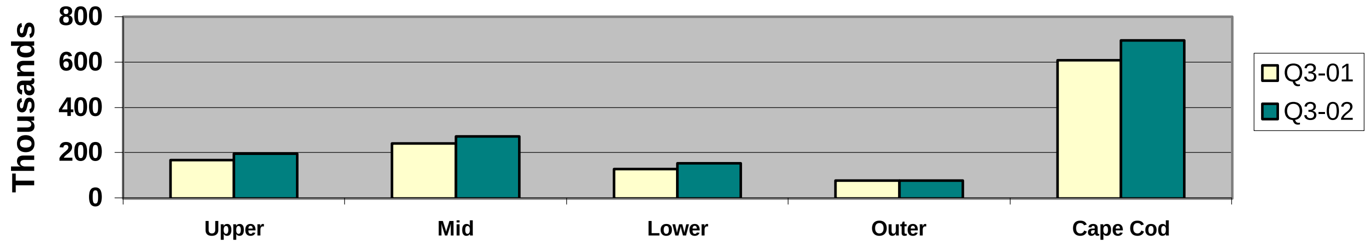
	SECTOR	Lower Cape			Outer Cape		
	Real Estate	Q3-01	Q3-02	% Change	Q3-01	Q3-02	% Change
	# Single family (s.f.) homes sold, B&T	223	236	6%	25	42	68%
	Avg sale price of s.f. homes sold, B&T	$323,344	$372,608	15%	$382,734	$449,580	17%
	Construction						
	# Residential permits issued	69	91	32%	23	13	-43%
o	$ Value of residential permits issued	$1,677.5	$2,637.9	57%	$499.1	$300.0	-40%
	# Commercial permits issued	1	3	200%	1	1	0%
+	$ Value of commercial permits issued	$112.0	$775.0	592%	$350.0	$700.0	100%
	Tourism						
+	Total State/Local room tax revenue (Reflects taxes paid through end of September)	$3,026,567	$3,381,100	12%	$2,009,503	$2,087,298	4%
	# visits to two CC visitor centers	--	--	--	--	--	--
	# visits to CC Nat'l Seashore Areas	654,927	571,323	-13%	715,151	762,792	7%
	General						
	Est. avg daily e-bound traffic vol both bridges	--	--	--	--	--	--
	Est. avg daily w-bound traffic vol both bridges	--	--	--	--	--	--
	DET avg. total work force	21,407	22,194	4%	8,978	9,066	1%
	Unemployment Rate (%)	1.93	2.34	21%	3.35	3.71	11%

See pages 9 through 11 for data sources and interpretive information.

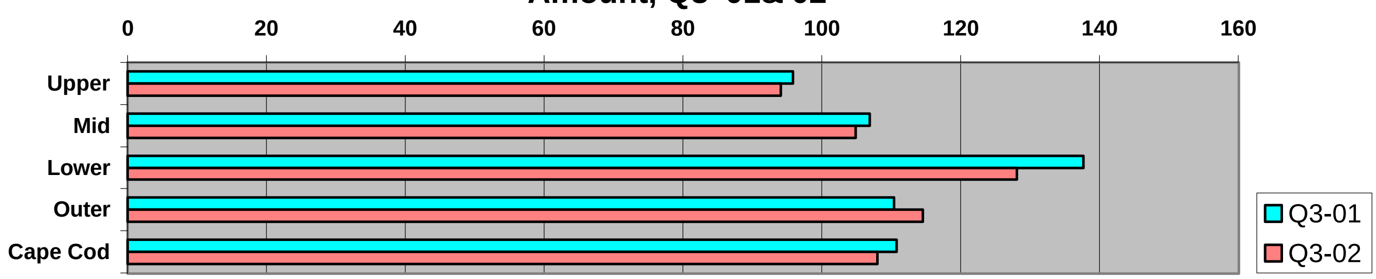
Credit Card Spending, One Major Credit Card Company, Total Dollar Volume, Q3 '01&'02



Credit Card Spending, One Major Credit Card Company, Total Charges, Q3 '01&'02



Credit Card Spending, One Major Credit card Company, Avg. Charge Amount, Q3 '01&'02



Credit Card Spending Reported by One Major Credit Card Company

The above graphs indicate that this major credit card company experienced higher dollar volumes and numbers of charges in the third quarter of '02 than the same period in '01. These numbers represent the merchant accounts the company had as of the end of the third quarter, '02.

The lower graph shows that the average amount per charge was typically lower in '02 than in '01 with the most dramatic change and totals in the Lower Cape area.

See pages 9 through 11 for data sources and interpretive information.

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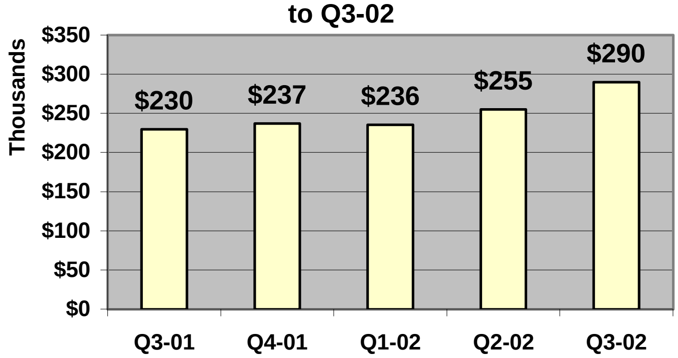
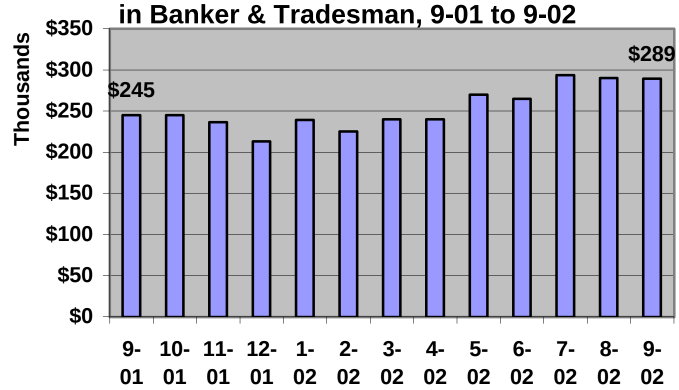
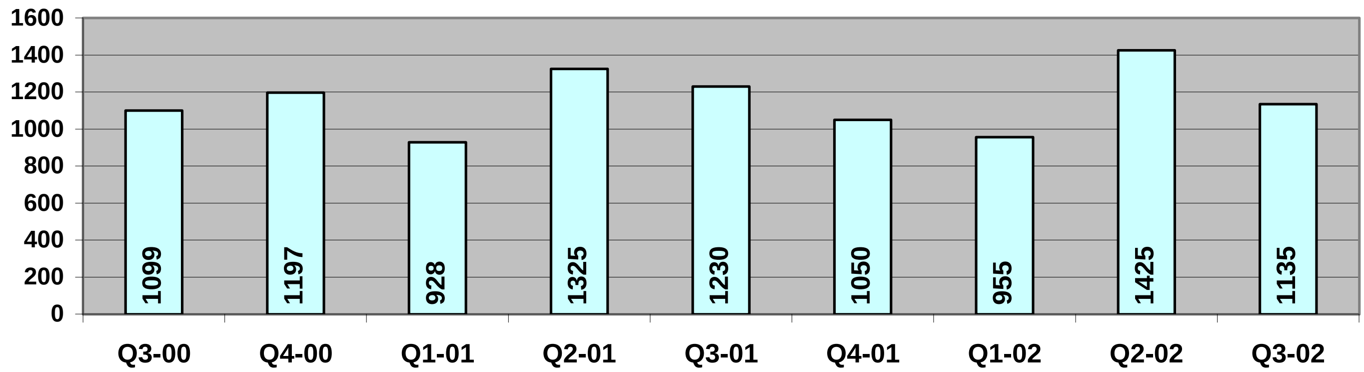
Cape Cod Median Sale Prices, Single-Family Homes ($50k-$1Million), Reported in Banker & Tradesman, by Quarter, Q3-01 to Q3-02



Cape Cod Median Sale Prices, Single-Family Homes ($50k-$1Million), Reported in Banker & Tradesman, 9-01 to 9-02



Number of Cape Cod Single-Family Home Sales ($50K<$1Mil.) Reported in Banker & Tradesman, by Quarter, Q3-00 - Q3-02



REAL ESTATE SALES CATEGORY

Median sale prices for single-family homes on Cape Cod surged dramatically upward through the second and third quarters of this year. The record high quarterly median price of $290,000 in Q3-02 was 26% higher than the median price in Q3-01. Between Q2-01 and Q2-02, the median price increased 19%. Even after a significant sales volume spike in Q2-02, sales volume for Q3-02 - 1135 homes - finished just below the most recent 9-quarter average of 1149 sales. This was indeed a strong finish, considering the sustained high sales prices. The upper right graph shows a bit of a plateau for monthly median prices Cape-wide in this last quarter. The monthly median peak was in July, '02, at $293,700.

In the subregions, the highest median price in Q3-02 was $425,000 in the Outer Cape, followed by $342,500, $289,450, and $259,900 in the Lower, Upper, and Mid Cape areas, respectively. All of these prices were 20% or more above Q3-01 prices.

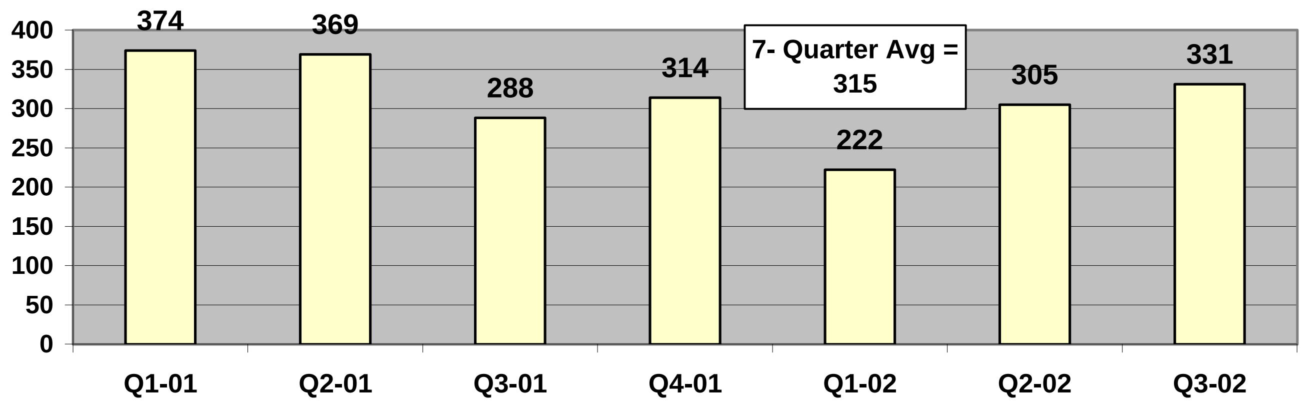
See pages 9 through 11 for data sources and interpretive information.

Cape Cod Chamber of Commerce

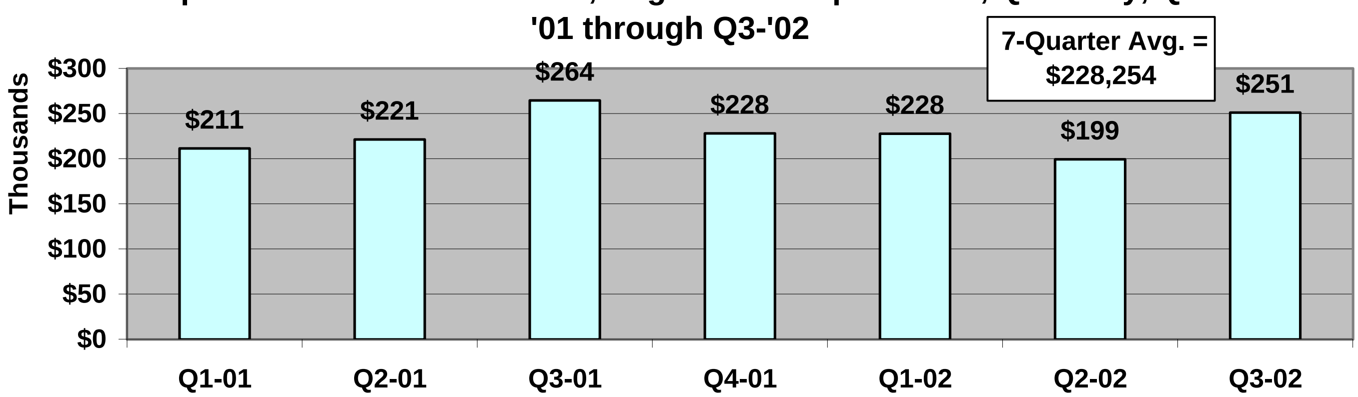
QUARTERLY ECONOMIC UPDATE

Third Quarter, 2002

Cape Cod New Home Permits, Quarterly, Q1-'01 through Q3-'02



Cape Cod New Home Permits, Avg. Est. Cost per Home, Quarterly, Q1-'01 through Q3-'02



CONSTRUCTION CATEGORY

Residential - Permitting of new homes in Q3-02 was up by 8.5%, compared to Q2-02. The 331 permits in Q3-02 was above the most recent 7-quarter average of 315 permits. The Q3-02 estimated average cost of each new home was also up significantly from Q2-02 and well above the average for the 7-quarter period. This relationship tracks well with the recent surge in the median home price. A total of $83 million was invested in Cape Cod housing construction in the third quarter of '02. The Q3-02 year-to-date total estimated value of new residential construction ($187,730,000) was well below the Q3-01 YTD total of $236,834,000.

In the subregions, the Upper Cape area again posted the highest number of new home permits in Q3-02, consistent with its performance over the last 6 quarters. The Mid Cape area showed the highest estimated cost per unit at $306,384 in Q3-02, which was also consistent with the last 6 quarters.

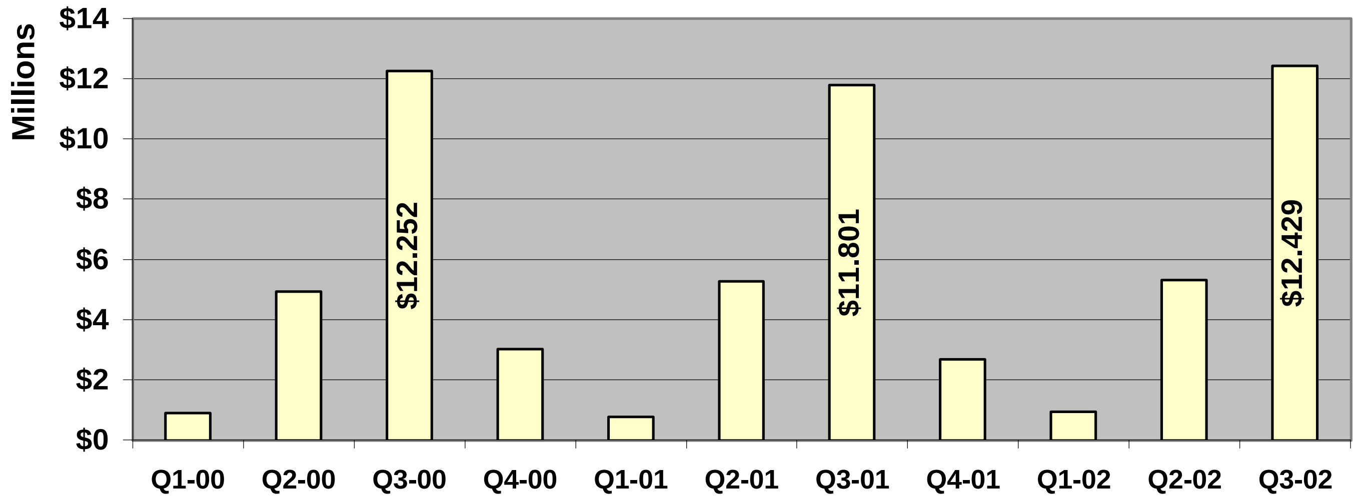
Commercial - The number of commercial permits for the year-to-date, September '02 was about the same as the previous year but the total investment of $23 million for the YTD 9-02 period was well ahead of the $16 million for YTD 9-01. The third quarter of '02 showed 110 % more cash investment in commercial construction than for Q3-01. The greatest share by far of all Cape Cod commercial investment continues to be in the Mid Cape area.

See pages 9 through 11 for data sources and interpretive information.

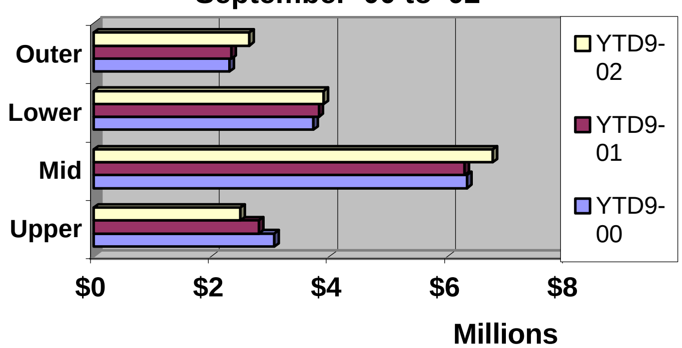
Cape Cod Chamber of Commerce
QUARTERLY ECONOMIC UPDATE
Third Quarter, 2002

CapeCod CHAMBER OF COMMERCE

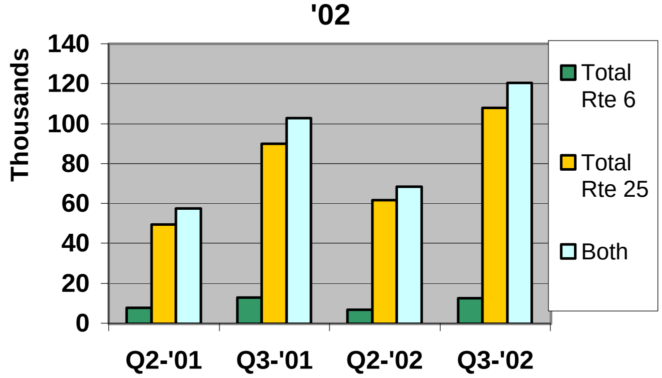
Cape Cod Total Quarterly Room Tax Collections, Q1-00 thru Q3-02



Year-To-Date Total Room Tax Collections, Cape Cod Sub-Regions, September '00 to '02



Cape Cod Chamber of Commerce Visitor Center Traffic, Q2 & Q3, '01 & '02



Tourism Category

Room tax collections for the third quarter of '02 were higher than in Q3-01 and slightly higher than Q3-00 as well. Collections for each of the three quarters of '02 were higher than their counterparts in '01. This explains the lower left chart, which shows a better year-to-date performance for September '02 than for September '01 in all but one sub-region (Upper Cape). The increased traffic through Cape Cod Chamber visitor centers through September '02, combined with higher Q3-02 credit spending on lodging and restaurants (see page 1) and higher Q3-02 bridge traffic (see page 8) suggest a general increase in tourism over the same period last year. The Chamber's combined visitor center traffic was up by 17% in Q3-02, compared with Q3-01. The eastbound bridge traffic was up by 2.1% and National Seashore visitation was down by 1.5% for the same period.

CapeCod CHAMBER OF COMMERCE

See pages 9 through 11 for data sources and interpretive information.

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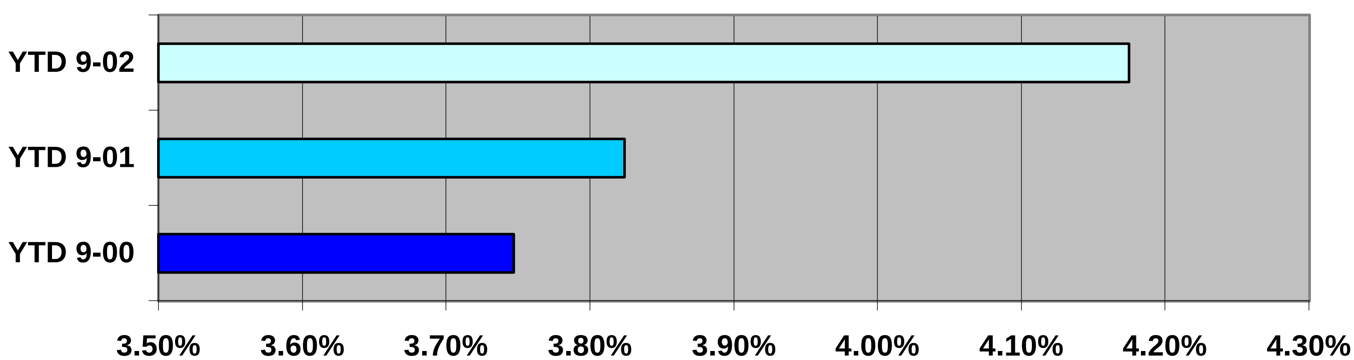
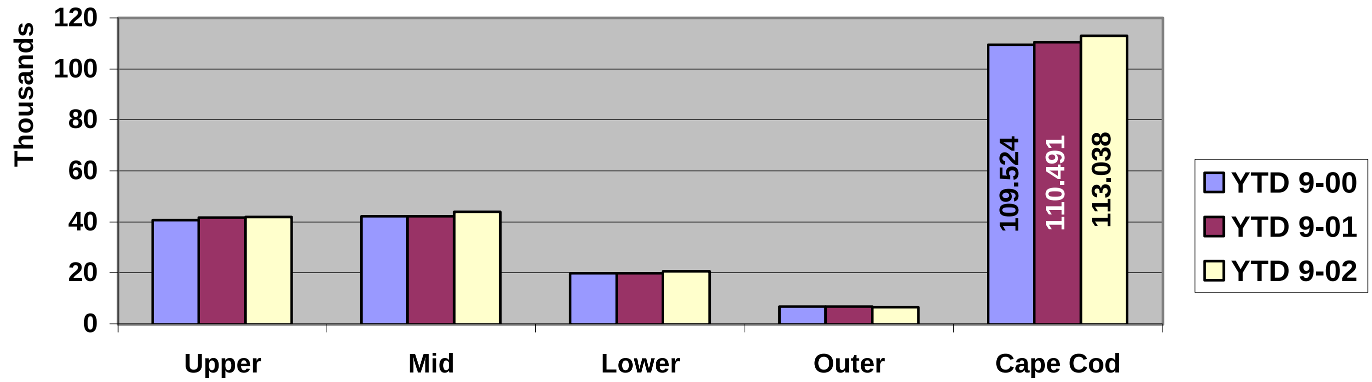
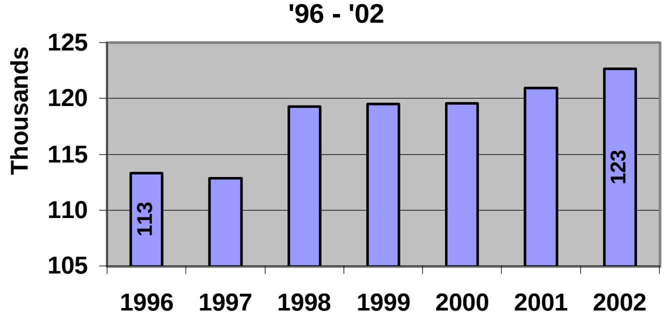
Cape Cod Unemployment Rates, Year-to-Date, September, '00 - '02



Cape Cod Labor Force, Year-to-Date, September, '00 - '02



Average Daily Traffic, Both Canal Bridges, Total of Both Directions, Third Quarter, '96 - '02



General Category

The above graph of unemployment rates on the Cape at the quarter year appear to show general stability, relative to comparable preceding periods. However, the YTD September '02 unemployment rate was 11.42% higher than the YTD September '01 rate.

The Cape's overall labor force shows steady growth from YTD September '00 to YTD September '02 with a 3.21% increase in that term. The Outer Cape's labor force shows a steady decline over the same period.

Combined Q3 average daily traffic for the two Cape Cod Canal crossings has shown nearly steady growth from 1996 to 2002. The daily average increased by 8.24% or 9334 additional vehicle crossings per day in that period.

See pages 9 through 11 for data sources and interpretive information.

CAPE COD CHAMBER OF COMMERCE ECONOMIC UPDATE
NOTES ON DATA CATEGORIES, SOURCES, INTERPRETING NUMBERS
12-02-02

REGIONS

Upper Cape - Bourne, Falmouth, Mashpee, Sandwich
Mid Cape - Barnstable, Dennis, Yarmouth
Lower Cape – Brewster, Chatham, Eastham, Harwich, Orleans
Outer Cape – Provincetown, Truro, Wellfleet
Barnstable County – All 15 Cape Cod Towns

SECTORS

Retail & Other Credit Spending

Sales charged to a single major credit card for accounts that are active in the reporting quarter. Identity of card company is suppressed but data from same company is used each quarter.

Data source: Compiled by CC Chamber of Commerce

How to interpret the quarterly credit spending numbers:

Total transactions – All Credit Charges: Represents all credit card transactions in every category available, including the six categories detailed in this section.
Avg. transaction amt. – All Credit charges: Represents the average expenditure of all credit card transactions available, including those in the six categories detailed in this section.
Total $ Volume – All Credit Card Charges: Represents the total amount of money charged to this card in the reporting period, including the six categories detailed in this section.
For each of the six categories – restaurants, lodging, fuel products, department stores, big ticket items**, and supermarkets, the **avg. transaction amount** line is the gross dollar volume for the reporting period divided by the number of transactions for the respective category, rounded to the nearest dollar. The **total transactions** line is the gross number of transactions for the reporting period for each respective category. Fuel products reflects those charges made to Cape-based companies only. Major chain facilities or individual fuel sellers with off-Cape headquarters are not represented in the numbers reported here.

**Big ticket items include aggregated sales of: major appliances, china/crystal/silver, floor coverings, home furnishings & accessories, home improvement, jewelry, furniture, consumer electronics.

Real Estate

 # Single-family (s.f.) homes sold, B&T – Totals derived from culling entries in Banker & Tradesman each week, compiled by region. Entries only include confirmed single-family home sales sold between $50,000 and $1 million, excluding low sales prices under $100,000 between apparent family members, based on last names of seller(s) and buyer(s).

Data source: Banker & Tradesman

Avg sale price of s.f. homes sold, B&T – Calculated average of sale prices of homes in above category, collected by town and compiled and averaged by region.

Data source: Banker & Tradesman

Construction

 # Residential permits issued – Actual number of new residential permits issued, collected by town and compiled by region.

Data source: CCB&T Commercial Lending Dept. from town data

$ Value of residential permits issued – Estimated value (according to permit applicant's estimate) of new home construction under permits from above category, collected by town and compiled by region.

Data source: CCB&T Commercial Lending Dept. from town data

 # Commercial permits issued – Actual number of new commercial construction permits issued, collected by town and compiled by region.

Data source: CCB&T Commercial Lending Dept. from town data

$ Value of commercial permits issued – Estimated value (according to permit applicant's estimate) of new commercial construction under permits from above category, collected by town and compiled by region.

Data source: CCB&T Commercial Lending Dept. from town data

Tourism

Total state/local room tax revenue – Actual room tax collected by Mass Dept. of Revenue, collected by town and compiled by region each month. Numbers represent the combined state and local portions, totaling 9.7% of total rents.

Data source: Mass. Dept. of Revenue

 # Visits to two CC Chamber visitor centers – Actual, aggregated recorded visits to the following visitor facilities: CC Chamber Route 25 Visitor Center (Upper Cape region), CC Chamber Route 6/132 Visitor Center.

Data source: Cape Cod Chamber of Commerce

 # Visits to CC Nat'l Seashore Areas – Compiled numbers representing aggregate visits to National Seashore beach areas spanning two regions of the Cape. Lower Cape Seashore beaches include Coast Guard Beach and Nauset Light Beach in Eastham while Outer Cape Seashore beaches/areas include Race Point Beach and Herring Cove Beach in Provincetown, Head of the Meadow Beach in Truro, and the Marconi Area in Wellfleet. Users should take notice that the total visits for Barnstable County will be greater than the sum of

the two regions due to inclusion of other types of visits, including camping, oversand permits and miscellaneous visit types.
Data source: Cape Cod National Seashore

General
Avg. daily e-bound traffic vol both bridges – Average daily Cape-bound traffic counts from both canal bridges collected by MassHighway.
Data source: MassHighway Department
Avg. daily w-bound traffic vol both bridges – Average daily off-Cape-bound traffic counts from both canal bridges collected by MassHighway.
Data source: MassHighway Department
DET Avg. Total work force – The total estimated number of individuals in the work force, collected by town and aggregated and averaged by region. Estimates are derived from data provided by employers covered by the Mass unemployment laws and do not include self-employed individuals.
Data source: Mass Dept. of Employment & Training
Unemployment Rate (%) – The percentage of the estimated workforce that is unemployed and looking for work, collected by town and aggregated by region.
Data source: Mass Dept. of Employment & Training