

LAFAYETTE'S COST OF LIVING LOWER THAN NATIONAL AVERAGE

Lafayette, LA— Among the 315 urban areas participating in the third quarter 2008 *ACCRA Cost of Living Index*, Lafayette has the fourth lowest healthcare index and 86% of the participating metro areas pay more for groceries. The cost for a professional/managerial standard of living in Lafayette is just below the national average at 99.1.

The composite index is based on six components – housing, utilities, grocery items, transportation, health care and miscellaneous goods and services.

Lafayette's health care index (85.8) is calculated from the costs of optometrist, doctor, and dentist office visits, along with certain medicines. The cost for a general practitioner's routine exam, an adult teeth cleaning and medicine costs in Lafayette are the lowest reported in the state. Joplin, MO (83.1); Florence, AL (82.7); and Dothan, AL (82.4) are the only areas to report lower healthcare costs in the third quarter.

Lafayette's grocery index (91.5) is calculated from the prices of 26 items such as ground beef, eggs, milk, produce, bread, and soft drinks. Of the four other participating areas in Louisiana, three report a higher grocery index, ranging from 107.2 to 90.3. When looking at six major urban areas in the South, only Houston and Austin, TX reported lower grocery indices in the third quarter.

Lafayette's indices for utilities (92.1) and miscellaneous good and services (98.6) are among the lowest in the state.

Total home energy cost, electric only, other home energy, and telephone service make up the composite for utilities. Prices for fast food meals, haircuts, appliance repairs, movie tickets, monthly newspaper subscriptions, and veterinary services make up the composite for miscellaneous goods and services.

Just above the national average are Lafayette's indices for transportation (107.2) and housing (104.1).

The housing index is based on the rent for a two-bedroom, 950 square-foot apartment; the total purchase price of a 2,400 square-foot new construction; the average mortgage rate; and the monthly payment using that rate. Transportation is calculated based on the average price to balance one front wheel and the cost of one gallon of regular, unleaded gasoline.

LEDA President and CEO Gregg Gothreaux says these numbers are good news to the community.

"Our cost of living index is a supporting factor in our economic development efforts. Being below the national average, means that well-paid people who move to this area will be comfortable. When you combine the cost of living with the reported low cost of business, we have an advantageous business recruitment atmosphere in Lafayette," Gothreaux notes.

The *ACCRA Cost of Living Index* measures relative price levels for consumer goods and services. The national average equals 100, and each participant's index is read as a percentage of the total average. The index is based on more than 50,000 prices covering almost 60 different items for which prices are collected quarterly in participating urban areas. For more information visit the Council for Community and Economic Research's website, www.c2er.org.

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