

The Greater Boston Housing Report Card 2002

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Sponsoring Organizations

Center for Urban and Regional Policy

The Center for Urban and Regional Policy (CURP) was launched in 1999 at Northeastern University as a “think and do tank”—a center where faculty, staff, and students from the university pool their expertise, resources, and commitment to address a wide range of issues facing cities, towns, and suburbs with particular emphasis on the Greater Boston region. It has produced an array of reports on housing, small business development, and workforce training; created new computer-based information tools for researchers, students, and government agencies; and sponsored major “action” projects, including the World Class Housing Collaborative, which is devoted to assisting community groups develop housing in their neighborhoods. A new collaborative is underway aimed at helping small minority enterprises improve and expand their operations. In 2000, CURP produced the *New Paradigm for Housing in Greater Boston* report, a comprehensive document detailing the nature of the housing crisis in the region. CURP’s Web site, www.curp.neu.edu, is a leading source of information for community leaders, public officials, urban researchers, and students.

Citizens’ Housing and Planning Association

The Citizens’ Housing and Planning Association (CHAPA) is a statewide organization that represents the interests of all players in the housing field, including non-profit and for-profit developers, homeowners, tenants, bankers, real estate brokers, property managers, and government officials. The organization is a sponsor of many research projects concerned with housing and in 1998 commissioned a study from the Donahue Institute at the University of Massachusetts entitled “A Profile of Housing in Massachusetts.” This report began the work of measuring progress in key housing policy areas such as supply, affordability, and accessibility. CHAPA has assisted in the funding and development of this report.

The Boston Foundation

The Boston Foundation, one of the nation’s oldest and largest community foundations, has an endowment of more than \$560 million and made grants of more than \$53 million to non-profit organizations this year. The Boston Foundation is made up of 750 separate charitable funds that have been established by donors either for the general benefit of the community or for special purposes. The Boston Foundation also serves as a civic leader, convener, and sponsor of special initiatives designed to build community.

The Boston Indicators Project

Within the Foundation, the Boston Indicators Project provides a vehicle to track progress on broad civic goals and indicators in 10 categories. It incorporates ideas and data from Greater Boston’s research institutes, community-based organizations, businesses and public agencies. The Project engages people across sectors, geographic boundaries and disciplines in civic discourse about the future of Boston and the region. It also provides opportunities for public and media education. In making objective data available, the Boston Indicators Project encourages an informed, collaborative approach to setting priorities and addressing challenges. The Project released its first report, “The Wisdom of Our Choices: Boston’s Indicators of Progress, Change and Sustainability,” at a Boston Citizens Seminar in 2000. The next report will be release in February 2003, and every two years after that through 2030, Boston’s 400th anniversary. For more information about the Boston Foundation, visit www.tbf.org, or call 617-338-1700.

Preface

The *Greater Boston Housing Report Card 2002* is the result of collaboration between the Center for Urban and Regional Policy (CURP) at Northeastern University, the Citizens' Housing and Planning Association (CHAPA), and The Boston Foundation. The *Report Card* was developed in order to provide a clear and objective assessment of the progress Greater Boston is making toward providing housing opportunities for all of its citizens. The intent was to be as impartial and descriptive as possible, not prescriptive.

Most of the report covers 161 cities and towns in the Massachusetts portion of the Boston, Brockton, Lawrence, and Lowell Metropolitan Statistical Areas (MSAs).¹ (see **Appendix 1**) One section, however, is devoted exclusively to the Boston MSA (comprising 127 of the 161 municipalities) in order to assess how well this region is doing at meeting the goal of producing 36,000 new housing units—well over projected levels—established in CURP's 2000 report, *A New Paradigm for Housing in Greater Boston* prepared for the Boston Archdiocese and the Greater Boston Chamber of Commerce. In addition to reporting on housing production, this *Report Card* also examines trends in housing prices and rents, the preservation of affordable housing, and Massachusetts funding levels for subsidized housing.

The report has three major sections. The Executive Summary provides a brief summary of the key points in the report. The second section contains the report itself with information on long term demographic trends, home sales and rents, changes in housing supply, affordable housing development, and public spending for housing. The final section contains a series of appendices providing data for all 161 cities and towns covered in the report.

Our hope is that with the facts in hand, all of the stakeholders in the Commonwealth will understand what progress has been made toward providing housing for all citizens and what challenges still exist.

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¹ The authors of this report believe that these 161 cities and towns are a reasonable approximation of Greater Boston.

Table of Contents

Executive Summary	4
Introduction	8
Long Term Trends	10
Rents and Home Sales	15
Changes in Housing Supply	28
Affordable Housing: Producers and Tools	38
Public Spending on Housing in the Commonwealth	48
Conclusion	58
Appendices	
Appendix 1	Appendix 1-1
Appendix 2	Appendix 2-1
Appendix 3	Appendix 3-1
Appendix 4	Appendix 4-1
Appendix 5	Appendix 5-1

Executive Summary

This report provides basic facts and figures on housing prices and rents, and housing production in the Greater Boston region since 1999. These data have been analyzed against historical trends and the goals originally set in the September 2000 report, *A New Paradigm for Housing in Greater Boston*.

Key Findings

Household Growth vs. New Housing

The number of households in the Greater Boston region increased faster than the production of new housing. The result was a sharp decline in both rental and owner-occupied housing vacancies.

- During the decade of the 1990s, the number of households increased by 129,265 while the number of housing units increased by only 91,567.
- As a result, the average vacancy rate among owner-occupied housing units declined to 0.6% from 1.7%—well below what is considered a “normal” 2% rate.
- The average vacancy rate among rental units declined from 6.7% to 2.7%—well below what is considered a “normal” 6% rate.
- Most of the decline in vacancy rates occurred after 1995, following the 1991-92 recession.

Rents, Home Prices, and Housing Affordability

In response to the imbalance between household growth and new housing production, rents and home prices rose sharply in the Greater Boston region over the past three years, further reducing housing affordability.

- The median rent paid by *existing renters* in the Boston MSA increased from \$744 in 1995 to \$1,035 in 2000, an increase of 39%—or an average of 6.8% per year. The median rent has softened slightly from a high of \$1,076 in 1999.
- By 2001, the median advertised rent for a 2-bedroom apartment for *new renters* in the City of Boston was \$1,700. In 12 of the 19 towns and cities surrounding Boston, advertised rents increased by over 30% between 1998 and 2001. Rents in some of the traditionally affordable towns and cities surrounding Boston increased by as much as 64% over this 3-year period.
- Households earning the median income of renters can afford to pay the median advertised rent for a 2-bedroom apartment in only 2 out of 20 towns and cities in the heart of Greater Boston.

- For the 161 cities and towns in the Greater Boston region as a whole, the estimated median sales price of a single-family home in 1998 was \$198,500. By 2001, the median sales price had jumped to \$298,350—an increase of 50.3% over the 3-year period.
- By 2001, households earning the median income in their city or town could not afford the median priced single-family house in 112 of 161 towns and cities in the region.

New Housing Production

Vacancy rates declined and rents and prices rose dramatically because new housing construction met only 53% of projected demand.

- According to the *New Paradigm for Housing in Greater Boston* report released in September 2000, an annual increase of 15,660 additional units of housing would be needed in the Boston MSA alone in order to meet housing needs and moderate the growth in rents and home prices.
- From 2000 through 2002, total net new production has averaged only 8,300 housing units per year.
- All three segments of the housing market identified in the *New Paradigm* report—market rate, subsidized, and student housing—fell short of the projected need.
 - Market rate production only reached about 2/3 of the *New Paradigm* report goal.
 - The number of units of subsidized housing has increased from an average annual production of 1,300 between 1995 and 1999 to 1,450 per year since then, but it is not sufficient to satisfy demand.
 - The number of dorm units has increased sharply from 256 in 1999 to an average of nearly 500 annually since then, but again below the report's goals.
- Since 1997 there has been a slowdown in the production of single-family homes while there has been a corresponding increase in multi-family housing, most of which is rental. The number of multi-family housing units permitted has increased from 973 in 1997 to 2,722 in 2001.
- Production of subsidized affordable housing across the 161 cities and towns of Greater Boston has increased moderately since 1999. In 1999, 1,160 units of subsidized housing were produced. The average annual production between 2000 and 2002 was 1,850.
- Twelve communities out of the region's 161 have achieved the 10% threshold for affordable housing, up from 8 in 1990. These 12 communities—mostly cities—

contain 1/3 of the region's housing supply but account for 60% of the total assisted inventory. The City of Boston's 49,000 plus subsidized units represent one-third of the region's total. In 1990, 13 communities in Greater Boston had no publicly assisted housing; now only 1 community has none.

Public Spending on Housing

While there has been a modest increase in total state and federal funds for housing in the Commonwealth since 1995, the amount now being spent by the public sector is substantially less than the real spending levels of the 1980s.

- In 2001, combined state/federal spending on all types of housing assistance in the Commonwealth was \$546 million (in inflation-adjusted \$).
- State spending on housing programs as a percentage of the total state budget has declined from 2.9% in 1989 to 0.7% in 2001.
- Today, state funds are supporting only 45% of the total state/federal commitment to housing, down from 68% in 1990.

Conclusions

Despite the call for a concerted effort to increase housing production in the *New Paradigm for Housing in Greater Boston* report, overall production has lagged substantially behind demand, leading to even higher housing prices and rents throughout the region. While rents softened moderately in 2002 as a result of a slowdown in the economy, median housing prices in virtually all communities have increased sharply since 1999. Given that housing prices seem to be rising at an even faster rate in lower income communities, a housing crisis continues for many low, moderate, and even middle-income households.

This time around, we have not issued grades for the region as a whole nor for individual communities or segments of the housing market. These will be forthcoming in upcoming annual reports.

It is also clear that we need more precise and consistent data reporting from communities and from state and local funding agencies in order to provide the housing information needed to measure performance and gauge the challenges before us.

I. Introduction

Two years ago, in September 2000, the Center for Urban and Regional Policy (CURP) at Northeastern University released *A New Paradigm for Housing in Greater Boston*. The report was developed in partnership with the Roman Catholic Archdiocese of Boston, the Greater Boston Chamber of Commerce, FleetBoston Financial, The Community Builders, Inc., and Housing Partners, Inc. The report analyzed trends in housing prices and rents; identified the key economic, social, and political barriers to increased housing production and affordability; and offered more than 30 recommendations for overcoming these barriers. Faced with a limited supply of existing housing, extremely low vacancy rates, and a decade of inadequate housing production, the *New Paradigm* report concluded that in the next 5 years an additional 36,000 housing units would need to be constructed in the Boston Metropolitan Statistical Area (MSA)—well over existing production levels—in order to help moderate future price and rent increases. That report was a clarion call for action in order to assure decent housing at affordable prices for all Greater Boston households.

This report is the first assessment of the progress that has been made in meeting the goals outlined in the *New Paradigm* report. It looks not only at the 127 cities and towns in the Boston MSA, but also in the Greater Boston metropolitan region of 161 municipalities in the combined MSAs of Boston, Brockton, Lawrence, and Lowell.

Members of the *New Paradigm* Coordinating Committee—a group of housing experts, developers, and community leaders who had advised CURP during the production of the 2000 *New Paradigm* report—first broached the idea for an annual Housing Report Card.² The Coordinating Committee pointed out that while governmental agencies, non-profit organizations, and professional real estate associations maintain statistics about their own housing production and preservation programs, there is no central entity that collects this information for the purpose of assessing progress in meeting regional housing goals. Hence, this new *Greater Boston Housing Report Card* was developed in order to consolidate information from dozens of statistical sources covering the 161 cities and towns in Greater Boston, and to highlight those areas that are meeting the region's housing needs, as well as those areas that need improvement. Reliable, complete data on housing prices and rents and on housing production is by no means easy to assemble. It took the *Housing Report Card* staff months of research to collect and ascertain the validity of the housing data reported here.

² Other states and regions have also begun to implement regional and local housing strategies accompanied by a methodology to measure the success of their work. In August 2002 the Non-Profit Housing Corporation of Northern California released its own *Housing Report Card* that examines affordable housing development—including numbers of new housing units produced relative to need, zoning and regulatory strategies, and use of local incentives—and provides 40 cities and counties with a “grade” from honors to passing. In 2003 Portland, Oregon's Metro Council is scheduled to assess the recommended affordable housing strategy adopted in 2000, including local and regional efforts to meet housing benchmarks.

Specifically, the *Housing Report Card* serves the following purposes:

- To review long-term trends that affect current and projected housing needs
- To report on changes in housing prices and rents in the region before and since the *New Paradigm* report was published
- To review the *New Paradigm's* 5-year housing goals for Greater Boston set out in September 2000
- To collect, consolidate, and present housing data from various federal, state, local, and private sources that can be used to assess production levels
- To report on what role private developers, non-profit organizations, and universities and colleges have played in meeting the region's housing needs
- To measure progress in key areas of housing development, including production and rehabilitation, and present these in an easily understandable format
- To review public spending on housing initiatives

This report does not attempt to take any position on housing policy. Its purpose is simply to make available to the public the most reliable data about the current housing situation in Greater Boston. We hope it will stimulate more discussion and dialogue about various approaches to meeting the region's housing needs.

II. Long Term Trends

Census data from 1990 and 2000 provide a picture of the overall demographic and housing trends in the 161 cities and towns analyzed in the *Housing Report Card*. These trends help explain the recent changes in housing prices and rents in the Greater Boston region. (See **Appendix 2** for Census detail)

The key characteristics of the region examined in this section are:

- Population
- Employment
- Household Income
- Number and type of housing units provided
- Vacancy Rates

Population, Employment, and Household Income

The picture of the Greater Boston area suggested by the table and chart below reveals that between 1990 and 2000 there was an 8.7% increase in the number of households—although only a 6% increase in the size of the population. (See **Table 2.1** and **Figure 2.1**) Thus, average household size has continued to decline following a long-term trend. Between 1990 and 2000, household size declined from an average of 2.69 persons per household to 2.62. As a result, housing demand is increasing faster than population growth. Employment is also increasing faster than population growth—rising by 9.3% during the decade—reflecting the more rapid growth in the working age population relative to children and senior citizens and a decline in unemployment. This helps to explain why the number of households grew at a faster pace than the population.

Table 2.1

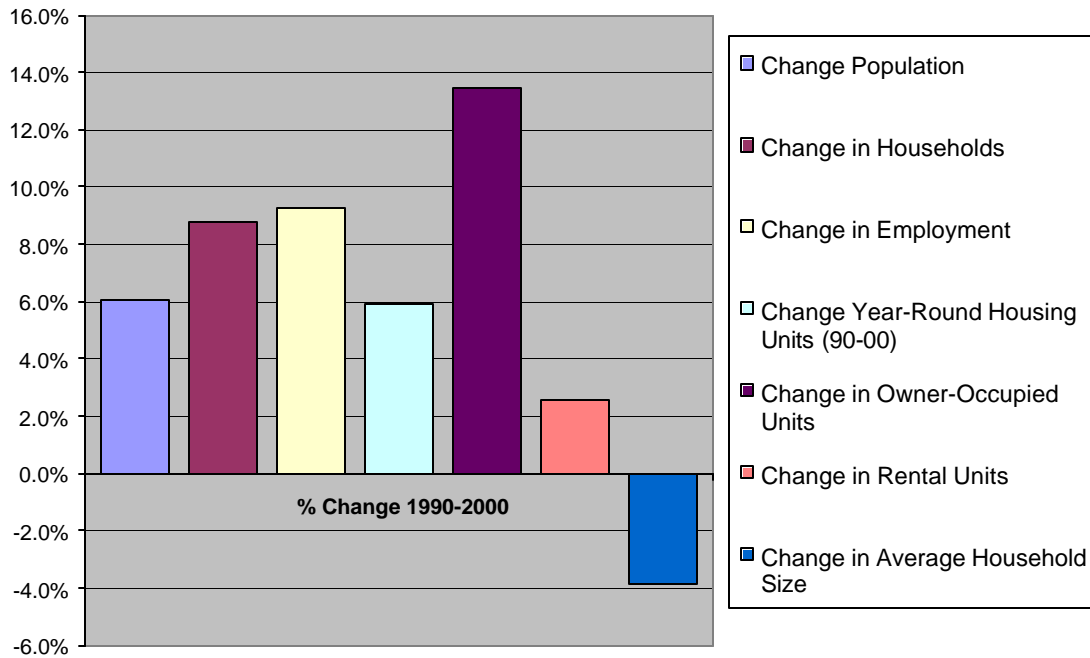
Demographic and Economic Trends in Greater Boston – 1990-2000

	1990	2000	1990-2000 Change	% Change
Population	3,968,052	4,206,809	238,757	6.0%
Households	1,477,519	1,606,784	129,265	8.7%
Employment	2,084,561	2,277,448	192,887	9.3%
Median Household Income	\$41,251	\$57,540	\$16,289	39.5%

Source: 1990 and 2000 *U.S. Census* Summary File 3

Figure 2.1

Demographic and Economic Trends in Greater Boston – 1990-2000



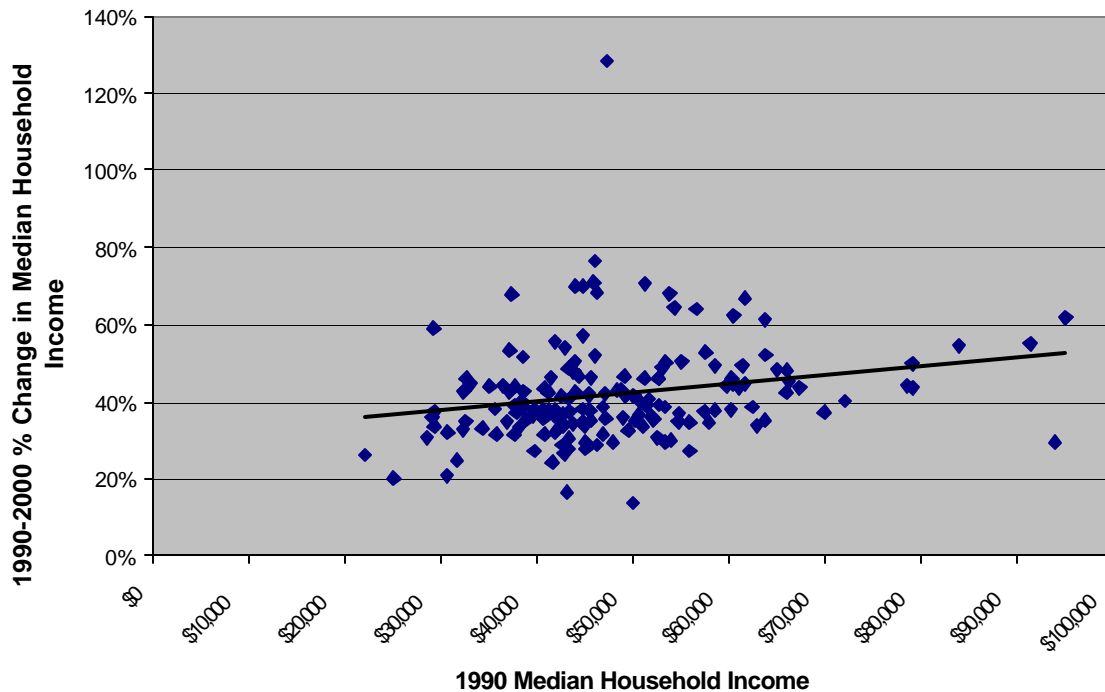
Source: U.S. Census Bureau

Over the decade, the average median household income in nominal terms across the 161 cities and towns in the region increased from \$41,251 to \$57,540 or 39.5%. In 2000, the City of Lawrence had the lowest median income at just under \$28,000. The Town of Weston was the highest at \$154,000. The 2 small towns of Middleton and Upton boasted the largest increase in household income with increases of more than 70% over the decade³. Revere and Chelsea had among the lowest with no more than 21% income growth. In general, the higher the 1990 income in a municipality, the larger the percentage increase in income over the decade. (See **Figure 2.2**)

³ The Town of Harvard recorded an increase of 128% during the decade. However, this reflected the closing of Ft. Devens and the loss of 2/3 of the population.

Figure 2.2

Percentage Growth in Household Income (1990-2000) vs. Level of Household Income in 1990



Source: 1990 and 2000 U.S. Census Summary File 3

Housing Production vs. Household Growth

The increase in the number of net new housing units fell well short of the increase in the number of households. Between 1990 and 2000 there was a 5.9% increase in total housing units available against the 8.7% increase in the number of households. (See **Table 2.2**) In total, there were 129,265 more households in the region, but only 91,567 more units of new housing. The difference was made up by a sharp decline in vacancies in both owner-occupied and renter-occupied units. The increase in owner-occupied housing units far outweighed the increase in rental units over this period—13.4% to 2.6%.

With the 1991-1992 recession, housing supply generally kept up with housing demand in the first half of the decade. But beginning in 1995, demand picked up sharply while supply lagged behind. As a result, most of the drop in vacancy rates occurred in the second half of the decade.

Table 2.2**Greater Boston Metropolitan Area – Census Data – 1990 to 2000**

	1990	2000	1990-2000 Change	% Change
Population	3,968,052	4,206,809	238,757	6.0%
Households	1,477,519	1,606,784	129,265	8.7%
Total Year-Round Housing Units Available	1,558,369	1,649,936	91,561	5.9%
Owner-Occupied	855,688	970,612	114,924	13.4%
Rental-Occupied	620,149	636,172	16,023	2.6%

Source: 1990 and 2000 U.S. Census Summary File 3

Vacancy Rates

Due to the reduction in vacancies, it was possible to house more than 129,000 new households in the region between 1990 and 2000 despite a net production of less than 92,000 new units.

Owner-Occupied Housing: In 1990, the average vacancy rate for owner-occupied housing across the 161 cities and towns of Greater Boston was 1.7%. By 2000, the vacancy rate had fallen to 0.6%, a decline of 61%. It ranged from a low of 0.1% in Medway and Rowley to a high of only 1.4% in Wareham. Of all 161 cities and towns, only 13 had owner-occupied vacancy rates at or above 1.0 percent in 2000. Back in 1990, 126 cities and towns had owner-occupied vacancy rates at least at 1.0%. A “normal” vacancy rate for owner-occupied housing is considered to be in the 2% range. Hence, in 2000, every town and city in the entire Greater Boston metro area had a vacancy rate below “normal.” (See **Table 2.3** for the change in owner-occupied vacancy rates in select towns and cities)

Table 2.3**Owner-Occupied Vacancy Rates – Selected Towns and Cities**

City/Town	1990	2000	Percent Change
Boston	2.6	1.0	-62%
Chelsea	4.5	1.1	-79%
Cambridge	2.9	0.9	-69%
Everett	1.7	0.5	-71%
Framingham	1.1	0.2	-82%
Foxborough	1.6	0.3	-82%
Haverill	1.9	0.5	-73%
Marlborough	2.2	0.5	-77%
Natick	1.5	0.4	-73%
Taunton	2.6	0.6	-77%
Wareham	3.4	1.4	-59%

Source: 1990 and 2000 U.S. Census Summary File 1

Rental Housing: In 1990, the average vacancy rate for rental units for the entire Greater Boston region was 6.7%. By 2000, the rental vacancy rate had fallen to 2.7%, a decline of 55%. It ranged from a low of 0.6% in Lincoln to a high of 7.8% in Bolton.⁴ Slightly less than 1/3 of all 161 cities and towns had rental vacancy rates at 3.0 or above in 2000. In contrast, 140 cities and towns had had rental vacancy rates at 3.0 or above back in 1990. (See **Table 2.4** for the change in rental housing vacancy rates in a select towns and cities)

A “normal” rental unit vacancy rate is considered to be 6%. In 1990, 59 towns and cities in the Greater Boston region had vacancy rates at this level or higher. In 2000, there were 5.

Table 2.4

Rental Unit Vacancy Rates – Selected Towns and Cities

City/Town	1990	2000	Percent Change
Boston	7.8	3.0	-62%
Chelsea	8.0	1.6	-82%
Cambridge	3.1	2.6	-17%
Everett	5.7	2.2	-61%
Framingham	6.3	1.7	-73%
Foxborough	5.0	2.8	-44%
Haverill	11.8	3.1	-74%
Marlborough	9.1	2.4	-74%
Natick	8.1	2.6	-68%
Taunton	8.1	4.7	-42%
Wareham	10.8	4.5	-58%

Source: 1990 and 2000 U.S. Census Summary File 1

⁴ The town of Salisbury had a reported rental vacancy rate of 24% in 2000, but this apparently reflects the higher vacancies associated with seasonal properties.

III. Rents and Home Sales

Housing rents and prices continued to rise rapidly in Greater Boston between 1998 and 2001 despite the softening of the region's economy. This has resulted in a continued affordability problem for the region as a whole.

Rents

Data Sources - Rents

Two different sources of data were used to ascertain the trend in housing rents in the Greater Boston region.⁵

- (1) *Average rents* for the Boston Metropolitan Statistical Area (Boston MSA) compiled by the Institute of Real Estate Management (IREM). These data are based on a landlord survey of large, small, and garden-style apartment buildings and reflect the rents paid by all tenants, *including* any rent subsidies received by the landlords (such as the Section 8 housing voucher program).⁶
- (2) *Median advertised rents* for 2-bedroom apartments in Boston and surrounding communities compiled by the City of Boston's Department of Neighborhood Development from the *Boston Globe's* Sunday real estate section. Since landlords often raise rents to market levels when units turn over, these estimates are normally higher than the IREM estimates.

Both of these series are relevant for a particular issue or group of renters. From the point of view of the full rental price, the IREM statistics are more relevant. For those looking to rent in the Boston MSA, the advertised rents are generally more relevant.

⁵ HUD's Fair Market Rent (FMR) dataset is another source of information for trends in rents. FMR data for the Boston MSA show similar trends as indicated by IREM and advertised rent data. However, FMR data are not used in this report because the sample of renters used to determine FMRs contains a substantial portion of subsidized renters that distorts the data. Also HUD FMRs often lag market trends by a year or more.

⁶ The IREM survey results report rents by square foot of rentable floor area for apartments in 4 types of buildings: high-rise elevator buildings, low-rise buildings with fewer than 25 units, low-rise buildings with 25 units or more, and garden-style apartment buildings. Using a weighted average for the square foot rent and a weighted average of the square footage of an apartment in the sample, we produced average rents for apartments in each year of the sample. Rent data do not include utilities paid by tenants.

Rent Increase Estimates

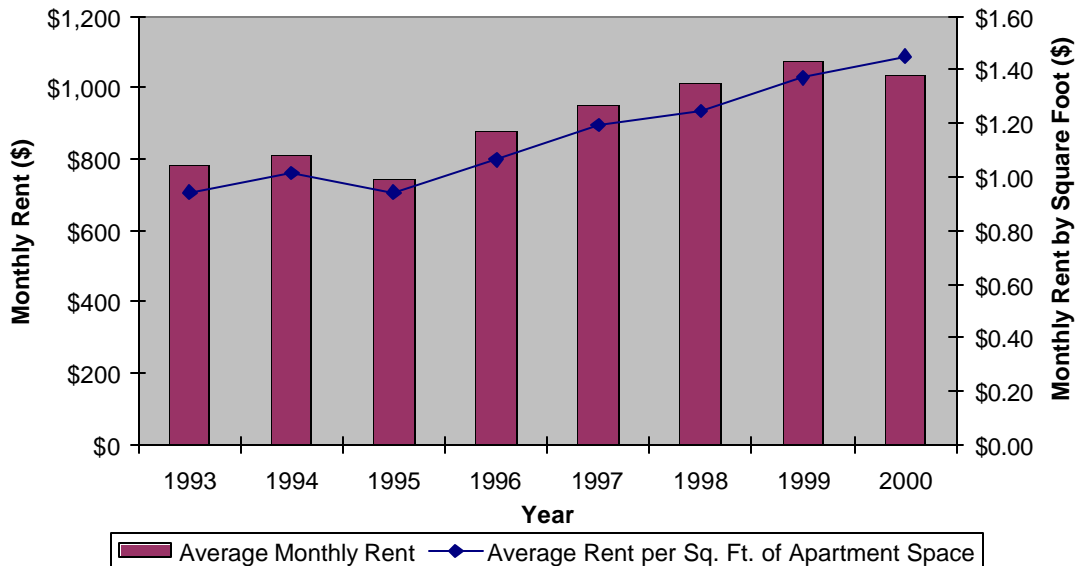
IREM Estimates

The IREM data for the Boston MSA indicate that average rents (including subsidies) rose slightly between 1993 and 1994 from \$781 to \$809 per month before dipping to \$744 in the following year. Beginning in 1995, rents increased steadily until 1999 before falling slightly in 2000 to \$1,035. Overall, this represents an increase of 39% or an average of 6.8% per year between 1995 and 2000. (See **Figure 3.1**)

These rent estimates adjust for the average size of units in each year. As **Figure 3.1** also indicates, rent per square foot rose even faster than average apartment unit rents and continued to climb through 2000. Over the entire 5-year period (1995-2000), rent per square foot rose by 54% or an average of 9% per year.

Figure 3.1

Monthly Rents and Monthly Rents Per Square Foot for the Boston MSA



Note: Based on a weighted average of rents for apartments in elevator, low-rise, and garden-style apartment buildings.

Source: Institute of Real Estate Management Data, 1993-2000

Advertised Rents (Boston Globe)

The data compiled by the Department of Neighborhood Development's survey from *The Boston Globe* of advertised rents for 2-bedroom apartments in the City of Boston and 19 surrounding communities suggest significantly higher median rents than the IREM data indicate. By 2001, the median advertised rent in the City of Boston was \$1,700, up from \$1,500 in 1998. In just 3 years, the median had increased by over 13%.⁷ In other towns and cities in the region, the increases were much greater, ranging from 23% (Chelsea) to 67% (Winchester). In 12 of these 19 communities, advertised rents increased by more than 30% in the span of just 3 years. (See **Table 3.1**)

Table 3.1

Advertised Rents for 2-Bedroom Apartments in Boston-Area Cities and Towns

City/Town	1998	1999	2000	2001	% Change 1998-2001
Winchester	\$1,050	\$1,300	\$1,350	\$1,750	67%
Revere	\$788	\$950	\$1,250	\$1,288	63%
Everett	\$775	\$863	\$1,000	\$1,200	55%
Medford	\$950	\$1,100	\$1,200	\$1,400	47%
Melrose	\$950	\$1,200	\$1,250	\$1,400	47%
Malden	\$850	\$1,000	\$1,200	\$1,250	47%
Quincy	\$850	\$1,100	\$1,350	\$1,250	47%
Waltham	\$975	\$1,100	\$1,250	\$1,350	38%
Winthrop	\$900	\$950	N/A	\$1,228	36%
Arlington	\$1,100	\$1,250	\$1,400	\$1,500	36%
Somerville	\$1,050	\$1,200	\$1,300	\$1,400	33%
Belmont	\$1,225	\$1,350	\$1,500	\$1,600	31%
Brookline	\$1,400	\$1,550	\$1,650	\$1,800	29%
Dedham	\$1,000	\$1,200	\$1,200	\$1,275	28%
Lexington	\$1,300	\$1,400	N/A	\$1,648	27%
Cambridge	\$1,400	\$1,475	\$1,688	\$1,750	25%
Watertown	\$1,200	\$1,250	\$1,400	\$1,500	25%
Newton	\$1,300	\$1,400	\$1,500	\$1,600	23%
Chelsea	\$1,100	\$1,050	N/A	\$1,350	23%
Boston	\$1,500	\$1,550	\$1,600	\$1,700	13%

Source: Sunday edition of *The Boston Globe*, the Department of Neighborhood Development, City of Boston

Thus, while the rents received by landlords from existing tenants (including subsidies) increased by an average of 39% between 1995 and 2000, advertised rents—those demanded of new tenants—increased by as much as 67% in the 3 years ending in 2001, depending on the city or town within the Boston MSA.

⁷ The City of Boston's Department of Neighborhood Development (DND) completes this annual survey and reports the results in the Annual Report of its publication *Real Estate Trends*. Rents do not include utilities or parking fees.

Advertised rents went up particularly sharply in some towns and cities once known for relatively modest rents, increasing by 65% in Revere, 55% in Everett, and 47% in Quincy. As a result, the rent differential between these cities and historically more expensive cities and towns like Belmont, Brookline, and Lexington has begun to close.

Rental Affordability

The ability of households to afford to pay existing rents is critically dependent on the level of household income. Therefore, it is appropriate to compare the level and trends in rent with median household income and its trend. According to HUD, housing is considered “not affordable” when rent or mortgage payments exceed 30% of the renter or owner’s household income.

According to the 2000 Census, 39% of Boston MSA renters were paying 30% or more of their household income in gross rent.⁸ For a detailed view of affordability for renters in the cities and towns in Greater Boston, see **Appendix 3**. But, comparing the typical IREM rent for the entire Boston MSA (\$1,035) to the median annual income of renters in specific Boston area cities and towns indicates that the share of rent paid by renters can differ substantially among municipalities. In poorer communities, including Chelsea and Revere, where estimated median household incomes among renters were less than \$28,000 in 2000, the typical renter household would have to pay more than 45% of its household income for a typical Boston MSA rental unit. In 8 of the 19 Boston area communities, the typical IREM rent across the region exceeds 30% of median renter household income.⁹ (See **Table 3.2**)

⁸ This figure is based on the total number of renter households for which gross rent as a percentage of household income was computed.

⁹ This statement does not suggest that the median income renter household in Chelsea or Revere currently pays 45% or more of their income in rent. While there are no IREM data for individual towns and cities, it is likely that the typical rent in poorer communities is lower than the IREM average for the entire Boston MSA. Still, it is likely that many households in poorer communities are paying more than 30% of their annual incomes in rent.

Table 3.2

Boston MSA IREM Rent (\$1,035) vs. Median Renter Household Income for Boston-Area Cities and Towns in 2000

City/Town	1999 Median Renter Income (2000 Census)	Est. 2000 Median Renter Income (1999 values x 5.0%)	Percent of Renter Income required for Median Priced Apartment
Chelsea	\$ 24,857	\$ 26,100	48%
Revere	\$ 26,566	\$ 27,894	45%
Boston	\$ 30,609	\$ 32,139	39%
Everett	\$ 32,528	\$ 34,154	36%
Malden	\$ 34,968	\$ 36,716	34%
Quincy	\$ 37,301	\$ 39,166	32%
Dedham	\$ 37,889	\$ 39,783	31%
Cambridge	\$ 38,048	\$ 39,950	31%
Medford	\$ 38,912	\$ 40,858	30%
Melrose	\$ 39,401	\$ 41,371	30%
Winthrop	\$ 41,560	\$ 43,638	28%
Somerville	\$ 42,251	\$ 44,364	28%
Waltham	\$ 42,607	\$ 44,737	28%
Arlington	\$46,001	\$48,301	26%
Brookline	\$ 49,375	\$ 51,844	24%
Winchester	\$ 51,607	\$ 54,187	23%
Newton	\$ 54,535	\$ 57,262	22%
Watertown	\$ 55,271	\$ 58,035	21%
Lexington	\$ 58,276	\$ 61,190	20%
Belmont	\$ 60,096	\$ 63,101	20%

Source: Institute of Real Estate Management and U.S. Census, P-60 Series

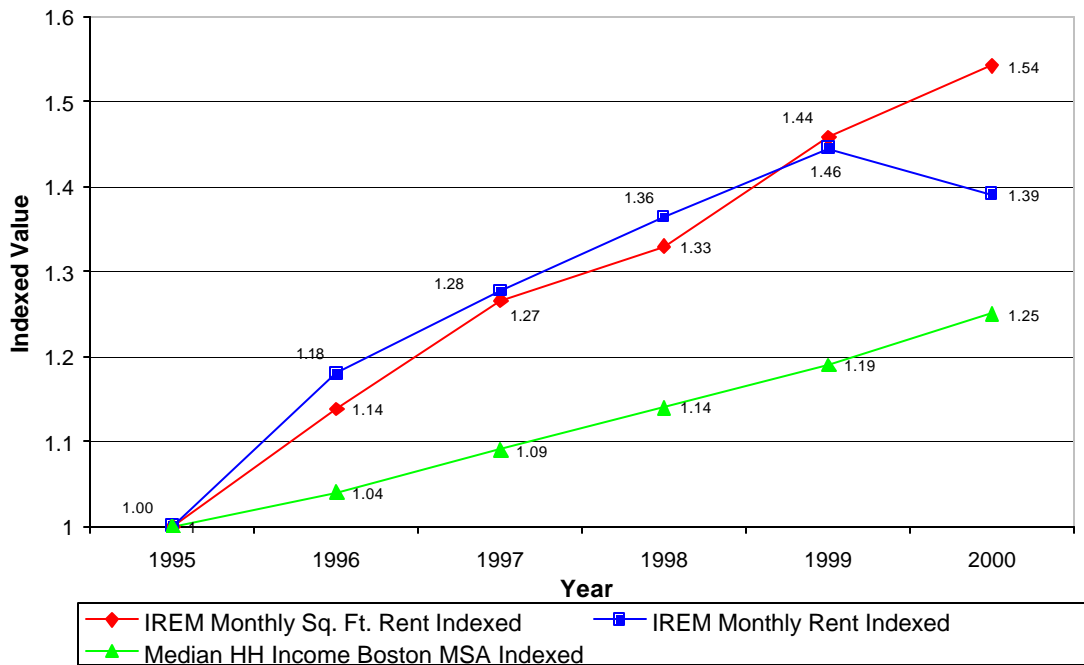
Moreover, the trend in rents suggests a decline in affordability for many households. Median renter household income in the Boston MSA increased from an estimated \$24,514 to \$36,771 between 1995 and 2000—an increase of 25%.¹⁰ Compared to IREM data reported by landlords (+39%), rents in the region rose substantially faster than income, even taking into account the apparent dip in rents in 2000. On a square foot basis, rents rose more than twice as fast as median income (54% vs. 25%). (See **Figure 3.2**)

¹⁰ Median household income in the Boston Metropolitan Statistical Area (MSA) was calculated for various years by applying the growth rate in nominal household income for all “Inside Metro” regions of the U.S. for 1995 through 2000 to the Census estimate of median renter-occupied household income for the Boston MSA for the year 1999. This assumes that nominal median household income in Boston rose at about the same rate as median household income in all U.S. metro areas. According to the Census, in 1999 median household income for all households in the Boston MSA was \$54,881. It was \$71,848 for owner-occupied households; \$35,020 for renter-occupied households. See Census Summary File 3 (SF3).

It is important to note that many of the region’s renters living in subsidized housing or receiving subsidies or vouchers are generally limited to spending 30% of their income on housing. In the City of Boston, for example, nearly 48,000 renter households – approximately 30% of the City’s renters – live in subsidized housing (excluding renters who use vouchers).

Figure 3.2

Increases in Rent and Median Household Income, Indexed 1995 = 1.0



Source: Institute of Real Estate Management and U.S. Census Bureau

Finally, comparing annualized advertised rents to the median incomes of renters in Boston area cities and towns indicates that many current residents would not be able to afford rental units in their own municipalities if they were in the market now. In all but 2 of 19 Boston area cities and towns, a household earning the median renter income would have to pay more than 30% of its income to move into the typically advertised 2-bedroom unit in their municipality. In the City of Boston, the median advertised rent for a 2-bedroom apartment in 2001 would claim 60% of the household income of the median renter in the city. In Chelsea, Revere, and Cambridge, rent would claim at least half of median renter income. In all but Watertown and Belmont, it would claim more than 30%. (See **Table 3.3**)

Table 3.3

Advertised Rents Vs. Median Renter Household Income (2001 Estimate)

City/Town	2001 Monthly Advertised Rent	2001 Annualized Advertised Rent	1999 Median Renter Income (2000 Census)	Est. 2001 Median Renter Income (1999 values x 10.25%)	Percent of Renter Income required to pay for median Advertised Rent
Boston	\$1,700	\$20,400	\$30,609	\$33,746	60%
Chelsea	\$1,350	\$16,200	\$24,857	\$27,405	59%
Revere	\$1,288	\$15,456	\$26,566	\$29,289	53%
Cambridge	\$1,750	\$21,000	\$38,048	\$41,948	50%
Everett	\$1,200	\$14,400	\$32,528	\$35,862	40%
Brookline	\$1,800	\$21,600	\$49,375	\$54,436	40%
Medford	\$1,400	\$16,800	\$38,912	\$42,900	39%
Malden	\$1,250	\$15,000	\$34,968	\$38,552	39%
Melrose	\$1,400	\$16,800	\$39,401	\$43,440	39%
Winchester	\$1,750	\$21,000	\$51,607	\$56,897	37%
Dedham	\$1,275	\$15,300	\$37,889	\$41,773	37%
Quincy	\$1,250	\$15,000	\$37,301	\$41,124	36%
Somerville	\$1,400	\$16,800	\$42,251	\$46,582	36%
Arlington	\$1,500	\$18,000	\$46,001	\$50,716	35%
Waltham	\$1,350	\$16,200	\$42,607	\$46,974	34%
Winthrop	\$1,228	\$14,736	\$41,560	\$45,820	32%
Newton	\$1,600	\$19,200	\$54,535	\$60,125	32%
Lexington	\$1,648	\$19,776	\$58,276	\$64,249	31%
Watertown	\$1,500	\$18,000	\$55,271	\$60,936	30%
Belmont	\$1,600	\$19,200	\$60,096	\$66,256	29%

Source: Sunday edition of The Boston Globe, Department of Neighborhood Development, City of Boston, and U.S. Census, P-60 Series.

House Prices

Data Sources – Housing Prices

A single source of data was used to determine the trend in housing prices in the Greater Boston region: *Median Home Prices* for single-family homes for the cities and towns in the Greater Boston region. The Warren Group, the parent organization to *Banker and Tradesman*, compiles these data for every city and town in Massachusetts based on local assessor records and sales data for all home sales over \$100. For the purposes of this report, data for all 161 cities and towns that comprise Greater Boston were used to analyze the trend in housing prices. A 2000 Census household weighted estimate of these municipalities was calculated to provide an “average” median selling price for homes in the entire Greater Boston region.

Price Increase Estimates

Home prices in Greater Boston decreased slightly over the first half of the 1990s, but increased rapidly after 1995 and especially after 1998. For the region as a whole, the estimated median selling price for a single-family home in 1998 was \$198,500. By 2001, the median selling price had jumped to \$298,350—an increase of 50.3% over the three-year period. This represents a 14.5% increase per year since 1998. Prices continued to escalate in the first half of 2002 in many communities. For example, in Taunton, the median sales price of a single family home rose by 13% to \$201,900 in 2002 from \$178,250 in 2001; in Holbrook, prices were up by 19%; while in Concord, they were up by 2% over the 2001 median sales price of \$594,500. There appears to be some softening of prices, but only at the high end of the market.

Median sales prices in 2001 across Greater Boston cities and towns ranged from \$145,000 in Wareham and \$149,900 in Lawrence to \$861,805 in Lincoln and \$968,000 in Weston. **Table 3.4** provides median sales prices for those 15 communities with the lowest and highest prices in 2001.

Table 3.4

Greater Boston Cities and Towns with Lowest and Highest 2001 Median Housing Prices for Single-Family Homes

Lowest 15

Wareham	\$145,000
Lawrence	\$149,900
Halifax	\$162,500
Brockton	\$164,000
Lowell	\$168,500
Millville	\$173,700
Rockland	\$174,500
Lynn	\$177,000
Taunton	\$178,250
Salisbury	\$180,000
Dighton	\$185,750
Holbrook	\$190,000
Blackstone	\$191,000
Chelsea	\$198,700
Lakeville	\$199,250

Highest 15

Harvard	\$525,000
Manchester	\$528,500
Wenham	\$533,000
Sudbury	\$537,250
Newton	\$570,000
Belmont	\$572,500
Concord	\$594,500
Sherborn	\$600,000
Cohasset	\$630,000
Wellesley	\$695,000
Carlisle	\$695,000
Dover	\$710,000
Brookline	\$725,000
Lincoln	\$861,805
Weston	\$968,000

Source: Banker and Tradesman

The median price of a single-family home increased in every city and town in Greater Boston during the 3-year period, although the variation in price advances was substantial. The lowest percentage change during this time period was 25.1% (Medfield) whereas the highest percentage change was 129.4% (Chelsea). Despite this wide range, most cities and towns in Greater Boston (103, or 64%) had increases in the median price of single-family homes between 40% and 60%. Thirty-four cities and towns (21%) had increases between 20% and 40%, while 24 (15%) had increases over 60%. (See **Table 3.5** for a

summary of the percentage change in median single-family home prices in Greater Boston)

Table 3.5

Percentage Change in Single-Family Home Price, 1998-2001

Percentage Change of Single-Family Home Price 1998-2001	Number of Communities	Percent of Communities
0% - 20%	0	0.0%
20.1% - 40%	34	21.1%
40.1% - 60%	103	64.0%
60.1% - 80%	22	13.7%
Greater than 80%	2	1.2%

Source: Banker and Tradesman

A comparison between the percentage of cities and towns with a median home price of \$250,000 or less in 1998 and 2001 helps illustrate the widespread increase in the price of single-family homes in Greater Boston. (See **Table 3.6** and **Table 3.7**) In 1998, three quarters (75%) of the cities and towns in Greater Boston (121 out of 161) had a median sales price for single-family homes no greater than \$250,000. By 2001, the proportion of cities and towns with a median single-family home below \$250,001 fell to only about 1/3 (56 out of 161). For detailed information on changes in the median sales price for single-family homes in each city and town in Greater Boston, see **Appendix 3**.

Table 3.6

Median House Selling Prices by Number of Communities (1998)

1998 Median Sales Price	Number of Communities	Percentage of Communities in Greater Boston
\$0 - \$100,000	4	2.5%
\$100,001 - \$250,000	117	72.7%
\$250,001 - \$400,000	32	19.9%
\$400,001 - \$550,000	7	4.3%
\$550,001 - \$700,000	1	0.6%
Greater than \$700,000	0	0.0%

Source: Banker and Tradesman

Table 3.7

Median House Selling Prices by Number of Communities (2001)

2001 Median Sales Price	Number of Communities	Percentage of Communities in Greater Boston
\$0 - \$100,000	0	0.0%
\$100,001 - \$250,000	56	34.8%
\$250,001 - \$400,000	77	47.8%
\$400,001 - \$550,000	17	10.6%
\$550,001 - \$700,000	7	4.3%
Greater than \$700,000	4	2.5%

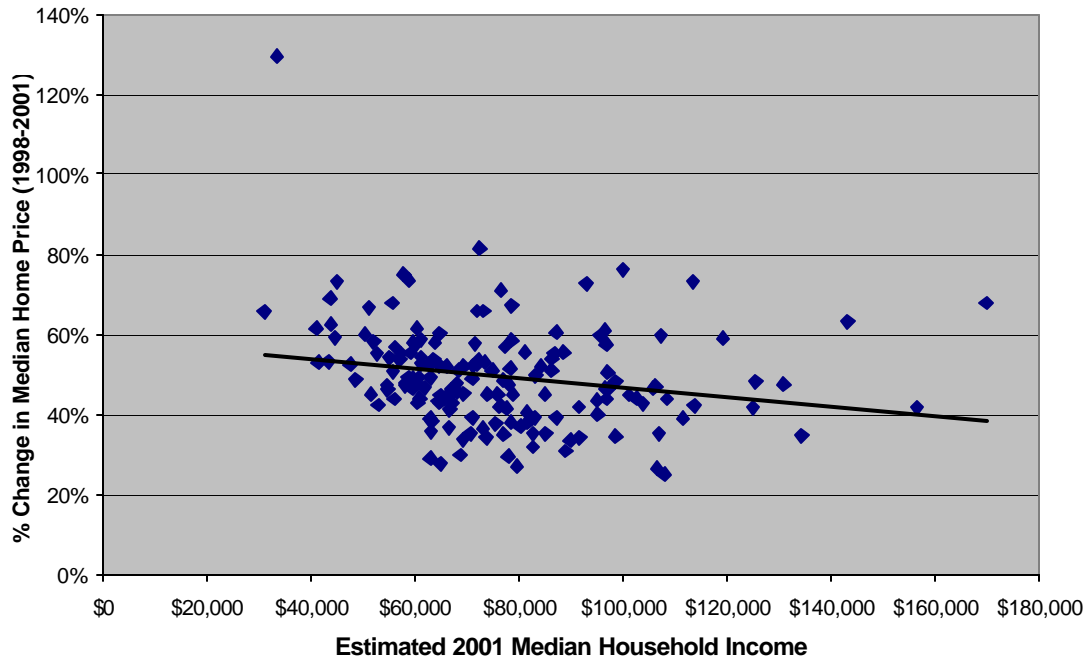
Source: Banker and Tradesman

The individual city and town data also reveal that, in general, the municipalities with lower household incomes were the ones experiencing the largest increases in housing prices. This can be seen in **Figure 3.3** depicting a scatterplot of the 1998-2001 percentage change in housing prices against the estimated 2001 median household income in each of the 161 cities and towns in Greater Boston.¹¹ The negative slope of the statistically-fitted line indicates this relationship.

¹¹ The 2001 median household income is estimated by increasing the 1999 median household income figure from the Census by 10.25%.

Figure 3.3

Percent Change in Median Home Price (1998-2001) Vs. Estimated 2001 Median Household Income



Source: Banker and Tradesman and U.S. Census Bureau

Housing Price Affordability

Increased housing prices in Greater Boston have outstripped the rise in household incomes and therefore decreased the affordability of single-family homes in most cities and towns in the region. In addition to information on changes in the median sales price for single-family homes, **Appendix 4** shows the “affordability gap” based on the median household income and the median priced single-family home in a city or town in Greater Boston. A municipality’s housing is considered “affordable” by our definition if the annual cost of supporting a mortgage does not exceed 33% of the annual median income of households in that community.¹²

The “affordability gap” is the difference between the median sales price of a single-family home in a community and the price that a household earning that community’s median income can afford to pay. For example, in Somerville in 2001, the estimated

¹² This calculation compares the amount that a median household can afford (based on spending 1/3 of estimated 2001 household income on housing, a mortgage interest rate of 6.875% (plus PMI) for a 90% loan, the average single-family real estate tax bill for each community, and homeowner insurance premiums based on information provided by a sample of the largest insurance carriers in the state) with the 2001 median sales price for a single-family home in each city and town in Greater Boston.

median household income was \$51,062. This median household income can support the payments on a home costing \$185,798 if the household spends no more than 33% of its income on housing. The median sales price for single family homes in Somerville in 2001 was \$280,00. Thus, the “affordability gap” was \$94,202 (\$280,000 minus \$185,798).

Existing households earning the median income in a community would now only be able to afford the median priced single family home in their community in 49 out of 161 cities and towns in Greater Boston (30.4%).¹³ See **Appendix 3** for details on the percentage of homeowners who pay more than 35% of their incomes on housing.

Of the 112 cities and towns in Greater Boston with a current affordability gap, 19 have a gap that is at least 50% more than the amount the median household could afford to pay if they were now trying to move into the community where they live. In 5 of the 19 communities, the affordability gap is greater than 100%, indicating that the median house price is at least twice what the median income household in that community could afford if they were buying into that city or town today. (See **Table 3.8**)

¹³ In a September 2001 report released by CHAPA, based on January-June 2001 homes sales and estimated 2000 household income, concluded that a third of the region’s communities were affordable to their existing residents using this “33% of income” underwriting standard, but only 18 were affordable when a more conservative underwriting standard, allowing 28% of income for housing payments, was employed. (“Massachusetts Housing Affordability Review: The Skyrocketing Costs of Homeownership in Massachusetts”) Applying the 28% standard to the updated sales and income figures used here would reduce the number of communities still considered affordable to only 6.

Table 3.8

The Affordability Gap

Ratio of the Affordability Gap and the Amount the Median Household Can Afford to Pay for Housing (Affordability Gap / Amount Household Can Pay)	Number of Communities	Percentage of All Communities With An Affordability Gap
Gap/Amount < 25%	71	63.4%
25% <= Gap/Amount < 50%	22	19.6%
50% <= Gap/Amount < 75%	12	10.7%
75% <= Gap/Amount < 100%	2	1.8%
100% <= Gap/Amount	5	4.5%
Total Communities with an Affordability Gap	112	100.0%

Source: U.S. Census Bureau and Banker and Tradesman

IV. Changes in Housing Supply

This section of the *Housing Report Card* addresses changes in housing supply, including:

- Recent gains and losses to the inventory, set in historical context
- Tenure and type of units being produced, and populations served
- Location of new units being built

It does this first for the Greater Boston region, which includes the Massachusetts portions of the Boston, Brockton, Lawrence, and Lowell Metropolitan Statistical Areas (MSAs) covering 161 cities and towns. It then focuses in on the Boston MSA alone (comprising 127 of these municipalities) in order to compare production levels between 1999 and 2002 with the goals established in the *New Paradigm for Housing in Greater Boston* report of September 2000.

Understanding the Region's Housing Supply: History and Explanation

Figure 4.1 below provides data on total building permits issued in the Greater Boston region from 1980 through 2002.¹⁴ Consistent with Census Bureau calculations, approximately 98% of all housing permits resulted in actual production. Hence, building permit data provide a reasonable estimate of actual production over the long term.¹⁵

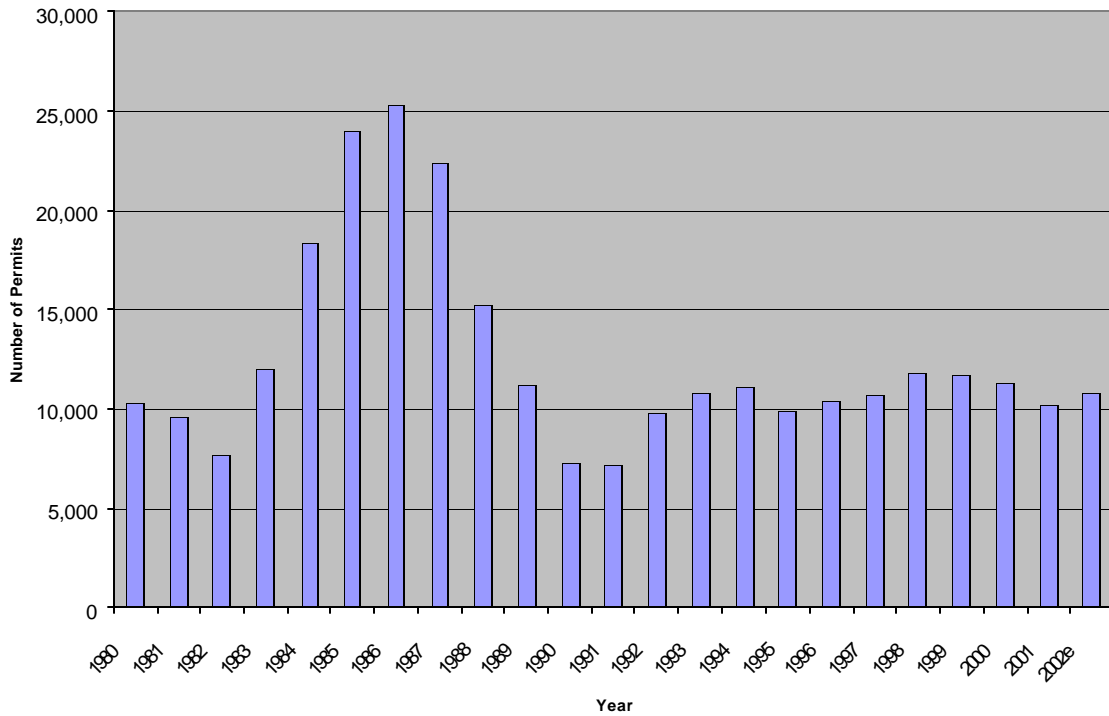
The boom years of construction in Greater Boston over the past 2 decades were in the mid-1980s. In 1986, the number of housing permits reached an annual peak of more than 25,000 units across the region's 4 MSAs. Production declined sharply after 1986, reaching a low of less than 7,000 units during the 1991-1992 recession. After the recession, the number of permits increased to approximately 11,000 in 1994 and has remained near that level ever since.

¹⁴ The 2002 figure is an estimate of year-end production based on data through the first 7 months of the year.

¹⁵ There are several limitations to the Census permit data. They only report privately owned new residential construction, not units created through adaptive reuse of non-residential structures or the reclamation of abandoned properties. They also do not distinguish between units created for rental and for home ownership. We have used building permits as a baseline, but the data have been verified and supplemented through extensive interviews with local building inspectors, funding agencies, and industry experts.

Figure 4.1

Building Permits Issued in Greater Boston, 1980-2002



Source: U.S. Census Bureau, Construction Series, Table 3

In 1998, as **Table 4.1** indicates, the number of permits reached 11,766—less than half the production level of the peak year during the 1980s. Since 1998, the number of permits has declined from 11,719 in 1999 to 10,158 in 2001. Preliminary estimates for all of 2002 suggest a slight increase to 10,775.

Table 4.1

Total Permits & Affordable Units – Greater Boston

	1998	1999	2000	2001	2002e
Total Permits	11,766	11,719	11,293	10,158	10,775
Subsidized	N/A	1,160	1,691	2,012	1,864
% Subsidized	N/A	10%	15%	20%	17%

Source: Permit data from U.S. Census Bureau, Construction Series, Table 3; Subsidized units were identified by an examination of local, state, and federal funding programs; community self-reporting to the State under Executive Order 418; and data from the State’s 40B subsidized housing inventory (SHI).

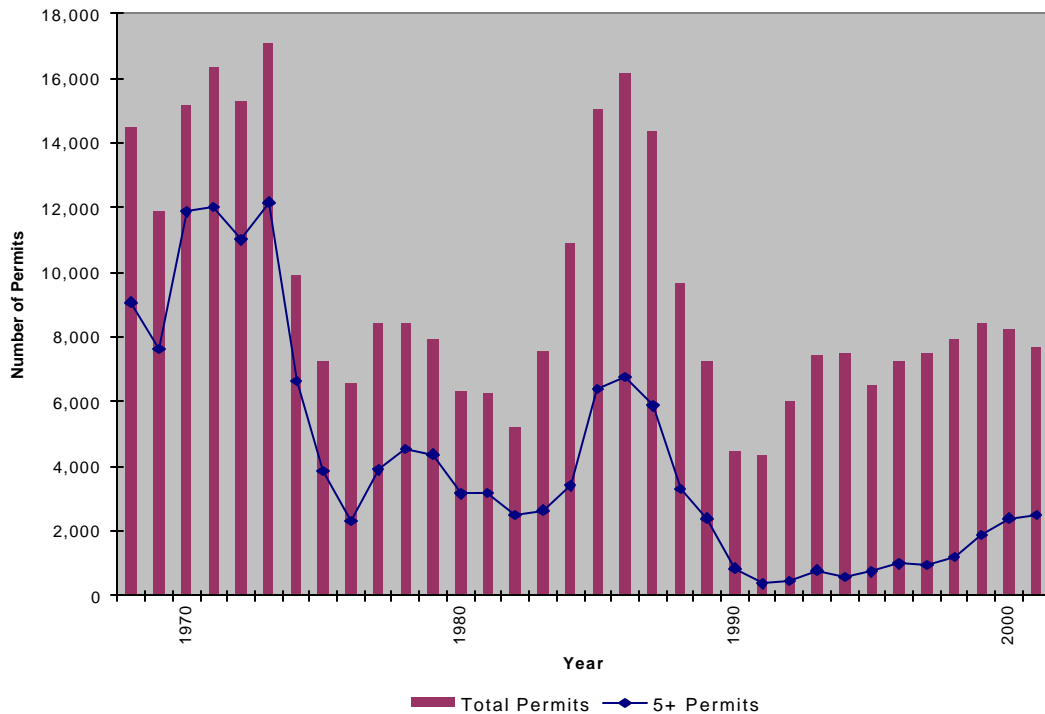
Production Ebbs and Flows Over Time

Figure 4.2 documents the differences in production, noting changes in single family vs. multi-family permits over the last 30 years. Traditionally, multi-family housing has served as a proxy for rental housing. Multi-family starts have also corresponded with increases in subsidized housing production. In past decades, multi-family production levels mirrored overall production levels. However, the past 3 years show a divergent trend. For the first time multi-family housing production has been increasing while overall production levels are decreasing. However, production levels—for both multi-family and owner-occupied—are still well below the level of production during past decades¹⁶

¹⁶ This report uses the term multi-family to describe housing of 5 or more units, generally considered a better proxy for rental housing than the traditional definition (2 or more units) used by the U.S. Census Bureau. The Census does not distinguish between building permits issued for rental and homeownership. In recent years, condominium development has represented a significant portion of the 2-4 unit production, as well as some of the 5+. Before 1980, however, multi-family starts were almost exclusively rental.

Figure 4.2

Building Permits Issued in the Boston MSA, 1968-2001¹⁷



Source: Boston Redevelopment Authority Research Department, compiled by J. Avault and P. Leonard

During the 1970s, while the Boston metro area *lost* 2.4% of its population, the average rate of new housing production was more than 43% higher than current production levels. Multi-family housing permits represented 65% of the total. In the 1980s, while the population increased by 2.5%, new units were produced at a rate 26% higher than current production levels. On average, 40% of the total housing permitted during the 1980s was multi-family.

In contrast, in the 1990s, the Boston MSAs population grew by a healthy 6.0% and household formation increased at an even greater rate. (See **Appendix 2**) Annual production levels, however, fell to just 2/3 of the rate of the previous decade. Multi-family starts, representing on average 13% of all permits, were only a fraction of what they had been at the peak in the decades before.

¹⁷ Historical data from 1970-2000 comparing single-family vs. multi-family housing starts was only available for the Boston MSA. The definition of the Boston metro area has shifted over time. For consistency, the population changes reported here reflect changes in the 127 communities that comprise the Massachusetts portion of the current Boston MSA. Further adjustments have been made to eliminate the impact of the closure of Ft. Devens, which resulted in a population loss to the region of more than 8,000 between 1990 and 2000.

Single-Family Housing vs. Multi-Family Housing

At least since 1997, there has been a significant slowdown in the production of single-family homes while there has been a corresponding increase in multi-family housing in buildings with 5 or more units. Between 1997 and 2001, single-family construction declined from over 9,200 units to just over 7,100. During the same period, the number of units in 5+ buildings increased from 973 to more than 2,700. While some of these are owner-occupied condominiums, the majority are being built as rental properties. (See **Table 4.2**)

Table 4.2

Single-Family vs. Multi-Family Housing Building Permits

Year	Total Permits	Single Family	SF as % of Total	2-4 Units	5+ Units
1997	10668	9205	86.3%	490	973
1998	11766	9074	77.1%	1034	1658
1999	11719	8691	74.2%	826	2202
2000	11293	7959	70.5%	727	2607
2001	10158	7135	70.2%	401	2722
YTD 2002 (July)	6530	4215	64.5%	439	1876

Source: Census Building Permit Data

Where New Housing Is Being Constructed

New production since 1998 has been unevenly distributed throughout the region—as it was during the 1990s—with the Route 495 area communities experiencing the fastest growth in single-family, owner-occupied housing. The communities with the greatest percentage growth in year-round housing stock included the towns of Hopkinton, Bolton, Berkley, and Franklin. Nine of the municipalities in the Greater Boston region experienced an actual decline in housing supply, including the cities of Lowell and Brockton. (See **Table 4.3**)

Table 4.3

Municipalities with Fastest and Slowest Growth in Housing Supply 1990-2000

Fastest Growing Cities/Towns	% Change in Year-Round Housing Units (1990-2000)	Slowest Growing Cities/Towns	% Change in Year-Round Housing Units (1990-2000)
Hopkington	38.1%	Watertown	1.6%
Bolton	35.5%	Framingham	1.0%
Berkley	34.5%	Wellesley	0.7%
Franklin	34.1%	Boston	0.1%
Kingston	31.7%	Medford	0.1%
Mendon	31.4%	Manchester	0.0%
Salisbury	29.9%	Lynn	-0.2%
Dunstable	29.6%	Arlington	-0.2%
Boxborough	28.9%	Belmont	-0.2%
Mansfield	27.5%	Essex	-0.4%
Southborough	26.9%	Melrose	-0.7%
Rowley	26.7%	Winthrop	-0.8%
Westford	26.4%	Brockton	-1.5%
Wilmington	26.2%	Lowell	-2.2%

Source: 2000 U.S. Census Summary File 1

Single-family homes continue to be the dominant form of production in suburban communities. During the decade of the nineties, the number of homeowner households grew at a rate 4 times that of renter households, roughly the same rate by which new single-family construction outpaced multi-family. During 2000 and 2001, 53% of the region’s communities—where 30% of housing production took place—issued permits only for single-family construction. Nonetheless, as single-family production hit a 10-year low in 2001, multi-family, mostly rental, production increased.

Of the 6 communities that added units for homeownership at the fastest rate during the past decade—Hopkinton, Franklin, Mansfield, Bolton, Boxborough, and Berkley all experienced increases of more than 40% in homeownership over the decade—only Franklin and Mansfield added rental units.¹⁸ And, of the 15 communities that grew their homeowner base by 30% to 40%, only one added rental units. This imbalance contributed to the regional rental housing shortage and affordability squeeze.

New rental production during the 1990s was concentrated in just a handful of cities: Boston, Quincy, Cambridge, Waltham, Lawrence, and Haverhill. (See **Appendix 2**)

It is estimated that more than 7,000 new rental units have broken ground in the region since 1998. A robust pipeline suggests that this trend will continue for the next 2 to 3 years, barring further economic deterioration or adverse policy shifts. While most of the

¹⁸ Boxborough gained renters in its extensive existing inventory of investor-owned condominiums.

new production is market rate, the City of Boston has permitted more than 1,600 affordable rental units and estimates are that production in other communities will add significantly to that number. The age restricted (55+) and assisted living inventory supply also grew substantially over the past 4 years.

The City of Boston and a handful of inner-ring communities continue to provide a disproportionate share of the region's subsidized housing and its rental apartments. With just 15% of the region's year-round housing units, the City of Boston provides nearly 34% of all subsidized units and more than 25% of the region's rental housing. It accounted for less than 2.5% of the region's housing growth over the 1990s¹⁹, but nearly 20% of the decade's new subsidized units.

New Paradigm Report and Boston MSA Production

A New Paradigm for Housing in Greater Boston suggested that the Boston Metropolitan Statistical Area (MSA), comprising 127 municipalities, would need to build *an additional 36,000 units over 5 years to supplement existing production levels* in order to moderate increases in housing prices. It also cautioned that there could be no erosion of the existing affordable supply. The authors challenged the public and private sectors to work together to expand the supply of housing that would be affordable to households of all income levels, concluding that the affordability gap could only be allayed through a significant increase in housing production levels.

According to the report, between 2001 and 2005 a total of 78,300 additional units of housing would be needed in the Boston MSA in order to take care of the needs of new households in the region and to increase vacancy rates to "normal" levels. Based on actual production levels during the 1995-1999 period, the report estimated that 8,460 units of market rate and subsidized housing would be constructed each year during the next 5-year period—providing 42,300 of the needed units. That left, according to the report, a 5-year shortfall of 36,000 units.

The report targeted 3 specific areas for expansion:

- *Market rate housing*, for ownership and rental, especially units affordable to households earning between 80-120% of the area median income²⁰
- *Subsidized housing*, also for ownership and rental, for households earning up to 80% of the area median income.
- *Student housing*, to ease the rental shortage throughout the region

Annual production targets were established in each of the 3 categories. (See **Table 4.4**)

¹⁹ Based on building permits issued

²⁰ HUD estimates area median family income by MSA. The current (2002) medians for the four MSAs in the study are: \$74,200 for a family of four in the Boston, \$75,200 in Lowell, \$67,400 in Lawrence, and \$63,500 in Brockton.

Source: [http://www.huduser.org/datasets/il/fmr02/prt\)2med.pdf](http://www.huduser.org/datasets/il/fmr02/prt)2med.pdf).

Table 4.4

New Paradigm Report Production Targets

	Annual Requirement	Expected Annual Production	Projected Annual Shortfall	5-Year Goal for Additional Production
Market rate	9,860	7,160	2,700	13,500
Subsidized	4,300	1,300	3,000	15,000
Student	1,500	²¹	1,500	7,500
TOTAL	15,660	8,460	7,200	36,000

Source: *A New Paradigm for Housing in Greater Boston*, The Center for Urban and Regional Policy, 2000

Performance Against the *New Paradigm* Yardstick

Table 4.5 assesses the housing production performance by sector against the goals set in the *New Paradigm* report for the Boston MSA. Data for production came from several sources. Building permits were used to estimate market rate housing. The number of subsidized units was based on permit data supplemented by state and local government reports. Data on student housing production were collected from all the universities and colleges in the region.

Table 4.5

Housing Production in the Boston MSA vs. the Housing Goals in *A New Paradigm for Housing in Greater Boston*

Category	Total Needed per Year	1995-99 Avg. Level of Production	Projected Shortfall	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002e</u>
Market Rate	9,860	7,160	2,700	7,416	6,766	6,005	6,375
Subsidized - new construction	4,300	1,300	3,000	931	1,478	1,651	1,213
Dorm Units	1,500	*	1,500	256	165	704	606

²¹ 3,450 dormitory units were identified as planned or under construction at the time the *New Paradigm* report was released. It was expected that these units would count toward the 5-year, 7,500 unit production target.

Total Production Levels including Dorm Units	15,660	8,460	7,200	8,603	8,409	8,360	8,194
% of total goal met				55%	54%	53%	52%
% of total goal met (Market + Subsidized)				59%	58%	54%	54%
% of total goal met (Dorm Units)				17%	11%	47%	40%
% of market goal met				75%	69%	61%	65%
% of subsidized goal met				22%	34%	38%	28%

* 1,500 Dorm room shortfall includes total production need

1,583 students were housed in dorm rooms opened during 2000-2002 (3 years). Permits to house an additional 5,274 students were issued in 2000-2002

Source: For building permits: www.census.gov/const/C40/Table3/tb3u. Other data provided by municipalities and housing funding agencies. Student housing data provided by local area universities and colleges.

Findings

- Only about ½ of the annual overall production goal of 15,660 housing units was met in the years 2000-2002. In 1999, before the *New Paradigm* report, a total of 8,603 units of market, subsidized, and student housing was produced. Since the report was published, the annual production total has fallen short of even the 1999 baseline and in each succeeding year production has dropped further. The estimate for 2002 is 8,194 total units. Overall, 54% of the Boston MSA housing goal was met in 2000. It declined by 1 percentage point in each succeeding year so that only 52% of the annual 2002 goal is expected to be met.
- The annual goal for market rate housing was 9,860 units. The average 1995-99 production rate was 7,160. Annual production was 6,766 in 2000, falling to 6,375 in 2002. Thus, 69% of the market rate goal was reached in 2000 and 65% in 2002.
- The annual goal for subsidized production was 4,300 units. The average 1995-99 production rate of subsidized housing was 1,300. In 2000 and 2001, production of subsidized units surpassed the 1995-99 average, but remained below the annual 4,300 target. A total of 1,478 units were produced in 2000; 1,651 in 2001; and an estimated 1,213 in 2002. Thus, subsidized production reached between 28% and 38% of targeted levels.
- The annual goal for student housing was established at 1,500 new units per year. A total of 3,450 dormitory units were identified as planned or under construction at the time the *New Paradigm* report was released. It was expected that these units would count toward the 5-year, 7,500-unit production target. Altogether, 165 student units came on line in 2000. In 2001 and 2002, this increased to 704 and 606, respectively.²² From a low of 11% in 2000, production of student units rose to 47% and 40% of the *New Paradigm* goal in 2001 and 2002.

²² It is estimated that, on average, 4 students occupy one university or college-built housing unit.

V. Affordable Housing Production

Historical Perspective

Most of the state's subsidized units were added between 1965 and 1980, the heyday of federally supported low income housing production.²³ It was during this period that the State established the Massachusetts Housing Finance Agency (now MassHousing) and enacted The Low and Moderate Income Housing Act, better known as the Comprehensive Permit Statute, to increase the supply and improve the distribution of subsidized housing in the Commonwealth. Developers in Massachusetts were active participants in the federal and state subsidized housing programs of that era.

After the federal government substantially reduced its funding for subsidized housing production in 1980, Massachusetts state agencies developed new tools to expand affordable homeownership and rental housing. These programs added another 8,000 units to the subsidized housing inventory during the 1980s.

Since 1990, however, new production initiatives have been limited. Even those tools that provided funding for small-scale development—the state's scattered site public housing production programs, for example—have been curtailed. Program emphasis has shifted to rehabilitation, neighborhood revitalization and preservation—all critically important initiatives, but not production oriented. While there are still housing resources that flow into the state from the federal government, and the Commonwealth administers a number of programs of its own, most do not provide the deep subsidies required to produce new units at prices that low and moderate income households can afford. A complex layering of subsidy sources is usually required to finance new construction.

As the tools of the trade have changed, so have the participants. Some long time affordable housing developers have built less in Massachusetts in recent years, while others have increased their activity, often in partnership with community-based non-profits. Over the past decade, established community development corporations (CDCs) have been joined by social service agencies, special needs providers and other non-profits who have become developers by necessity to house their clients, often families and individuals with special needs.

Without major development subsidies, the production of housing for low and moderate income households requires a combination of tools and strategies: grants, donated land, tax credits, non-traditional financing, cross-subsidization by market units, rent subsidies, and zoning relief. The process is cumbersome and protracted—2 to 4 years is the norm, not the exception, to get a project into construction. The time required to cobble together custom financing, often for just a small number of units, drives development costs up. The remainder of this section examines recent trends in affordable housing production, including: where is it being produced, by whom, and with what tools.

²³ Some 30,000 public housing units existed prior to that time.

Recent Trends

According to the State’s Subsidized Housing Inventory²⁴ (SHI, or 40B list), the Greater Boston region has more than 146,000 units of subsidized housing, representing nearly 9% of the total year round stock. The cities of Boston, Cambridge, Lowell, Lynn, Brockton, and Lawrence contribute half of this number. Boston alone represents one-third. (See **Table 5.1**) Comprehensive permits have been used for about 15% of the “affordable” units developed in the region since the statute was enacted in 1969, but its use varies widely from community to community. Among the dozen communities that have achieved the 10% threshold of affordable housing established by Chapter 40B, many have never used the comprehensive permit. Most of these are cities, and they have relied on other urban revitalization tools, or used conventional zoning or special permits. In 41 communities, more than half the subsidized inventory²⁵ has been built under comprehensive permits, and in 8 cases, the comprehensive permit has accounted for all of the community’s subsidized development. (See **Appendix 5**)

Table 5.1

Total Subsidized Housing Stock in Greater Boston - 2002

Total subsidized units	146,096
Units that serve households earning less than 80% of area median income (AMI)	130,178
Number of subsidized units built since 1972	63,761
Subsidized units built under the Comprehensive permit (40B)	11,810
Comprehensive permit units that serve households earning less than 80% of AMI	9,742

Source: State Subsidized Housing Inventory (SHI), April 24, 2002²⁶

The most recent inventory documented a net gain of more than 6,600 qualified affordable housing units in Greater Boston between 1997 and 2001. Included in this number, however, are hundreds of existing units that became eligible for inclusion only because of regulatory changes. In addition, several hundred existing occupied housing units that were repaired or rehabilitated using public funds were added to the inventory.

Only 12 communities out of the region’s 161 have achieved the 10% threshold for affordable housing, up from 8 in 1990. These 12 communities—mostly cities—contain 1/3 of the region’s housing supply but account for 60% of the total assisted inventory. In 1990, 13 communities in Greater Boston had no publicly assisted housing. Now there is just one: Dunstable.

²⁴ Dated April 24, 2001 and based on units permitted, reported and qualified as of October 1, 2001.

²⁵ Units constructed since the Act’s passage in 1969.

²⁶ Based on units permitted, reported and qualified as of October 1, 2001.

The Producers and Their Tools

A diverse group of affordable housing producers—mostly non-profit organizations—continues to produce, acquire, rehabilitate, and/or preserve affordable housing at a rate of about 1,800 units per year in Greater Boston. More than 3-dozen community development corporations (CDCs) and regional non-profits, and many social service and special needs providers, are engaged in the development and management of affordable housing in Greater Boston. Religious and faith-based organizations, including the Planning Office for Urban Affairs of the Boston Catholic Archdiocese and Jewish Community Elderly Housing, have been prominent affordable housing developers. Some non-profits have formed joint ventures with for-profit developers to tackle especially complex projects. Partnerships and strategic alliances have also been formed between non-profits and schools, health care providers, etc.

The public tools most commonly used in the production and preservation of low- and moderate-income housing are the federal Low Income Housing Tax Credit (LIHTC) Program²⁷ and the HOME Investments Partnership (HOME) Program, both administered by the Department of Housing and Community Development (DHCD). Among the state programs that help create and preserve affordable private housing are the DHCD's Housing Innovations Fund, Housing Stabilization Fund, Facilities Consolidation Fund, Housing Development Support Program, and the Massachusetts Affordable Housing Trust Fund (administered by MassHousing).²⁸ Several quasi-public agencies also provide technical assistance, construction and permanent financing, and/or other resources to support affordable housing. These include: MassHousing, the Massachusetts Housing Partnership Fund, MassDevelopment, the Community Economic Development Assistance Corporation, and the Massachusetts Housing Investment Corporation. In addition to these resources that are available to private producers of housing, the State invests directly in the repair and rehabilitation of its aging public housing inventory.

The major production stimulant among these programs has been the Low Income Housing Tax Credit. This program has been enormously successful in attracting investor capital to low-income housing and has led to the production or preservation of more than 17,000 units²⁹ in Greater Boston since its inception in 1987. However, even it does not provide sufficient resources to produce new units for low-income residents without additional grants and subsidies. Most recent LIHTC activity, in addition to involving preservation and rehabilitation, has required multiple levels of public assistance for viability.

²⁷ The Commonwealth has also recently implemented a complementary tax credit program.

²⁸ Descriptions of these and other programs can be found on DHCD's website: <http://www.mass.gov/dhcd>

²⁹ 70% of the LIHTC units benefit low-income households.

Between 1999 and 2001, approximately 150 developments in 36 Greater Boston communities received nearly \$100,000,000³⁰ in funding from these various programs for specific projects. These developments included nearly 3,400 units of housing, 72% of which are affordable. An additional 1,700 units were preserved during the same period with funding from these sources. Multiple funding sources (2 or more) were identified in nearly 40% of these cases.

Preservation vs. New Production

One of the greatest threats to the affordable housing supply is the loss of privately owned units and the potential for future erosion of this inventory. This includes subsidized units (so-called “expiring use” properties) as well as unsubsidized units in private ownership. The risks are twofold: a lack of capital investment to extend the useful life of aging properties and conversion to higher income tenancy.

“Expiring use” refers specifically to developments that were built with federal and/or state subsidies to house low-income households (using low-cost mortgages, interest subsidies, rent subsidies, and loan guarantees). Most were built during the 1970s and 80s, and are nearing the end of the “use restrictions” that required them to serve low-income residents. In a number of suburban communities especially, they represent much of the affordable inventory.

Nearly 3,000 rental units in 15 Greater Boston communities have been lost to the subsidized inventory over the past decade as the result of expiring-use restrictions,³¹ and an additional 11,000 units are “at-risk” between now and 2005.³² Milford, Norwood, and Weymouth were among the suburban communities that suffered the biggest losses. All 3 of these communities had developed good track records over the years on affordable housing, but the loss of existing developments will be hard to replace in an era of diminished resources and opposition to new large scale development. The cities of Boston, Cambridge, and Medford have all had their subsidized inventory eroded as well, but in the past 4 years, local and state leaders have joined with tenant activists to stem the losses. During that time, 6,400 units of rental housing, serving low- and moderate-income tenants, were preserved through public intervention. Nearly 80% of these were expiring-use properties; the balance was privately owned, affordable stock, primarily single room occupancies.

Offsetting Losses

In addition to the loss of affordability, there has been some loss of subsidized units due to demolition and redesign as the region’s older public housing developments are renovated

³⁰ Excludes funding to assist in the preservation of 1700 units. Low-Income Housing Tax Credits represent approximately \$20 million of this amount. These are contributions of investor capital, made in exchange for federal tax credits.

³¹ Most of these losses occurred prior to 1998.

³² From the CHAPA/CEDAC Inventory prepared by the Citizens Housing and Planning Association and the Community Economic Development Assistance Corporation.

and upgraded. The public housing inventory in Greater Boston now stands at about 62,000 units, down from the “as built level” of 65,000.³³ Most of these losses pre-dated this study, but some units remain vacant and uninhabitable. The state has invested hundreds of millions of dollars over the past 2 decades to improve its inventory, but much of the stock is more than 50 years old and continues to have ongoing capital needs. Improvements to more than 2,800 units in Greater Boston (totaling nearly \$51 million) were postponed nearly 12 months earlier this year when the State Legislature delayed passage of the \$508 million bond bill.

The split between creation of new units and preservation of existing units has averaged about 40/60—40% for new units, 60% for preservation—for a number of years. Some of the units improved and preserved in the past 4 years—the expiring use properties—were already part of the region’s subsidized housing inventory. Others involved the substantial rehabilitation of vacant and/or fire damaged buildings, or the return to occupancy of chronically vacant public housing units. Many efforts involved the acquisition and rehabilitation of existing, unsubsidized units, which were then permanently restricted to serving income eligible residents. Since a number of these properties were already serving low-income residents prior to their acquisition and rehabilitation, they do not represent a net gain to the inventory; they do, however, represent improved conditions and usually enhanced affordability.

Table 5.1 summarizes the publicly funded, privately owned development activity over the past 3 years by type of project and category of owner. Non-profit organizations have been major participants in the Department of Housing and Community Development (DHCD) programs during the past 3 years (1999-2001).³⁴ Some programs, like the Housing Innovations Fund and Facilities Consolidation Fund, are limited to non-profit sponsors, which in part explains their disproportionate share—63% of all units produced with state assistance. For-profit developers and joint ventures also contributed significantly to the affordable housing effort. The latter group typically undertakes larger projects and a disproportionate share of the new construction.

Table 5.1

Subsidized Housing Production – 1999-2001³⁵

	Preservation Only	Substantial Rehabilitation	New Construction Adaptive Reuse	Total
	# Units	# Units	# Units	# Units

³³ This includes the loss of more than 1,200 units of state public housing and 1,000 in federal projects including Columbia Point, Mission Main, and Orchard Park.

³⁴ Includes the following programs: Low Income Housing Tax Credit, HOME, Housing Innovations Fund, and the Affordable Housing Trust Fund.

³⁵ Programs reported include LIHTC, Massachusetts Affordable Housing Trust Fund, Housing Innovations Fund (HIF), Housing Stabilization Fund, HOME, and Facilities Consolidation Fund (FCF). HIF and CFC are limited to non-profit developers, skewing the development in their favor.

Total projects with state grant support and tax credits	40%	18%	42%	100%
By Development Entity:				
For Profit	32%	12%	26%	26%
Non Profit	68%	70%	54%	63%
Joint Venture	0%	17%	20%	12%
Total	100%	100%	100%	100%

Source: DHCD program statistics, FY 1999-2001

Where Is the Affordable Housing Being Created

Table 5.2 displays the Greater Boston communities that have achieved the highest percentage of subsidized housing inventory. Most of the top performers are the region's cities. Led by Boston, many have been at the 10% threshold for more than a decade, and continue to account for a disproportionate share of the region's affordable housing production activity. **Table 5.3** lists those communities that demonstrated significant progress between 1997 and 2001 in expanding their supply of affordable housing. Four small towns, Plympton, Sherborn, and the rapidly growing Boxborough and Berkley, added their first subsidized units during this period. Among the big gainers, Plainville, Wilmington, Abington, and Marlborough all grew their rental-housing inventory during the same period. The City of Marlborough added the largest number of new units based on the opening of a new large project.

Table 5.2

Communities With the Highest Percentage of Affordable Housing, October 2001

Community	2000 Census Year Round Units	Percent Subsidized 2000 Base	State Subsidized Housing Inventory (40B Units)
Boston	250,367	19.63%	49,146
Chelsea	12,317	17.03%	2,098
Cambridge	44,138	15.60%	6,884
Lawrence	25,540	14.96%	3,821
Lowell	39,381	13.49%	5,312
Lynn	34,569	12.73%	4,400
Salem	18,103	12.50%	2,262
Brockton	34,794	12.24%	4,258
Malden	23,561	12.20%	2,875
Beverly	16,150	10.33%	1,669
Framingham	26,588	10.17%	2,705
Revere	20,102	10.07%	2,025
Holbrook	4,145	9.46%	392
Somerville	32,389	8.73%	2,828
Newburyport	7,717	8.63%	666

Source: April 2002 State Housing Inventory

Table 5.3

Communities Demonstrating Progress in the Provision of Affordable Housing, 1997-2001

Community	2000 Census Year Round Units	1997 40B Units	Ch 40B Units 2002	Change in Number of 40B Housing Units 1997-2001	Percent Increase 1997-2001
Plympton	865	0	40	40	N/A
Sherborn	1,449	0	34	34	N/A
Boxborough	1,900	0	12	12	N/A
Berkley	1,870	0	4	4	N/A
Plainville	3,088	40	128	88	220.0%
Wilmington	7,141	159	490	331	208.2%
Shirley	2,140	24	57	33	137.5%
Abington	5,332	112	250	138	123.2%
Hull	4,679	68	151	83	122.1%
Lakeville	3,385	4	8	4	100.0%
Marlborough	14,846	592	1,180	588	99.3%
Holliston	4,861	78	153	75	96.2%
Weston	3,796	76	126	50	65.8%
Danvers	9,712	279	428	149	53.4%
Ayer	3,141	77	118	41	53.2%

Source: April 2002 State Housing Inventory

Unsubsidized Affordable Production

Most of the new housing that has been built in Greater Boston since 1998, whether for rental or ownership, has been affordable only to the high end of the market. The exceptions are units created with some form of public, and occasionally private, assistance. While this assistance is usually financial, an increasing number of affordable units are being added through the use of zoning relief or incentives, contributions of land, or infrastructure improvements.

Since 1999, a number of new mixed income—market rate or luxury rental developments with an affordable component—have been authorized under the comprehensive permit (MGL Chapter 40B). This statute requires that 20% to 25% of the units be set aside as permanently affordable to households earning no more than 80% of the area median income. Because these projects are larger than those developed by the non-profit sector (often 100+ units), the use of 40B has become one of the major production vehicles for new rental housing that qualifies for inclusion in a community’s subsidized housing inventory.

Likewise, the use of 40B to create new units for homeownership also requires that 25% of the units be affordable. Because increased density is often allowed under the comprehensive permit, it is not uncommon for the market rate units in 40B developments, as well as the affordable units, to be priced below other newly constructed

homes in the community. In the region's suburban communities—a number of which make no provision for multi-family housing at all—40B is an essential ingredient in most unit development that has an affordable component.

Another non-traditional production source that is beginning to produce results, especially in Boston and Cambridge, is inclusionary zoning. Even smaller communities like Arlington have been able to add affordable units in this way, and several high production communities—Peabody and Quincy—that have recently adopted inclusionary ordinances can expect to see results if their multi-family production remains strong.

Table 5.4 summarizes the most recent updates to the Subsidized Housing Inventory reported by municipalities. The first part of the table presents an analysis of all of the additions reported for the April 2002 inventory, including affordable units created between October 1997 and October 2001, as well as existing units that had not previously been counted. The second part of the table summarizes the 1997-2001 activity in those communities that have not yet achieved the 10% “affordability” goal.

Increasingly, cities and towns are reporting existing housing units, usually ones occupied by income eligible homeowners, that have been repaired or rehabilitated with public funds, like CDBG or HOME. Of all the newly reported units, 30% have resulted from homeowner and rental rehabilitation rather than new production. Department of Mental Health (DMH) and Department of Mental Retardation (DMR) group homes represented 7% of the newly reported units, but it is unclear when these units were established since they only became eligible for inclusion in 2001. The comprehensive permit was involved in 31% of the recently reported additions, but as the second part of Table 5.4 shows, it was a factor in more than three-quarters of the new units gained in communities that had been below the 10% “affordable” housing threshold.

Table 5.4

Tools/Programs Most Recently Used to Create Affordable Housing Eligible for Inclusion on the State's Subsidized Housing Inventory³⁶

All Reported Changes by Type of Initiative	Units Eligible for Inclusion on Subsidized Housing Inventory (40B List)
Comprehensive permit	31%
Homeowner and rental rehab programs	30%
All other	13%
LIP ³⁷ units only, and first time homebuyer programs	10%
DMH/DMR group homes	7%
Special permits, rezoning and other local initiatives	9%
TOTAL	100%

Tools/Programs Used to Create Qualified Affordable Housing in Communities with Subsidized Housing Below Ten Percent	
Excluding DMH/DMR group homes and units qualified by rehab or first-time homebuyer status	Units Eligible for Inclusion on Subsidized Housing Inventory (40B List)
Comprehensive permit	77%
All other	23%
TOTAL	100%

Source: State Housing Inventory (1997; 2002) supplemented by DCHD and CHAPA

³⁶ Includes most recently reported changes (1997-2001) by type of initiative.

³⁷ This category includes existing units that communities have been allowed to qualify on a case-by-case basis.

VI. Public Spending on Housing in the Commonwealth

The state and federal governments have long been involved in providing various forms of financing for the production of new housing, the rehabilitation of existing housing, and subsidies to help make housing affordable to lower income home owners and renters.

Data Sources

Data on state and federal funds for housing programs in the Commonwealth have been secured from the Annual Statutory Basis Financial Reports produced by the Massachusetts Office of the Comptroller. This information has been supplemented by data on Community Development Block Grant (CDBG) funding for housing programs for individual cities and towns. These data are available from the U.S. Department of Housing and Urban Development's (HUD) *Use of CDBG Funds by Entitlement Communities*. In addition, statistics on federal funding allocations for specific housing programs administered by HUD are derived from several sources: HUD's historical database 1993-2001; HUD's listing of 2002 allocations; and the Consolidated Federal Funds Report: *HUD Expenditures or Obligations*.

Historical Trends

The State Government

State strategies for creating affordable housing have tended to follow federal strategies. As with the federal government, state funding to *expand* the affordable housing supply through the creation of units (or funding of additional tenant-based rent subsidies) has been uneven over the years. The first major spurt of state spending was in the late 1940s through the mid-1950s when the Commonwealth funded the creation of more than 15,000 public housing units. Additional funding rounds through the early 1970s created thousands of additional units for families, the elderly, and people with disabilities.

In the 1970s, the State began subsidizing the construction of affordable private developments, working in conjunction with the Massachusetts Housing Finance Agency (now MassHousing). As with the federal government, the state soon found that interest subsidies alone were insufficient to sustain rents at levels low enough to serve low-income households.

In 1983, after Congress terminated the primary federal program for new affordable housing production, the Section 8 New Construction/Substantial Rehabilitation program, the State began a new wave of investment in housing, creating 2 rental production programs (SHARP, RDAL) and a new homeownership assistance program (HOP), as well as providing new funds for public housing construction and expanded rental assistance.³⁸ The legislature passed 3 housing bond bills between 1983 and 1987,

³⁸ SHARP stands for State Housing Assistance for Rental Production; RDAL stands for Rental Development Action Loan; and HOP refers to the Homeownership Opportunity Program.

authorizing a total of \$905 million, including \$493 million for new public housing development, \$362 million for the modernization of existing public housing, and \$30 million for a new grant and loan program for innovative affordable housing.

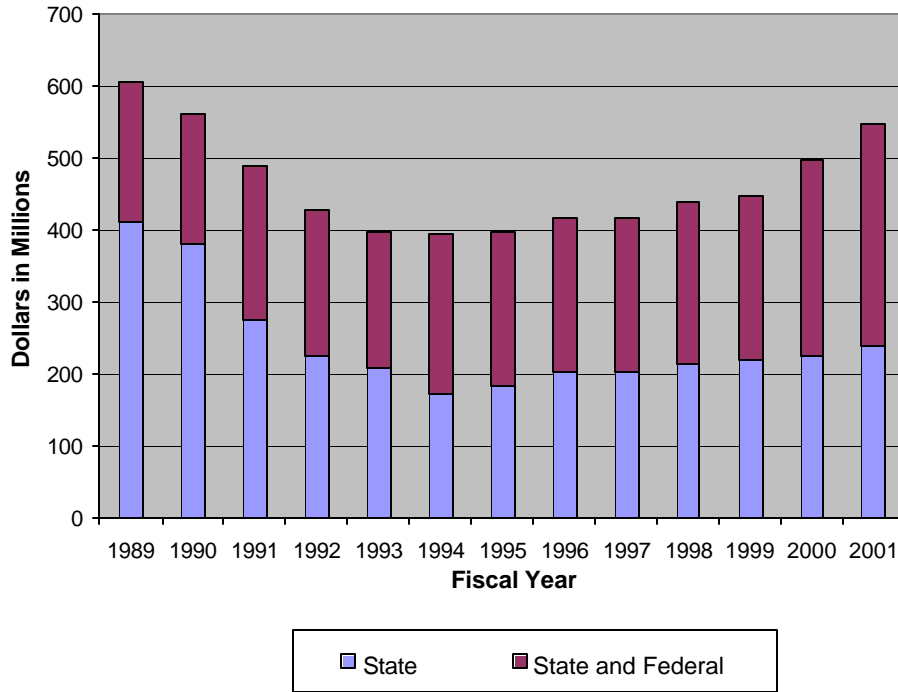
As a result of these initiatives and modest increases in federal grants, spending by the Department of Housing and Community Development (DHCD) (formerly the Executive Office of Community Development (EOCD)—the state agency responsible for housing oversight in the Commonwealth—rose steadily during the 1980s, from \$257 million in 1981 to a high of \$605 million in 1989. This growth paralleled the growth in the Massachusetts state budget. In 1981, DHCD total spending, including federal and state funds, comprised 3.4% of the total State budget; in 1989, it comprised 3.6% of the total State budget.

In 1990, a downturn in the economy pushed the State into a fiscal crisis and state funding for housing began to decline both absolutely and as a percentage of total state spending. Annual state-funded spending today, in nominal dollars, still remains well below the state-funded spending levels of the 1980s.

DHCD's total spending declined steadily from FY1990 through FY1994, then began to rise modestly, primarily as a result of a growth in federal funds which are counted as part of the DHCD budget. However, state spending on housing has lagged behind spending on other activities and DHCD's spending in FY2001 was still lower than its FY1990 spending, even before adjusting for inflation. (See **Figure 6.1**)

Figure 6.1

DHCD Spending (State and Federal Funds) 1989-2001 (Current Dollars)³⁹



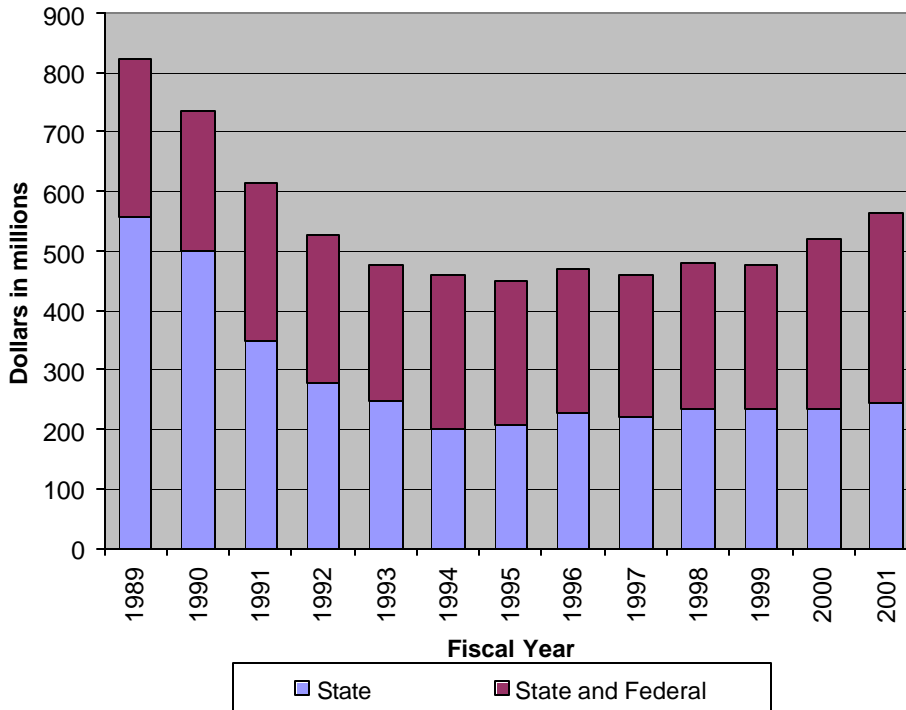
Source: MA Office of the Comptroller Annual Statutory Basis Financial Reports

Adjusting for inflation shows a stronger downward trend in state funding for housing from 1989 through 1996. (See **Figure 6.2**) Since 1997, total DHCD spending (in 2002 dollars) has increased from \$462 million to \$565. As can be seen, the slight rise in spending is a result of increased federal financing for affordable housing, whereas the state's budget has remained nearly level funded. Overall, the state funding level is still more than 30% below the 1989 real spending level.

³⁹ Figures for annual state funding levels include operating and capital budgets.

Figure 6.2

DHCD Spending (State and Federal) 1989-2001 (Inflation Adjusted 2002 Dollars)



Source: MA Office of the Comptroller Annual Statutory Basis Financial Reports

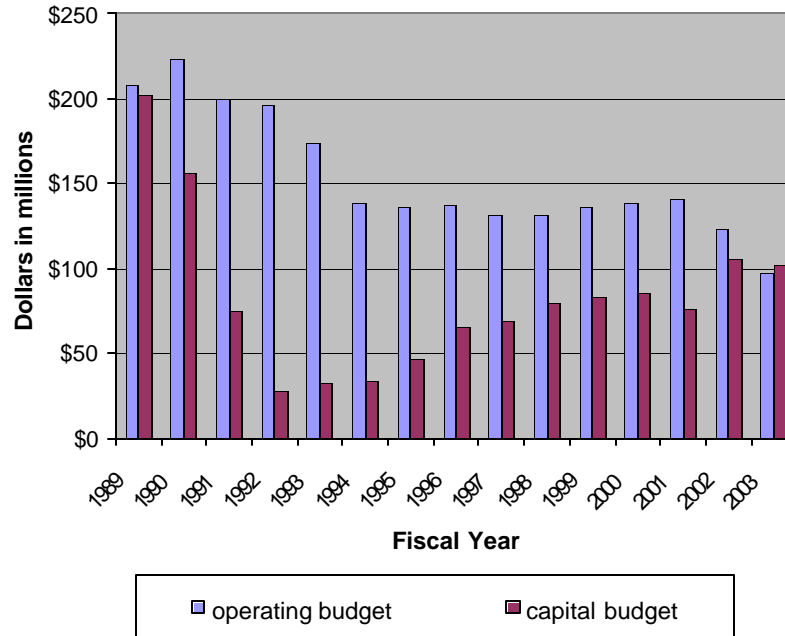
While the legislature approved 2 housing bond bills totaling \$491 million during the 1990s, only \$197 million was for housing production, and spending was slowed by a statewide effort to reduce capital spending growth. (See **Figure 6.3**)

State operating funds decreased by 37.1% between 1990 and 2001. When the 2002 and 2003 budgets are included there is an even greater decrease in operating funds of 56.6%.⁴⁰ Over the same time periods, capital funding decreased by 47% and 50.9%, respectively.

⁴⁰ This does not include the additional source of funding provided by the 5-year state funded Affordable Housing Trust Fund. The fund, created in 2000, was authorized as a \$100 million revolving trust fund (\$20 million per year for 5 fiscal years 2001-2005).

Figure 6.3

State Housing Operating and Capital Budgets, 1989-2003



Source: MA Office of the Comptroller Annual Statutory Basis Financial Reports

Overall, the housing share of the state's budget has decreased since 1989, reflecting changing state priorities. DHCD's state funding for housing comprised 0.7% of total State spending in FY2001, down from 2.9% in FY1989 and 1.0% in 1996. (See **Table 6.1**)

Table 6.1

State-funded Spending as Share of Total State Spending Fiscal Year 1989-2001

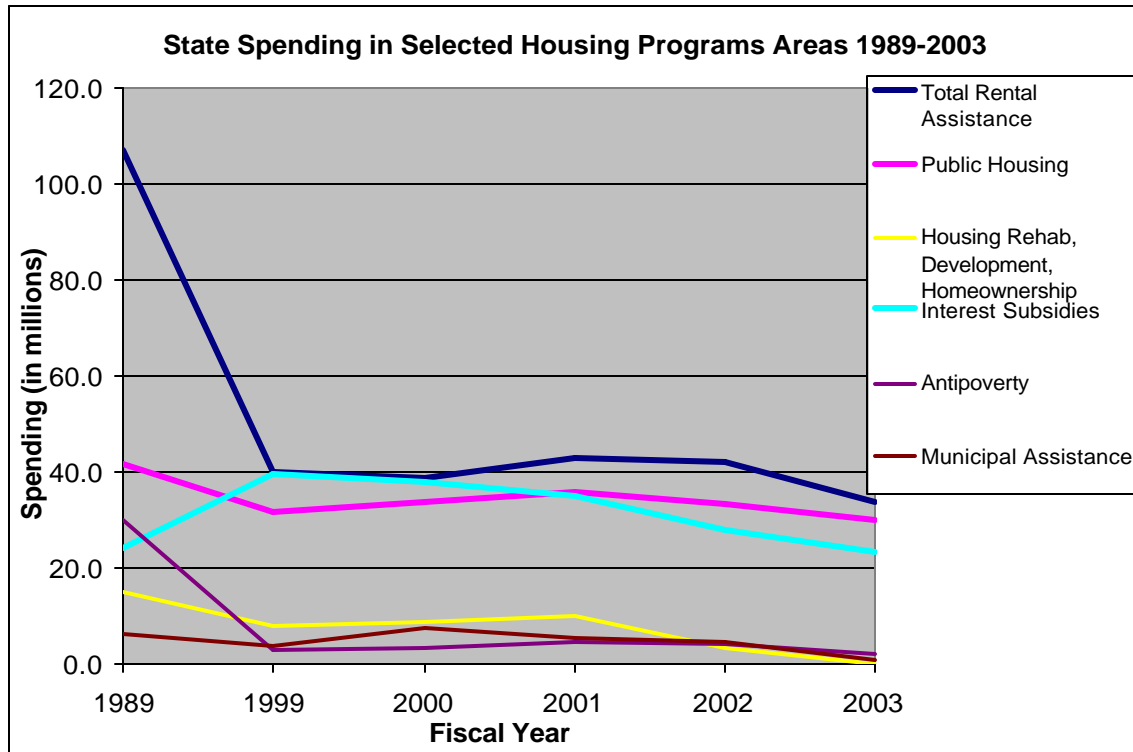
Fiscal Year	State DHCD Spending	Share of Total State Spending
1989	410	2.9%
1990	380	2.5%
1991	275	1.7%
1992	224	1.4%
1993	207	1.1%
1994	172	0.9%
1995	183	0.9%
1996	202	1.0%
1997	201	0.9%
1998	212	0.8%
1999	219	0.8%
2000	223	0.7%
2001	237	0.7%

Source: MA Office of the Comptroller Annual Statutory Basis Financial Reports

Spending on Selected Programs

Expenditures on specific programs varied over time, with nearly all of the state's commitments dramatically decreasing between 1989 and 1999 with the exception of Interest Subsidies. Since that time there has been a more gradual decline in spending with a slight increase in funding for some programs during the year 2001. The chart below shows the trends in several of the state's programmatic areas of spending. (See **Figure 6.4**)

Figure 6.4



Source: MA Office of the Comptroller Annual Statutory Basis Financial Reports

In the 1990s, the State closed down the SHARP, RDAL, and HOP programs, which provided interest subsidies for private developers of affordable housing. Despite annual outlays for existing contracts, the total spending on these programs will decline by 41% between 1999 and 2003. Although this decrease was planned, the funds have not been shifted to other housing programs.

Starting in 1990, the state also began shrinking its tenant-based rental assistance program. It stopped re-issuing vouchers as participants left the program and ultimately revised the program structure, lowering the income limits for assistance, and reducing subsidy levels. It eliminated rent caps and, as of August 2002, increased the income paid by tenants to 40%. In recent years, DHCD started reissuing mobile vouchers, but that program is now frozen. The overall program shrank from 14,911 units in 1990 to 2,460 units under lease in July 2002.

Total spending in the rental assistance category—which includes such programs as the Massachusetts Rental Voucher Program, the Alternative Housing Voucher Program, and other programs serving the handicapped, disabled, homeless, and elderly—will decrease by 69% between 1989 and 2003, and has fallen 16% since 1999. Between 1999 and 2003 state spending on public housing is scheduled to decrease by 8.5%.

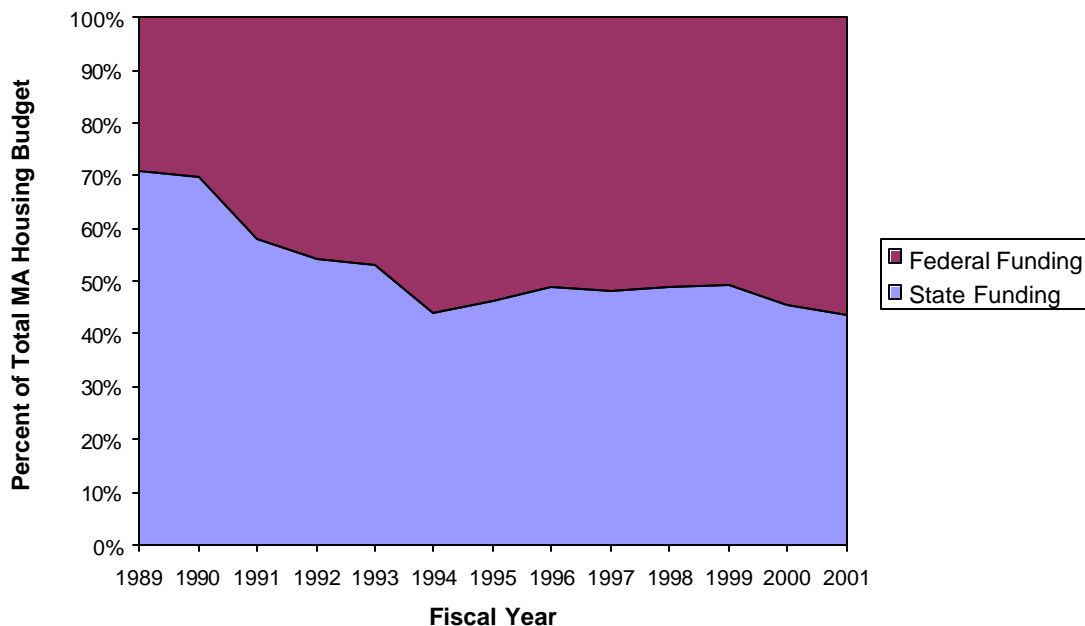
The Federal Government

The federal government has traditionally provided the lion's share of funding for affordable housing in Massachusetts. Even though federal funding for new housing production has shrunk dramatically since the 1980s, HUD funding has played an increasingly prominent role in Massachusetts affordable housing spending given the decline in state funding.

Overall, state funds supported 45% of DHCD's budget in 2001, down from 68% in 1990 while the federal government's share of the total spending increased.⁴¹ (See **Figure 6.5**)

Figure 6.5

State vs. Federal Funding Levels for Massachusetts Housing Programs



Data Source: MA Office of the Comptroller Annual Statutory Basis Financial Reports

Federal spending reports indicate HUD spending in Massachusetts totaled \$1.8 billion in 2001, of which only about 12% flowed through DHCD's budget. Over 80% of 2001 HUD spending in Massachusetts went directly to private owners, local housing authorities, and the State for tenant- and project-based Section 8 rental assistance for 115,000 units. About 5% more went to local housing authorities for federal public

⁴¹ Because the federal and state low-income housing tax credit programs are tax expenditures, these do not show up in DHCD's budget.

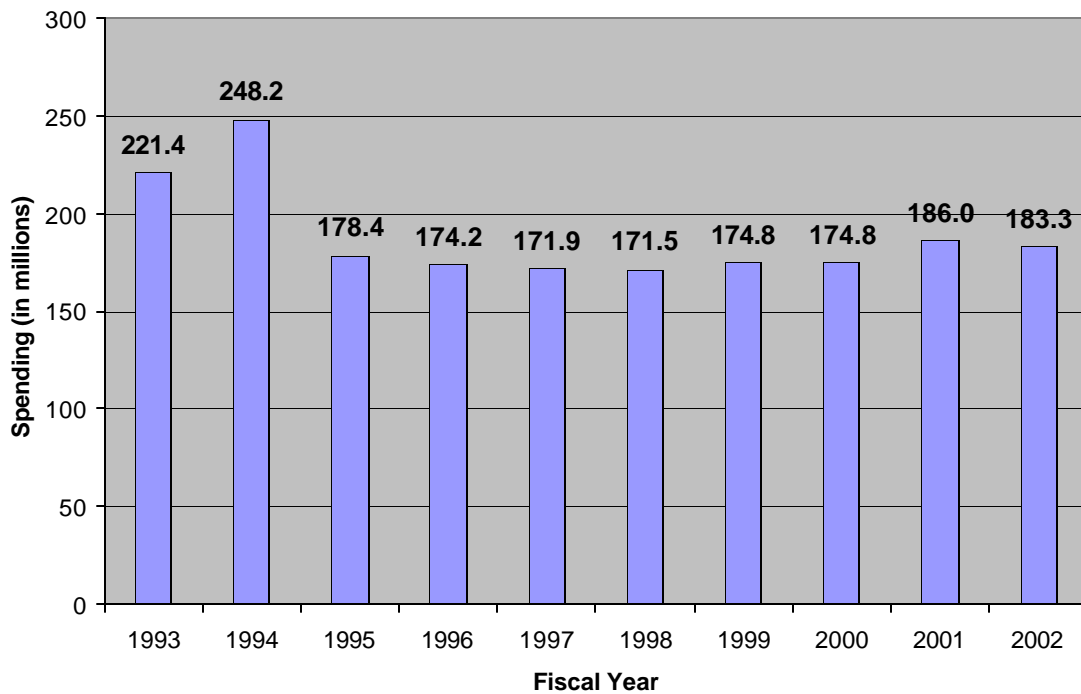
housing (31,000 units) operating subsidies and modernization. Another 10% went to local cities and towns in the form of block grants (7% directly, 3% through the State) and the balance went to localities, non-profits and private owners for homeless assistance, interest subsidies, and other programs.

With most HUD funding allocated to rental assistance and public housing, the extent to which HUD funding is used for new housing development depends largely on how DHCD and localities decide to spend their block grant funds. Massachusetts cities and towns receive funding directly from the federal government in the form of block grants for affordable housing or as a pass-through from the state government based on allocation formulas that entitle individual communities to receive assistance.

Figure 6.6 reveals that the total amount allocated to Massachusetts from various federal block grants that can be used for housing has declined from a high of \$248.2 million in 1994 to \$183.3 million in 2002.

Figure 6.6

Federal Block Grant Allocations in Massachusetts (CDBG, HOME, ESG, and HOPWA) 1993-2002



Source: HUD Historic database 1993-2001 and HUD listing of 2002 allocations

In 2001, 35 communities spent CDBG entitlement funds totaling nearly \$110 million of which \$32 million or 29% of the total went towards housing. Twenty-one cities and towns that received funding fall within the 161 cities and towns in the Greater Boston region. The City of Boston received more than 1/2 of the total CDBG funding.

While uses varied by community, overall, the bulk of the \$32 million in CDBG funds spent by these communities on housing in 2001 was used for the rehabilitation of housing (78%). Only 7% of the total housing spending was for new construction and 6% was for homeownership programs.

Three other federal housing block grants: HOME (HOME Investment Partnerships Program), ESG (Emergency Shelter Grants), and HOPWA (Housing for Persons with AIDS) provide funding support for cities and towns in Greater Boston. HOME is by far the largest (\$45 million allocated in 2002) and can only be used for housing development, rehabilitation, homeownership assistance, and rental assistance. ESG funds shelters and homeless services, and HOPWA funds services and housing assistance. In 2001 these programs provided \$54 million to 35 cities and towns in Massachusetts, of which approximately 1/3 was allocated through the state.

Conclusion

Despite the call for a concerted effort to increase housing production in the *New Paradigm for Housing in Greater Boston* report, overall production continues to lag substantially behind demand. As a result, housing prices have continued to rise and rent levels throughout the region remain out of reach for many. Rents have softened moderately since 1999, a reflection of the slowdown in the economy, as well as of the increased level of market-rate and subsidized rental production and new student housing, but median home prices have increased sharply in virtually all communities.

Given that housing prices appear to be rising more rapidly in lower income communities, and that asking rents remain well above what tenants earning the median renter income can reasonably pay without compromising their other, non-housing needs, a housing crisis continues for many low, moderate, and even middle income households.

We have not issued grades for the region as a whole nor for individual communities or segments of the housing market in this first regional assessment. Suffice it to say, the region has fallen short of the production levels required—in the locations and price ranges necessary—to support a healthy economy and provide adequate housing for its residents. However, we do plan to issue grades in upcoming annual reports.

It is also evident that more precise and consistent data reporting from communities and state and local funding agencies is required to adequately evaluate performance and gauge the challenges before us. The current system of reporting vastly overstates the number or units of affordable housing that the region is producing and understates overall production from all sources.

Appendix 2

City/Town	2000 Population	% Change Population (90-00)	2000 Households	% Change in Households (90-00)	Total Year-Round Housing Units 2000	% Change Year-Round Housing Units (90-00)	Owner-Occupied Units 2000	% Change in Owner-Occupied Units (90-00)	Rental Units 2000	% Change in Rental Units (90-00)	Additions to Housing Supply (2000-2001) ¹
Abington	14,605	5.7%	5,263	9.9%	5,332	7.9%	3,778	14.9%	1,485	-2.8%	186
Acton	20,331	13.8%	7,495	14.0%	7,645	11.2%	5,702	22.5%	1,793	-7.9%	197
Amesbury	16,450	9.7%	6,380	15.2%	6,570	10.9%	4,198	32.0%	2,182	-6.8%	76
Andover	31,247	7.2%	11,305	8.4%	11,513	6.1%	8,885	14.4%	2,420	-8.6%	140
Arlington	42,389	-5.0%	19,011	0.9%	19,358	-0.2%	11,186	4.2%	7,825	-3.3%	22
Ashland	14,674	21.6%	5,720	23.7%	5,781	20.2%	4,556	33.6%	1,164	-2.8%	277
Avon	4,443	-2.5%	1,705	7.2%	1,737	4.4%	1,305	5.1%	400	14.6%	8
Ayer	7,287	6.1%	2,982	7.5%	3,141	9.3%	1,661	34.7%	1,321	-8.8%	23
Bedford	12,595	-3.1%	4,621	1.8%	4,692	2.3%	3,705	16.0%	916	-28.7%	30
Bellingham	12,968	-12.8%	5,557	11.6%	5,632	9.1%	4,658	12.7%	899	-2.0%	108
Belmont	24,194	-2.1%	9,732	1.2%	9,936	-0.2%	5,909	2.6%	3,823	-2.1%	17
Berkley	5,749	35.7%	1,843	36.7%	1,870	34.5%	1,752	41.2%	91	-18.0%	113
Berlin	2,380	3.8%	872	10.2%	891	7.5%	706	12.4%	166	-2.9%	62
Beverly	39,862	4.4%	15,750	6.6%	16,150	3.6%	9,457	8.5%	6,293	3.5%	108
Billerica	38,981	3.6%	12,919	10.5%	13,055	8.9%	10,899	13.2%	2,020	-2.2%	237
Blackstone	8,804	9.7%	3,235	13.0%	3,321	11.6%	2,264	17.2%	971	7.8%	52
Bolton	4,148	32.4%	1,424	37.1%	1,472	35.5%	1,330	42.9%	94	-22.3%	56
Boston	589,141	2.6%	239,528	5.1%	250,367	0.1%	77,226	9.5%	162,302	2.8%	1450
Boxborough	4,868	45.6%	1,853	37.5%	1,900	28.9%	1,310	42.4%	543	22.6%	31
Boxford	7,921	26.4%	2,568	27.6%	2,602	26.0%	2,497	29.6%	71	-21.1%	64
Braintree	33,828	0.0%	12,652	5.6%	12,924	6.4%	9,801	7.4%	2,851	2.8%	85
Bridgewater	25,185	18.5%	7,526	27.0%	7,639	23.2%	5,611	37.6%	1,915	2.4%	172
Brockton	94,304	1.6%	33,675	2.9%	34,794	-1.5%	18,375	4.9%	15,300	-0.2%	199
Brookline	57,107	4.4%	25,594	4.7%	26,224	4.0%	11,583	10.3%	14,011	1.1%	115
Burlington	22,876	-1.8%	8,289	5.4%	8,395	4.5%	6,589	5.8%	1,700	3.7%	44
Cambridge	101,355	5.8%	42,615	8.3%	44,138	5.6%	13,760	15.1%	28,855	5.1%	517
Canton	20,775	12.1%	7,952	20.7%	8,129	20.0%	5,902	19.3%	2,050	23.7%	237
Carlisle	4,717	8.9%	1,618	11.5%	1,647	10.5%	1,518	13.5%	100	-16.7%	49
Carver	11,163	5.4%	3,984	12.2%	4,063	9.0%	3,645	12.9%	339	-4.8%	47
Chelmsford	33,858	4.6%	12,812	11.9%	12,981	10.0%	10,743	14.1%	2,069	1.6%	99
Chelsea	35,080	22.2%	11,888	12.9%	12,317	6.5%	3,440	16.0%	8,448	11.3%	10
Cohasset	7,261	2.6%	2,673	3.2%	2,752	2.7%	2,284	11.6%	389	-24.8%	30
Concord	16,993	-0.5%	5,948	4.4%	6,095	3.3%	4,798	8.1%	1,150	-8.3%	65
Danvers	25,212	4.3%	9,555	8.7%	9,712	6.8%	7,371	12.3%	2,184	-2.9%	83

Appendix 2

City/Town	2000 Population	% Change Population (90-00)	2000 Households	% Change in Households (90-00)	Total Year-Round Housing Units 2000	% Change Year-Round Housing Units (90-00)	Owner-Occupied Units 2000	% Change in Owner-Occupied Units (90-00)	Rental Units 2000	% Change in Rental Units (90-00)	Additions to Housing Supply (2000-2001) ¹
Dedham	23,464	-1.3%	8,654	1.1%	8,893	1.7%	6,937	2.9%	1,717	-1.8%	37
Dighton	6,175	9.7%	2,201	14.2%	2,261	14.1%	1,849	15.1%	352	9.7%	88
Dover	5,558	13.1%	1,849	13.8%	1,874	10.9%	1,755	16.4%	94	-30.4%	40
Dracut	28,562	11.6%	10,451	15.9%	10,597	14.4%	8,201	19.4%	2,250	5.9%	131
Dunstable	2,829	26.5%	923	33.4%	933	29.6%	861	35.0%	62	14.8%	50
Duxbury	14,248	2.5%	4,946	6.5%	5,103	5.7%	4,394	9.1%	552	-7.8%	68
East Bridgewater	12,974	16.8%	4,344	21.9%	4,423	19.9%	3,562	21.0%	782	20.3%	136
Easton	22,299	12.6%	7,489	15.0%	7,596	13.4%	6,113	21.1%	1,376	-0.9%	132
Essex	3,267	0.2%	1,313	3.4%	1,357	-0.4%	916	6.0%	397	-5.5%	21
Everett	38,037	6.5%	15,435	6.8%	15,886	3.2%	6,391	6.4%	9,044	6.1%	9
Foxborough	16,246	11.0%	6,141	17.4%	6,260	14.7%	4,417	27.3%	1,724	-3.7%	72
Framingham	66,910	3.0%	26,153	4.1%	26,588	1.0%	14,512	7.5%	11,641	0.2%	90
Franklin	29,560	33.8%	10,152	36.9%	10,296	34.1%	8,247	47.0%	1,905	6.0%	164
Georgetown	7,377	15.6%	2,566	15.0%	2,601	17.4%	2,215	23.0%	351	-6.9%	50
Gloucester	30,273	5.4%	12,592	9.0%	12,997	5.7%	7,523	12.5%	5,069	3.6%	158
Groton	9,547	27.1%	3,268	27.4%	3,339	24.8%	2,740	34.0%	528	-0.8%	170
Groveland	6,038	15.8%	2,058	15.0%	2,090	15.3%	1,775	17.0%	283	11.9%	56
Halifax	7,500	14.9%	2,758	16.8%	2,804	16.3%	2,519	18.8%	239	-0.8%	51
Hamilton	8,315	14.2%	2,668	8.5%	2,717	7.0%	2,187	11.3%	481	1.9%	29
Hanover	13,164	10.5%	4,349	17.4%	4,440	15.9%	3,803	18.0%	546	5.2%	102
Hanson	9,495	5.2%	3,123	10.1%	3,167	7.8%	2,779	11.7%	344	-1.4%	79
Harvard	5,981	-51.5%	1,809	-40.3%	2,156	-30.1%	1,638	17.6%	171	-89.2%	30
Haverhill	58,969	14.7%	22,976	17.1%	23,675	11.3%	13,823	20.4%	9,153	13.0%	262
Hingham	19,882	0.3%	7,189	4.0%	7,307	2.5%	6,212	6.9%	977	-11.6%	67
Holbrook	10,785	-2.3%	4,076	1.7%	4,145	2.8%	3,105	5.4%	971	-2.2%	46
Holliston	13,801	6.8%	4,795	12.5%	4,861	10.4%	4,140	11.4%	655	15.1%	78
Hopedale	5,907	4.3%	2,240	14.3%	2,284	11.1%	1,747	13.0%	493	14.1%	60
Hopkinton	13,346	45.2%	4,444	40.4%	4,521	38.1%	4,009	49.0%	435	-7.1%	198
Hudson	18,113	5.1%	6,990	9.4%	7,144	7.1%	4,964	13.6%	2,026	1.7%	107
Hull	11,050	5.6%	4,522	21.4%	4,679	9.4%	3,282	29.5%	1,240	-1.1%	109
Ipswich	12,987	9.4%	5,290	12.6%	5,414	9.8%	3,854	20.0%	1,436	-2.3%	99
Kingston	11,780	30.2%	4,248	30.9%	4,370	31.7%	3,473	36.6%	775	13.6%	99
Lakeville	9,821	26.2%	3,292	25.6%	3,385	23.9%	2,978	25.2%	314	39.6%	161
Lancaster	7,380	10.8%	2,049	4.2%	2,103	5.5%	1,622	11.9%	427	-7.4%	81

Appendix 2

City/Town	2000 Population	% Change Population (90-00)	2000 Households	% Change in Households (90-00)	Total Year-Round Housing Units 2000	% Change Year-Round Housing Units (90-00)	Owner-Occupied Units 2000	% Change in Owner-Occupied Units (90-00)	Rental Units 2000	% Change in Rental Units (90-00)	Additions to Housing Supply (2000-2001) ¹
Lawrence	72,043	2.6%	24,463	1.7%	25,540	-5.0%	7,876	1.3%	16,587	0.6%	47
Lexington	30,355	4.8%	11,110	5.7%	11,274	4.2%	9,175	6.4%	1,935	2.5%	162
Lincoln	8,056	5.1%	2,790	7.2%	2,076	-23.4%	1,710	21.2%	1,080	-11.5%	30
Littleton	8,184	16.1%	2,960	17.8%	3,018	13.5%	2,461	19.6%	499	-1.0%	126
Lowell	105,167	1.7%	37,887	2.6%	39,381	-2.2%	16,309	5.2%	21,578	0.3%	181
Lynn	89,050	9.6%	33,511	6.8%	34,569	-0.2%	15,277	4.8%	18,234	7.4%	174
Lynnfield	11,542	4.5%	4,186	6.4%	4,249	5.8%	3,950	8.1%	236	-10.3%	24
Malden	56,340	4.6%	23,009	5.5%	23,561	1.6%	9,962	5.1%	13,047	4.9%	71
Manchester	5,228	-1.1%	2,168	2.5%	2,219	0.0%	1,535	9.9%	633	-11.2%	20
Mansfield	22,414	35.3%	7,942	33.8%	8,083	27.5%	5,700	44.7%	2,242	12.0%	119
Marblehead	20,377	2.0%	8,541	3.8%	8,746	1.7%	6,434	8.9%	2,107	-9.1%	33
Marlborough	36,255	14.0%	14,501	19.3%	14,846	14.4%	8,842	25.0%	5,659	11.5%	724
Marshfield	24,324	13.0%	8,905	18.3%	9,117	16.3%	7,233	23.7%	1,672	-2.2%	120
Maynard	10,433	1.0%	4,292	5.5%	4,398	4.6%	2,997	14.1%	1,295	-9.1%	32
Medfield	12,273	16.5%	4,002	16.4%	4,038	15.4%	3,431	21.2%	571	-4.2%	64
Medford	55,765	-2.9%	22,067	0.9%	22,631	0.1%	12,933	3.8%	9,134	-2.5%	18
Medway	12,448	25.3%	4,182	29.0%	4,243	25.3%	3,519	34.9%	663	0.8%	157
Melrose	27,134	-3.6%	10,982	0.3%	11,200	-0.7%	7,359	2.9%	3,623	-4.3%	7
Mendon	5,286	31.8%	1,815	33.0%	1,870	31.4%	1,606	36.9%	209	10.6%	84
Merrimac	6,138	18.8%	2,233	17.7%	2,281	15.0%	1,850	25.2%	383	-9.9%	44
Methuen	43,789	9.5%	16,532	13.5%	16,848	9.4%	11,881	17.2%	4,651	3.1%	367
Middleborough	19,941	11.6%	6,981	15.3%	7,195	13.0%	5,170	20.9%	1,811	1.3%	220
Middleton	7,744	57.4%	2,305	26.1%	2,337	24.2%	1,976	32.5%	329	-0.6%	361
Milford	26,799	5.7%	10,420	11.4%	10,682	8.9%	6,744	16.0%	3,676	3.6%	133
Millis	7,902	3.8%	3,004	-34.5%	3,060	8.1%	2,312	15.1%	692	-6.6%	48
Millville	2,724	21.8%	923	-66.6%	956	14.9%	739	17.7%	184	15.7%	39
Milton	26,062	1.3%	8,982	4.0%	9,142	1.8%	7,554	4.6%	1,428	-6.7%	38
Nahant	3,632	-5.1%	1,629	6.1%	1,676	2.4%	1,108	9.6%	521	-4.1%	2
Natick	32,170	5.4%	13,080	9.1%	13,337	5.6%	9,306	16.0%	3,774	-5.4%	156
Needham	28,911	4.9%	10,612	3.4%	10,793	4.1%	8,587	6.1%	2,025	-1.8%	141
Newbury	6,717	19.5%	2,514	23.6%	2,614	21.7%	2,025	21.9%	489	22.6%	45
Newburyport	17,189	5.3%	7,519	12.8%	7,717	7.5%	5,010	19.3%	2,509	-1.8%	135
Newton	83,829	1.5%	31,201	6.2%	31,857	5.3%	21,692	6.9%	9,509	3.8%	180
Norfolk	10,460	13.0%	2,818	16.5%	2,851	14.4%	2,600	18.6%	218	-15.5%	66

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City/Town	2000 Population	% Change Population (90-00)	2000 Households	% Change in Households (90-00)	Total Year-Round Housing Units 2000	% Change Year-Round Housing Units (90-00)	Owner-Occupied Units 2000	% Change in Owner-Occupied Units (90-00)	Rental Units 2000	% Change in Rental Units (90-00)	Additions to Housing Supply (2000-2001) ¹
North Andover	27,202	19.3%	9,724	23.2%	9,896	20.4%	7,053	30.8%	2,671	6.9%	192
North Reading	13,837	15.3%	4,795	17.8%	4,839	16.4%	4,339	20.8%	456	-3.8%	71
Norton	18,036	26.4%	5,872	27.3%	5,942	23.1%	4,829	34.8%	1,043	-1.4%	140
Norwell	9,765	5.2%	3,250	8.8%	3,299	7.7%	2,993	8.9%	257	0.4%	100
Norwood	28,587	-0.4%	11,623	5.2%	11,911	3.0%	6,650	6.0%	4,973	4.9%	155
Peabody	48,129	1.8%	18,581	6.3%	18,838	3.5%	13,227	7.1%	5,354	2.9%	483
Pembroke	16,927	16.4%	5,750	21.5%	5,834	21.4%	5,121	23.4%	629	22.1%	152
Pepperell	11,142	10.3%	3,847	11.5%	3,905	11.7%	3,055	20.8%	792	-7.6%	100
Plainville	7,683	11.8%	3,009	14.8%	3,088	13.7%	2,180	22.2%	829	-3.4%	91
Plymouth	51,701	13.4%	18,423	15.9%	19,008	12.7%	14,292	22.5%	4,131	-1.8%	650
Plympton	2,637	10.6%	854	11.9%	865	9.5%	819	14.7%	35	-32.7%	14
Quincy	88,025	3.6%	38,883	9.3%	39,912	6.1%	19,070	9.6%	19,813	8.4%	669
Randolph	30,963	2.9%	11,313	5.4%	11,497	2.2%	8,184	6.1%	3,129	-1.3%	61
Raynham	11,739	19.0%	4,143	25.0%	4,197	19.9%	3,442	21.1%	701	37.7%	162
Reading	23,708	5.2%	8,688	9.5%	8,811	8.8%	7,165	11.0%	1,523	3.0%	46
Revere	47,283	10.5%	19,463	12.0%	20,102	7.6%	9,722	14.0%	9,741	9.4%	134
Rockland	17,670	9.6%	6,539	18.9%	6,632	15.6%	4,770	22.4%	1,769	9.0%	74
Rockport	7,767	3.8%	3,490	4.3%	3,652	1.9%	2,241	14.6%	1,249	-10.7%	24
Rowley	5,500	23.5%	1,958	28.5%	1,985	26.7%	1,507	33.5%	451	19.3%	19
Salem	40,407	6.1%	17,492	10.6%	18,103	5.9%	8,586	18.0%	8,906	4.4%	746
Salisbury	7,827	13.7%	3,082	24.3%	3,456	29.9%	2,113	14.3%	969	44.0%	59
Saugus	26,078	2.1%	9,975	6.6%	10,111	6.3%	7,979	10.5%	1,996	-3.4%	95
Scituate	17,863	6.4%	6,694	11.3%	6,869	9.7%	5,559	14.3%	1,135	-3.0%	74
Sharon	17,408	12.2%	5,934	11.0%	6,006	12.9%	5,340	16.1%	594	-7.6%	58
Sherborn	4,200	5.3%	1,423	5.5%	1,449	5.5%	1,320	8.6%	103	-22.6%	14
Shirley	6,373	4.2%	2,067	-1.4%	2,140	-1.7%	1,457	9.3%	610	-19.3%	45
Somerville	77,478	1.7%	31,555	4.1%	32,389	2.0%	9,656	2.7%	21,899	4.7%	0
Southborough	8,781	32.5%	2,952	31.6%	2,988	26.9%	2,595	34.9%	357	0.0%	113
Stoneham	22,219	0.1%	9,050	4.4%	9,231	3.7%	6,187	8.8%	2,863	-2.6%	25
Stoughton	27,149	1.4%	10,254	9.0%	10,429	7.8%	7,642	11.1%	2,612	3.7%	57
Stow	5,902	10.8%	2,082	16.6%	2,108	14.9%	1,813	15.9%	269	17.5%	69
Sudbury	16,841	17.3%	5,504	16.8%	5,582	14.7%	5,076	17.8%	428	-5.3%	147
Swampscott	14,412	5.6%	5,719	8.2%	5,804	3.1%	4,377	11.5%	1,342	-0.7%	15
Taunton	55,976	12.3%	22,045	18.2%	22,874	12.9%	13,495	24.0%	8,550	7.3%	211

Appendix 2

City/Town	2000 Population	% Change Population (90-00)	2000 Households	% Change in Households (90-00)	Total Year-Round Housing Units 2000	% Change Year-Round Housing Units (90-00)	Owner-Occupied Units 2000	% Change in Owner-Occupied Units (90-00)	Rental Units 2000	% Change in Rental Units (90-00)	Additions to Housing Supply (2000-2001) ¹
Tewksbury	28,851	5.8%	9,964	14.4%	10,125	13.3%	8,877	14.6%	1,087	8.6%	202
Topsfield	6,141	6.7%	2,099	11.5%	2,126	8.6%	1,865	14.8%	234	-18.2%	18
Townsend	9,198	8.3%	3,110	10.3%	3,162	10.0%	2,624	14.0%	486	5.7%	55
Tyngsborough	11,081	28.2%	3,731	31.2%	3,784	25.5%	3,144	35.6%	587	16.5%	91
Upton	5,642	20.6%	2,042	11.7%	2,083	10.7%	1,683	25.9%	359	-24.1%	113
Wakefield	24,804	-0.1%	9,747	5.6%	9,914	4.4%	7,019	6.0%	2,728	2.0%	65
Walpole	22,824	12.9%	8,060	21.3%	8,202	17.5%	6,860	23.8%	1,200	-2.8%	153
Waltham	59,226	2.3%	23,207	12.4%	23,749	9.6%	10,677	12.1%	12,530	11.8%	80
Wareham	20,335	5.7%	8,200	12.2%	8,650	4.8%	6,201	12.2%	1,999	8.6%	219
Watertown	32,986	-0.9%	14,629	3.5%	14,959	1.6%	6,881	5.8%	7,748	0.8%	25
Wayland	13,100	10.3%	4,625	10.5%	4,703	7.6%	4,242	13.3%	383	-17.8%	67
Wellesley	26,613	0.0%	8,594	1.7%	8,789	0.7%	7,139	4.3%	1,455	-10.5%	84
Wenham	4,440	5.4%	1,285	7.4%	1,310	8.8%	1,098	13.7%	187	-7.4%	25
West Bridgewater	6,634	3.8%	2,444	8.9%	2,507	9.3%	2,092	9.0%	352	12.5%	51
West Newbury	4,149	21.3%	1,392	24.3%	1,414	23.5%	1,295	25.5%	97	3.2%	26
Westford	20,754	26.6%	6,808	27.7%	6,877	26.4%	6,258	34.2%	550	-15.9%	182
Weston	11,469	12.4%	3,718	10.1%	3,796	9.0%	3,203	10.3%	515	15.7%	80
Westwood	14,117	12.4%	5,122	15.5%	5,218	14.9%	4,568	18.7%	554	-7.0%	37
Weymouth	53,988	-0.1%	22,028	4.9%	22,471	2.7%	14,834	7.8%	7,194	1.8%	407
Whitman	13,882	4.8%	4,999	13.7%	5,100	11.1%	3,603	10.3%	1,396	19.4%	119
Wilmington	21,363	21.0%	7,027	25.1%	7,141	26.2%	6,348	23.4%	679	67.2%	114
Winchester	20,810	2.7%	7,715	7.0%	7,860	4.4%	6,212	8.0%	1,503	-1.8%	154
Winthrop	18,303	1.0%	7,843	4.2%	8,009	-0.8%	4,170	8.6%	3,673	-2.5%	7
Woburn	37,258	3.7%	14,997	12.0%	15,312	8.9%	9,177	11.4%	5,820	11.0%	360
Wrentham	10,554	17.2%	3,402	20.0%	3,477	19.5%	2,878	26.0%	524	0.4%	134
TOTAL	4,206,809	6.0%	1,606,784	8.7%	1,649,936	5.9%	970,612	13.4%	636,172	2.6%	20,240

Source: U.S. Census Bureau

Notes:

¹ Based on building permit from the U.S. Census Bureau

Appendix 3

City/Town	1990 Vacancy Rate for Owner-Occupied	2000 Vacancy Rate for Owner-Occupied	% Change in Owner-Occupied Vacancy (90-00)	1990 Vacancy Rate for Rental	2000 Vacancy Rate for Rental	% Change in Rental Vacancy (90-00)	% of All Renters Paying >35% of 1999 Median Household Income for Housing	% of All Homeowners Paying >35% of 1999 Median Household Income for Housing
Abington	0.5%	0.2%	-63.0%	4.4%	1.9%	-57.2%	23.6%	12.7%
Acton	1.0%	0.8%	-18.4%	7.7%	2.8%	-63.8%	22.4%	15.9%
Amesbury	3.1%	0.7%	-77.7%	8.0%	3.8%	-52.4%	32.3%	17.3%
Andover	1.5%	0.4%	-72.4%	7.6%	2.8%	-63.0%	23.8%	15.3%
Arlington	1.2%	0.4%	-67.2%	3.3%	1.5%	-55.0%	26.9%	16.4%
Ashland	1.5%	0.3%	-80.4%	7.5%	2.6%	-65.3%	26.9%	16.0%
Avon	0.2%	0.7%	191.7%	5.2%	1.2%	-76.7%	38.8%	15.1%
Ayer	1.2%	1.3%	8.3%	8.5%	6.2%	-27.3%	26.0%	16.1%
Bedford	1.3%	0.3%	-77.4%	2.3%	2.6%	14.0%	27.1%	10.5%
Bellingham	1.0%	0.4%	-58.3%	3.1%	1.5%	-51.1%	23.2%	12.9%
Belmont	0.8%	0.5%	-38.3%	3.0%	1.7%	-43.9%	26.5%	19.3%
Berkley	1.5%	0.5%	-66.9%	4.3%	4.2%	-2.6%	61.1%	14.2%
Berlin	1.7%	0.6%	-65.1%	5.5%	2.4%	-56.5%	32.7%	17.3%
Beverly	1.0%	0.4%	-60.8%	7.3%	3.1%	-57.5%	25.5%	16.8%
Billerica	0.5%	0.2%	-60.0%	6.9%	2.0%	-70.8%	20.1%	16.1%
Blackstone	1.8%	0.3%	-83.6%	7.3%	2.9%	-60.3%	16.9%	15.8%
Bolton	1.5%	1.0%	-32.4%	4.7%	7.8%	65.3%	0.0%	20.2%
Boston	2.6%	1.0%	-62.1%	7.8%	3.0%	-61.5%	34.3%	20.2%
Boxborough	1.2%	0.5%	-57.6%	15.9%	4.6%	-71.1%	15.6%	12.7%
Boxford	1.5%	0.4%	-73.9%	2.2%	4.1%	88.9%	16.3%	14.5%
Braintree	0.6%	0.3%	-50.8%	3.1%	3.3%	5.1%	30.8%	13.3%
Bridgewater	1.3%	0.4%	-69.9%	5.5%	1.7%	-68.9%	27.3%	11.8%
Brockton	1.9%	0.5%	-73.4%	9.1%	3.3%	-63.6%	32.3%	20.5%
Brookline	1.8%	0.5%	-71.4%	2.7%	2.1%	-21.3%	35.9%	18.9%
Burlington	0.5%	0.3%	-33.3%	5.0%	1.8%	-64.3%	29.7%	12.3%
Cambridge	2.9%	0.9%	-69.4%	3.1%	2.6%	-16.7%	34.5%	16.6%
Canton	0.9%	0.5%	-41.9%	4.2%	1.9%	-54.3%	30.6%	19.5%
Carlisle	0.8%	0.6%	-26.8%	4.0%	2.9%	-27.5%	9.6%	19.6%
Carver	1.9%	0.8%	-57.4%	3.0%	4.0%	33.3%	37.6%	18.4%
Chelmsford	1.0%	0.2%	-80.4%	7.0%	1.9%	-73.0%	33.3%	15.0%
Chelsea	4.5%	1.1%	-75.8%	8.0%	1.6%	-80.1%	37.3%	12.8%
Cohasset	1.8%	0.6%	-67.0%	5.7%	4.0%	-29.3%	21.2%	20.3%
Concord	1.9%	0.6%	-68.4%	4.0%	3.2%	-19.6%	27.1%	16.5%
Danvers	0.9%	0.4%	-56.5%	4.3%	2.3%	-46.0%	23.8%	17.6%

Appendix 3

City/Town	1990 Vacancy Rate for Owner-Occupied	2000 Vacancy Rate for Owner-Occupied	% Change in Owner-Occupied Vacancy (90-00)	1990 Vacancy Rate for Rental	2000 Vacancy Rate for Rental	% Change in Rental Vacancy (90-00)	% of All Renters Paying >35% of 1999 Median Household Income for Housing	% of All Homeowners Paying >35% of 1999 Median Household Income for Housing
Dedham	1.0%	0.8%	-20.0%	4.6%	4.6%	-0.9%	26.6%	18.3%
Dighton	1.1%	0.4%	-61.9%	4.5%	4.1%	-8.1%	19.5%	6.8%
Dover	1.6%	0.6%	-61.8%	1.5%	1.1%	-24.7%	17.9%	18.8%
Dracut	0.9%	0.4%	-56.0%	5.9%	2.7%	-54.2%	25.4%	13.6%
Dunstable	1.9%	0.2%	-89.2%	8.5%	6.1%	-28.0%	36.4%	15.7%
Duxbury	2.6%	0.9%	-65.0%	5.2%	4.8%	-8.0%	41.2%	16.5%
East Bridgewater	0.8%	0.2%	-74.4%	3.7%	3.1%	-16.2%	29.3%	17.7%
Easton	1.5%	0.5%	-67.1%	5.6%	1.8%	-67.7%	25.7%	14.3%
Essex	1.5%	1.0%	-32.4%	5.4%	3.2%	-40.9%	19.2%	30.9%
Everett	1.7%	0.5%	-70.9%	5.7%	2.2%	-61.1%	32.6%	16.4%
Foxborough	1.6%	0.3%	-81.5%	5.0%	2.8%	-43.9%	25.6%	14.8%
Framingham	1.1%	0.2%	-82.0%	6.3%	1.7%	-73.0%	30.3%	15.0%
Franklin	1.4%	0.3%	-78.9%	5.2%	2.9%	-44.4%	25.5%	15.7%
Georgetown	0.7%	0.3%	-58.3%	3.3%	3.8%	14.1%	29.4%	15.5%
Gloucester	2.0%	0.8%	-60.4%	6.9%	2.7%	-60.6%	28.7%	21.6%
Groton	2.1%	0.8%	-62.1%	4.0%	1.9%	-52.1%	13.6%	16.2%
Groveland	0.7%	0.4%	-44.4%	4.9%	2.4%	-50.9%	28.5%	14.2%
Halifax	1.1%	0.7%	-34.6%	2.4%	2.0%	-17.7%	40.3%	13.0%
Hamilton	1.2%	0.5%	-58.7%	10.6%	1.4%	-86.8%	27.4%	13.8%
Hanover	1.0%	0.9%	-5.3%	5.3%	1.6%	-69.8%	32.7%	17.8%
Hanson	1.3%	0.2%	-84.7%	4.4%	2.3%	-47.5%	29.6%	16.5%
Harvard	1.1%	0.7%	-38.6%	1.0%	2.8%	180.0%	31.0%	13.9%
Haverhill	1.9%	0.5%	-73.1%	11.8%	3.1%	-73.7%	31.4%	16.2%
Hingham	1.4%	0.4%	-71.6%	6.1%	3.4%	-44.4%	28.6%	18.9%
Holbrook	0.6%	0.3%	-50.8%	4.6%	2.3%	-50.1%	30.1%	18.6%
Holliston	0.9%	0.4%	-57.0%	7.3%	2.8%	-61.8%	23.9%	16.3%
Hopedale	1.0%	0.3%	-68.8%	4.0%	2.4%	-40.0%	20.3%	17.2%
Hopkinton	1.9%	0.5%	-73.1%	5.3%	3.5%	-33.5%	13.1%	17.5%
Hudson	1.6%	0.4%	-75.6%	8.0%	3.1%	-61.0%	21.7%	10.8%
Hull	7.2%	0.8%	-88.8%	11.8%	3.8%	-67.7%	32.7%	25.9%
Ipswich	1.1%	0.9%	-21.1%	8.9%	2.7%	-69.7%	30.8%	20.0%
Kingston	1.3%	1.1%	-16.7%	3.7%	3.6%	-1.9%	27.8%	20.1%
Lakeville	1.7%	0.8%	-53.8%	13.1%	1.6%	-87.8%	34.2%	12.6%
Lancaster	1.4%	0.6%	-58.0%	4.8%	3.2%	-32.6%	17.2%	17.0%

Appendix 3

City/Town	1990 Vacancy Rate for Owner-Occupied	2000 Vacancy Rate for Owner-Occupied	% Change in Owner-Occupied Vacancy (90-00)	1990 Vacancy Rate for Rental	2000 Vacancy Rate for Rental	% Change in Rental Vacancy (90-00)	% of All Renters Paying >35% of 1999 Median Household Income for Housing	% of All Homeowners Paying >35% of 1999 Median Household Income for Housing
Lawrence	1.6%	1.0%	-37.1%	10.3%	3.0%	-70.8%	36.8%	20.6%
Lexington	0.9%	0.4%	-57.0%	5.9%	1.7%	-71.1%	29.5%	16.8%
Lincoln	1.8%	0.7%	-61.3%	1.0%	0.6%	-38.1%	31.5%	16.7%
Littleton	1.5%	0.4%	-73.9%	7.9%	3.1%	-60.6%	29.7%	12.6%
Lowell	1.6%	1.2%	-25.5%	9.7%	3.1%	-68.2%	29.9%	16.5%
Lynn	1.9%	0.7%	-63.9%	11.4%	2.3%	-79.9%	34.2%	18.0%
Lynnfield	1.1%	0.5%	-56.1%	8.4%	2.1%	-74.9%	22.8%	18.2%
Malden	1.1%	0.4%	-64.9%	6.4%	2.1%	-67.3%	30.4%	20.1%
Manchester	1.7%	1.2%	-29.0%	7.0%	1.4%	-80.1%	35.6%	13.4%
Mansfield	1.6%	0.3%	-81.5%	10.1%	2.9%	-71.2%	22.6%	17.7%
Marblehead	1.6%	0.4%	-75.3%	6.6%	2.9%	-55.9%	25.0%	15.5%
Marlborough	2.2%	0.5%	-77.3%	9.1%	2.4%	-73.6%	28.3%	14.4%
Marshfield	1.3%	0.5%	-62.4%	5.8%	4.7%	-19.5%	35.3%	17.7%
Maynard	1.3%	0.4%	-69.5%	5.1%	2.9%	-42.8%	33.2%	14.8%
Medfield	1.1%	0.2%	-81.5%	3.6%	2.1%	-41.0%	30.8%	13.0%
Medford	0.6%	0.5%	-21.9%	4.2%	2.5%	-40.2%	28.9%	18.9%
Medway	1.3%	0.1%	-92.4%	7.8%	3.1%	-60.5%	14.9%	15.8%
Melrose	0.5%	0.4%	-25.9%	5.4%	1.6%	-70.6%	26.0%	14.0%
Mendon	2.7%	0.9%	-67.2%	2.1%	5.4%	160.9%	33.0%	18.6%
Merrimac	1.8%	0.5%	-72.1%	5.1%	3.3%	-35.7%	24.5%	18.5%
Methuen	1.6%	0.3%	-80.9%	8.6%	2.8%	-67.3%	27.9%	16.4%
Middleborough	1.2%	0.5%	-58.3%	7.2%	4.3%	-40.0%	28.0%	15.6%
Middleton	1.3%	0.4%	-68.3%	3.2%	2.7%	-16.1%	12.6%	17.3%
Milford	1.2%	0.4%	-65.8%	6.6%	2.9%	-56.1%	30.7%	15.5%
Millis	1.1%	0.3%	-72.2%	3.5%	2.8%	-20.5%	24.4%	16.0%
Millville	1.9%	0.4%	-78.7%	8.6%	3.2%	-62.9%	22.1%	16.0%
Milton	1.1%	0.4%	-63.0%	2.7%	2.9%	6.2%	30.1%	19.9%
Nahant	1.6%	1.1%	-29.5%	5.2%	2.3%	-56.1%	15.5%	20.1%
Natick	1.5%	0.4%	-72.6%	8.1%	2.6%	-67.7%	22.6%	14.2%
Needham	0.6%	0.3%	-50.0%	3.7%	2.2%	-40.4%	42.9%	14.7%
Newbury	2.0%	0.5%	-75.1%	3.4%	3.0%	-11.5%	46.2%	14.7%
Newburyport	2.5%	0.6%	-76.3%	6.2%	3.9%	-37.5%	22.0%	18.1%
Newton	1.1%	0.5%	-52.8%	3.4%	2.1%	-38.1%	27.1%	15.8%
Norfolk	1.2%	0.3%	-74.4%	0.8%	0.9%	16.9%	21.5%	10.8%

Appendix 3

City/Town	1990 Vacancy Rate for Owner-Occupied	2000 Vacancy Rate for Owner-Occupied	% Change in Owner-Occupied Vacancy (90-00)	1990 Vacancy Rate for Rental	2000 Vacancy Rate for Rental	% Change in Rental Vacancy (90-00)	% of All Renters Paying >35% of 1999 Median Household Income for Housing	% of All Homeowners Paying >35% of 1999 Median Household Income for Housing
North Andover	2.0%	0.4%	-80.0%	5.6%	2.3%	-58.9%	27.0%	15.1%
North Reading	0.8%	0.4%	-46.7%	7.4%	1.3%	-82.5%	21.5%	16.6%
Norton	2.1%	0.4%	-81.0%	3.8%	2.3%	-39.8%	27.4%	14.5%
Norwell	0.5%	0.3%	-44.4%	4.8%	1.5%	-68.9%	16.4%	14.8%
Norwood	1.1%	0.5%	-52.8%	6.3%	2.8%	-55.3%	22.9%	14.8%
Peabody	0.9%	0.3%	-67.7%	6.2%	1.7%	-72.4%	29.1%	14.5%
Pembroke	1.6%	0.3%	-81.4%	3.0%	0.9%	-70.1%	32.3%	17.5%
Pepperell	0.9%	0.3%	-68.1%	7.0%	2.3%	-66.9%	18.5%	10.8%
Plainville	0.8%	0.4%	-51.8%	2.8%	5.8%	104.9%	23.0%	15.6%
Plymouth	3.0%	0.8%	-73.2%	7.5%	3.3%	-55.8%	32.5%	19.3%
Plympton	1.5%	0.4%	-73.7%	3.7%	2.8%	-24.3%	29.2%	17.5%
Quincy	1.5%	0.4%	-72.6%	5.9%	2.7%	-54.5%	26.4%	18.0%
Randolph	1.0%	0.3%	-70.3%	4.7%	2.3%	-51.0%	36.3%	16.9%
Raynham	2.2%	0.4%	-82.1%	8.6%	1.7%	-80.3%	21.1%	13.4%
Reading	0.6%	0.3%	-50.0%	3.5%	3.1%	-11.9%	22.9%	14.3%
Revere	1.8%	0.5%	-72.4%	8.2%	2.3%	-71.9%	35.5%	27.2%
Rockland	1.5%	0.4%	-72.8%	5.6%	1.9%	-65.9%	30.4%	15.6%
Rockport	4.1%	0.5%	-87.9%	6.6%	4.2%	-35.9%	31.9%	20.7%
Rowley	1.3%	0.1%	-92.4%	5.3%	2.4%	-54.4%	30.8%	17.3%
Salem	2.6%	0.9%	-65.1%	9.2%	2.5%	-72.9%	28.7%	19.1%
Salisbury	2.1%	0.8%	-61.4%	7.7%	24.2%	215.1%	25.4%	17.8%
Saugus	1.1%	0.3%	-71.7%	2.7%	1.6%	-41.4%	26.7%	19.3%
Scituate	2.2%	0.7%	-67.4%	4.5%	2.2%	-51.0%	24.6%	17.9%
Sharon	0.8%	0.3%	-63.4%	3.2%	2.8%	-11.4%	21.5%	15.3%
Sherborn	0.9%	0.7%	-22.2%	2.9%	3.7%	26.7%	21.5%	17.4%
Shirley	1.3%	0.6%	-52.4%	3.6%	2.7%	-24.4%	16.5%	16.2%
Somerville	1.2%	0.8%	-35.5%	4.0%	1.6%	-59.7%	29.3%	20.8%
Southborough	2.1%	0.5%	-76.1%	4.6%	2.5%	-45.1%	34.7%	17.2%
Stoneham	1.1%	0.3%	-71.7%	4.9%	2.1%	-57.1%	24.6%	19.0%
Stoughton	0.8%	0.5%	-33.3%	3.6%	2.2%	-38.2%	32.5%	18.7%
Stow	1.1%	0.3%	-73.7%	3.8%	0.7%	-81.5%	23.6%	12.2%
Sudbury	1.4%	0.3%	-78.6%	2.8%	4.3%	53.6%	33.4%	15.9%
Swampscott	1.4%	0.3%	-77.9%	8.2%	2.3%	-72.0%	29.7%	16.1%
Taunton	2.6%	0.6%	-76.9%	8.1%	4.7%	-42.0%	26.8%	13.8%

Appendix 3

City/Town	1990 Vacancy Rate for Owner-Occupied	2000 Vacancy Rate for Owner-Occupied	% Change in Owner-Occupied Vacancy (90-00)	1990 Vacancy Rate for Rental	2000 Vacancy Rate for Rental	% Change in Rental Vacancy (90-00)	% of All Renters Paying >35% of 1999 Median Household Income for Housing	% of All Homeowners Paying >35% of 1999 Median Household Income for Housing
Tewksbury	0.6%	0.4%	-35.5%	4.1%	5.6%	35.9%	32.5%	16.7%
Topsfield	1.6%	0.4%	-75.6%	1.7%	1.7%	-1.2%	17.1%	13.6%
Townsend	1.1%	0.3%	-73.2%	11.7%	3.6%	-69.3%	18.6%	17.9%
Tyngsborough	1.6%	0.4%	-74.5%	4.6%	3.1%	-31.9%	21.6%	17.2%
Upton	1.6%	0.5%	-69.1%	3.3%	3.8%	16.2%	29.9%	12.2%
Wakefield	0.3%	0.4%	21.2%	4.1%	1.8%	-55.6%	19.9%	15.5%
Walpole	0.9%	0.8%	-12.1%	4.9%	2.2%	-55.4%	30.5%	14.5%
Waltham	1.4%	0.3%	-78.3%	4.9%	2.2%	-55.2%	26.0%	19.5%
Wareham	3.4%	1.4%	-58.5%	10.8%	4.5%	-58.2%	32.3%	21.5%
Watertown	2.0%	0.4%	-79.6%	3.1%	1.6%	-47.9%	23.0%	18.4%
Wayland	1.8%	0.5%	-72.4%	6.1%	2.8%	-53.7%	32.7%	19.5%
Wellesley	1.3%	0.8%	-40.3%	4.1%	2.4%	-41.9%	19.6%	16.3%
Wenham	1.4%	0.4%	-72.0%	4.7%	2.6%	-44.9%	27.7%	16.1%
West Bridgewater	0.8%	1.2%	44.6%	2.8%	2.8%	0.0%	18.3%	18.4%
West Newbury	0.9%	0.5%	-41.9%	2.1%	5.8%	178.8%	22.9%	15.9%
Westford	1.3%	0.2%	-84.7%	2.5%	2.3%	-9.1%	22.9%	12.8%
Weston	2.1%	0.5%	-76.4%	1.8%	1.7%	-4.0%	35.5%	17.9%
Westwood	0.8%	0.5%	-37.5%	2.0%	2.6%	32.0%	35.9%	16.5%
Weymouth	1.3%	0.4%	-69.0%	7.1%	2.1%	-70.2%	28.3%	17.0%
Whitman	1.0%	0.2%	-80.0%	6.7%	2.6%	-61.2%	28.7%	18.8%
Wilmington	0.8%	0.2%	-74.0%	4.3%	5.7%	34.1%	25.8%	16.4%
Winchester	1.1%	0.6%	-46.4%	5.8%	2.5%	-56.8%	27.6%	17.0%
Winthrop	1.5%	0.4%	-73.5%	7.4%	2.0%	-72.9%	25.6%	15.9%
Woburn	1.4%	0.4%	-70.4%	5.8%	2.2%	-61.7%	27.6%	16.8%
Wrentham	2.1%	0.6%	-71.4%	4.9%	2.6%	-47.2%	28.4%	12.1%

Source: U.S. Census Bureau, 1990 and 2000

Appendix 4

City/Town	Median Household Income (Estimated 2001) ¹	Median Single-Family Home Price (1998) ²	Median Single-Family Home Price (2001) ²	Percentage Change in Single-Family Home Price (1998-2001)	Maximum Home Price a Median Household Can Support (33% of 2001 HH Income)	Affordability Gap (Max 2001 Mortgage - 2001 Median Home Price)	Gap/Amt HH Can Pay
Abington	\$62,953	\$140,000	\$213,750	52.7%	\$223,482	\$9,732	4.4%
Acton	\$101,015	\$290,000	\$420,000	44.8%	\$351,729	-\$68,271	-19.4%
Amesbury	\$57,226	\$156,500	\$242,750	55.1%	\$197,410	-\$45,340	-23.0%
Andover	\$96,671	\$290,000	\$417,250	43.9%	\$339,904	-\$77,346	-22.8%
Arlington	\$70,939	\$249,950	\$372,500	49.0%	\$243,010	-\$129,490	-53.3%
Ashland	\$75,402	\$207,800	\$285,950	37.6%	\$268,596	-\$17,354	-6.5%
Avon	\$55,461	\$126,000	\$211,500	67.9%	\$206,250	-\$5,250	-2.5%
Ayer	\$51,397	\$149,500	\$217,000	45.2%	\$191,477	-\$25,523	-13.3%
Bedford	\$96,978	\$262,500	\$395,000	50.5%	\$353,261	-\$41,739	-11.8%
Bellingham	\$71,107	\$138,000	\$209,900	52.1%	\$268,885	\$58,985	21.9%
Belmont	\$88,525	\$368,000	\$572,500	55.6%	\$295,793	-\$276,707	-93.5%
Berkley	\$73,090	\$122,423	\$203,113	65.9%	\$279,849	\$76,736	27.4%
Berlin	\$72,398	\$177,500	\$322,000	81.4%	\$263,995	-\$58,005	-22.0%
Beverly	\$59,517	\$189,900	\$283,000	49.0%	\$201,635	-\$81,365	-40.4%
Billerica	\$74,748	\$164,900	\$248,700	50.8%	\$279,800	\$31,100	11.1%
Blackstone	\$60,817	\$132,700	\$191,000	43.9%	\$225,508	\$34,508	15.3%
Bolton	\$113,335	\$258,000	\$447,000	73.3%	\$410,541	-\$36,459	-8.9%
Boston	\$43,691	\$162,500	\$263,900	62.4%	\$155,338	-\$108,562	-69.9%
Boxborough	\$96,599	\$314,250	\$495,000	57.5%	\$332,714	-\$162,286	-48.8%
Boxford	\$124,816	\$339,000	\$480,000	41.6%	\$455,163	-\$24,837	-5.5%
Braintree	\$68,123	\$172,250	\$260,000	50.9%	\$255,655	-\$4,345	-1.7%
Bridgewater	\$72,013	\$163,000	\$250,000	53.4%	\$275,004	\$25,004	9.1%
Brockton	\$43,556	\$97,000	\$164,000	69.1%	\$155,935	-\$8,065	-5.2%
Brookline	\$73,549	\$540,000	\$725,000	34.3%	\$276,883	-\$448,117	-161.8%
Burlington	\$82,952	\$207,000	\$310,000	49.8%	\$315,018	\$5,018	1.6%
Cambridge	\$52,897	\$355,750	\$506,750	42.4%	\$149,846	-\$356,904	-238.2%
Canton	\$76,359	\$224,900	\$320,000	42.3%	\$274,213	-\$45,787	-16.7%
Carlisle	\$143,117	\$426,000	\$695,000	63.1%	\$505,063	-\$189,937	-37.6%
Carver	\$58,990	\$133,500	\$207,375	55.3%	\$214,002	\$6,627	3.1%
Chelmsford	\$77,403	\$190,986	\$270,000	41.4%	\$277,497	\$7,497	2.7%
Chelsea	\$33,253	\$86,625	\$198,700	129.4%	\$116,146	-\$82,554	-71.1%
Cohasset	\$92,782	\$364,950	\$630,000	72.6%	\$313,083	-\$316,917	-101.2%
Concord	\$105,726	\$406,000	\$594,500	46.4%	\$364,628	-\$229,872	-63.0%

Appendix 4

City/Town	Median Household Income (Estimated 2001) ¹	Median Single-Family Home Price (1998) ²	Median Single-Family Home Price (2001) ²	Percentage Change in Single-Family Home Price (1998-2001)	Maximum Home Price a Median Household Can Support (33% of 2001 HH Income)	Affordability Gap (Max 2001 Mortgage - 2001 Median Home Price)	Gap/Amt HH Can Pay
Danvers	\$64,804	\$196,750	\$285,000	44.9%	\$229,036	-\$55,964	-24.4%
Dedham	\$68,023	\$180,000	\$266,000	47.8%	\$245,195	-\$20,805	-8.5%
Dighton	\$64,607	\$130,000	\$185,750	42.9%	\$242,910	\$57,160	23.5%
Dover	\$156,354	\$501,500	\$710,000	41.6%	\$571,402	-\$138,598	-24.3%
Dracut	\$63,588	\$138,000	\$212,250	53.8%	\$233,487	\$21,237	9.1%
Dunstable	\$95,513	\$228,400	\$365,000	59.8%	\$354,906	-\$10,094	-2.8%
Duxbury	\$107,079	\$275,000	\$439,000	59.6%	\$384,026	-\$54,974	-14.3%
East Bridgewater	\$66,493	\$153,000	\$222,000	45.1%	\$241,969	\$19,969	8.3%
Easton	\$76,231	\$198,950	\$282,000	41.7%	\$272,969	-\$9,031	-3.3%
Essex	\$65,658	\$190,000	\$273,500	43.9%	\$231,186	-\$42,314	-18.3%
Everett	\$44,829	\$130,000	\$225,000	73.1%	\$166,135	-\$58,865	-35.4%
Foxborough	\$70,916	\$189,000	\$263,000	39.2%	\$254,715	-\$8,285	-3.3%
Framingham	\$59,853	\$180,000	\$282,900	57.2%	\$205,649	-\$77,251	-37.6%
Franklin	\$78,469	\$187,200	\$312,750	67.1%	\$288,593	-\$24,157	-8.4%
Georgetown	\$84,077	\$210,000	\$319,000	51.9%	\$310,513	-\$8,487	-2.7%
Gloucester	\$52,614	\$160,500	\$249,000	55.1%	\$176,260	-\$72,740	-41.3%
Groton	\$91,363	\$229,000	\$324,900	41.9%	\$328,326	\$3,426	1.0%
Groveland	\$76,257	\$169,900	\$290,300	70.9%	\$282,548	-\$7,752	-2.7%
Halifax	\$62,859	\$116,900	\$162,500	39.0%	\$230,024	\$67,524	29.4%
Hamilton	\$79,380	\$260,000	\$330,000	26.9%	\$272,650	-\$57,350	-21.0%
Hanover	\$81,406	\$210,000	\$295,000	40.5%	\$287,047	-\$7,953	-2.8%
Hanson	\$69,112	\$149,500	\$199,900	33.7%	\$252,600	\$52,700	20.9%
Harvard	\$118,997	\$330,000	\$525,000	59.1%	\$437,956	-\$87,044	-19.9%
Haverhill	\$54,941	\$138,950	\$214,000	54.0%	\$197,216	-\$16,784	-8.5%
Hingham	\$91,527	\$292,500	\$392,500	34.2%	\$320,366	-\$72,134	-22.5%
Holbrook	\$59,997	\$128,400	\$190,000	48.0%	\$219,368	\$29,368	13.4%
Holliston	\$86,096	\$208,750	\$315,000	50.9%	\$305,950	-\$9,050	-3.0%
Hopedale	\$66,344	\$177,500	\$242,450	36.6%	\$237,104	-\$5,346	-2.3%
Hopkinton	\$98,432	\$260,000	\$350,000	34.6%	\$353,861	\$3,861	1.1%
Hudson	\$64,550	\$164,000	\$249,400	52.1%	\$237,540	-\$11,860	-5.0%
Hull	\$57,746	\$135,000	\$236,000	74.8%	\$201,806	-\$34,194	-16.9%
Ipswich	\$63,156	\$235,000	\$325,000	38.3%	\$218,335	-\$106,665	-48.9%
Kingston	\$59,292	\$169,900	\$249,000	46.6%	\$209,927	-\$39,073	-18.6%

Appendix 4

City/Town	Median Household Income (Estimated 2001) ¹	Median Single-Family Home Price (1998) ²	Median Single-Family Home Price (2001) ²	Percentage Change in Single-Family Home Price (1998-2001)	Maximum Home Price a Median Household Can Support (33% of 2001 HH Income)	Affordability Gap (Max 2001 Mortgage - 2001 Median Home Price)	Gap/Amt HH Can Pay
Lakeville	\$77,721	\$154,000	\$199,250	29.4%	\$298,795	\$99,545	33.3%
Lancaster	\$66,979	\$136,700	\$200,000	46.3%	\$247,300	\$47,300	19.1%
Lawrence	\$30,851	\$90,500	\$149,900	65.6%	\$106,195	-\$43,705	-41.2%
Lexington	\$106,750	\$369,000	\$499,500	35.4%	\$381,315	-\$118,185	-31.0%
Lincoln	\$87,101	\$537,500	\$861,805	60.3%	\$262,651	-\$599,154	-228.1%
Littleton	\$78,701	\$194,500	\$282,000	45.0%	\$289,085	\$7,085	2.5%
Lowell	\$43,209	\$110,000	\$168,500	53.2%	\$151,831	-\$16,669	-11.0%
Lynn	\$41,194	\$115,700	\$177,000	53.0%	\$140,706	-\$36,294	-25.8%
Lynnfield	\$88,890	\$286,500	\$375,000	30.9%	\$318,712	-\$56,288	-17.7%
Malden	\$50,334	\$150,000	\$239,950	60.0%	\$178,355	-\$61,595	-34.5%
Manchester	\$80,997	\$340,000	\$528,500	55.4%	\$262,226	-\$266,274	-101.5%
Mansfield	\$73,785	\$195,000	\$282,900	45.1%	\$261,930	-\$20,970	-8.0%
Marblehead	\$81,550	\$289,500	\$399,000	37.8%	\$286,040	-\$112,960	-39.5%
Marlborough	\$62,709	\$172,500	\$257,250	49.1%	\$226,895	-\$30,355	-13.4%
Marshfield	\$73,325	\$169,000	\$258,500	53.0%	\$268,859	\$10,359	3.9%
Maynard	\$67,045	\$176,000	\$251,250	42.8%	\$238,824	-\$12,426	-5.2%
Medfield	\$107,767	\$319,000	\$398,950	25.1%	\$385,217	-\$13,733	-3.6%
Medford	\$57,855	\$190,000	\$279,900	47.3%	\$203,892	-\$76,008	-37.3%
Medway	\$82,836	\$222,600	\$310,000	39.3%	\$299,347	-\$10,653	-3.6%
Melrose	\$69,249	\$216,000	\$328,175	51.9%	\$243,205	-\$84,970	-34.9%
Mendon	\$78,458	\$195,500	\$310,000	58.6%	\$290,646	-\$19,354	-6.7%
Merrimac	\$64,708	\$184,000	\$234,900	27.7%	\$235,466	\$566	0.2%
Methuen	\$54,714	\$138,000	\$202,000	46.4%	\$196,986	-\$5,014	-2.5%
Middleborough	\$58,162	\$135,000	\$199,900	48.1%	\$211,195	\$11,295	5.3%
Middleton	\$89,738	\$256,000	\$342,000	33.6%	\$327,938	-\$14,062	-4.3%
Milford	\$56,069	\$153,700	\$241,000	56.8%	\$198,780	-\$42,220	-21.2%
Millis	\$69,244	\$185,750	\$270,000	45.4%	\$245,000	-\$25,000	-10.2%
Millville	\$62,843	\$134,900	\$173,700	28.8%	\$232,041	\$58,341	25.1%
Milton	\$87,081	\$237,000	\$330,000	39.2%	\$308,496	-\$21,504	-7.0%
Nahant	\$70,617	\$222,000	\$300,000	35.1%	\$248,422	-\$51,578	-20.8%
Natick	\$76,905	\$215,500	\$310,000	48.5%	\$275,789	-\$34,211	-12.4%
Needham	\$97,107	\$320,000	\$468,900	46.5%	\$348,532	-\$120,368	-34.5%
Newbury	\$82,507	\$227,500	\$300,000	31.9%	\$305,379	\$5,379	1.8%

Appendix 4

City/Town	Median Household Income (Estimated 2001) ¹	Median Single-Family Home Price (1998) ²	Median Single-Family Home Price (2001) ²	Percentage Change in Single-Family Home Price (1998-2001)	Maximum Home Price a Median Household Can Support (33% of 2001 HH Income)	Affordability Gap (Max 2001 Mortgage - 2001 Median Home Price)	Gap/Amt HH Can Pay
Newburyport	\$64,559	\$205,000	\$328,500	60.2%	\$225,685	-\$102,815	-45.6%
Newton	\$94,872	\$397,000	\$570,000	43.6%	\$323,091	-\$246,909	-76.4%
Norfolk	\$94,984	\$258,000	\$361,200	40.0%	\$346,091	-\$15,109	-4.4%
North Andover	\$80,183	\$280,950	\$384,500	36.9%	\$281,826	-\$102,674	-36.4%
North Reading	\$84,851	\$207,000	\$300,000	44.9%	\$303,952	\$3,952	1.3%
Norton	\$71,462	\$148,850	\$235,000	57.9%	\$266,198	\$31,198	11.7%
Norwell	\$96,355	\$242,250	\$389,900	60.9%	\$341,093	-\$48,807	-14.3%
Norwood	\$64,409	\$185,000	\$265,000	43.2%	\$235,523	-\$29,477	-12.5%
Peabody	\$60,449	\$186,000	\$265,750	42.9%	\$225,809	-\$39,941	-17.7%
Pembroke	\$71,718	\$158,500	\$241,486	52.4%	\$264,680	\$23,194	8.8%
Pepperell	\$71,841	\$162,500	\$269,400	65.8%	\$266,687	-\$2,713	-1.0%
Plainville	\$63,013	\$174,000	\$236,000	35.6%	\$227,361	-\$8,639	-3.8%
Plymouth	\$60,281	\$130,000	\$209,900	61.5%	\$217,318	\$7,418	3.4%
Plympton	\$77,225	\$178,000	\$279,250	56.9%	\$281,658	\$2,408	0.9%
Quincy	\$51,951	\$158,000	\$250,000	58.2%	\$183,408	-\$66,592	-36.3%
Randolph	\$60,919	\$135,800	\$215,500	58.7%	\$223,159	\$7,659	3.4%
Raynham	\$66,645	\$150,000	\$211,537	41.0%	\$245,928	\$34,391	14.0%
Reading	\$84,958	\$233,000	\$315,000	35.2%	\$304,263	-\$10,737	-3.5%
Revere	\$40,866	\$130,000	\$210,000	61.5%	\$139,156	-\$70,844	-50.9%
Rockland	\$55,801	\$132,800	\$174,500	50.6%	\$199,159	\$24,659	12.4%
Rockport	\$55,854	\$219,000	\$314,900	43.8%	\$184,175	-\$130,725	-71.0%
Rowley	\$68,498	\$227,000	\$294,950	29.9%	\$243,823	-\$51,127	-21.0%
Salem	\$48,546	\$153,700	\$228,500	48.7%	\$168,565	-\$59,935	-35.6%
Salisbury	\$54,364	\$122,250	\$180,000	47.2%	\$199,542	\$19,542	9.8%
Saugus	\$60,969	\$167,000	\$255,000	52.7%	\$225,203	-\$29,797	-13.2%
Scituate	\$78,132	\$217,900	\$330,000	51.4%	\$280,972	-\$49,028	-17.4%
Sharon	\$98,405	\$229,500	\$340,000	48.1%	\$351,223	\$11,223	3.2%
Sherborn	\$134,167	\$445,000	\$600,000	34.8%	\$468,676	-\$131,324	-28.0%
Shirley	\$58,812	\$122,000	\$211,500	73.4%	\$216,486	\$4,986	2.3%
Somerville	\$51,062	\$168,000	\$280,000	66.7%	\$185,798	-\$94,202	-50.7%
Southborough	\$113,542	\$274,500	\$389,900	42.0%	\$419,264	\$29,364	7.0%
Stoneham	\$62,407	\$200,000	\$305,000	52.5%	\$216,427	-\$88,573	-40.9%
Stoughton	\$63,766	\$150,000	\$237,000	58.0%	\$230,554	-\$6,446	-2.8%

Appendix 4

City/Town	Median Household Income (Estimated 2001) ¹	Median Single-Family Home Price (1998) ²	Median Single-Family Home Price (2001) ²	Percentage Change in Single-Family Home Price (1998-2001)	Maximum Home Price a Median Household Can Support (33% of 2001 HH Income)	Affordability Gap (Max 2001 Mortgage - 2001 Median Home Price)	Gap/Amt HH Can Pay
Stow	\$106,160	\$228,250	\$335,750	47.1%	\$383,138	\$47,388	12.4%
Sudbury	\$130,733	\$364,450	\$537,250	47.4%	\$466,014	-\$71,236	-15.3%
Swampscott	\$78,376	\$235,000	\$324,000	37.9%	\$267,895	-\$56,105	-20.9%
Taunton	\$47,333	\$117,000	\$178,250	52.4%	\$174,177	-\$4,073	-2.3%
Tewksbury	\$75,852	\$177,000	\$256,500	44.9%	\$282,798	\$26,298	9.3%
Topsfield	\$106,314	\$325,000	\$411,000	26.5%	\$382,663	-\$28,337	-7.4%
Townsend	\$68,074	\$144,000	\$209,900	45.8%	\$251,669	\$41,769	16.6%
Tyngsborough	\$76,974	\$185,175	\$250,000	35.0%	\$278,962	\$28,962	10.4%
Upton	\$86,651	\$204,000	\$316,200	55.0%	\$328,070	\$11,870	3.6%
Wakefield	\$72,894	\$219,900	\$300,000	36.4%	\$264,555	-\$35,445	-13.4%
Walpole	\$82,420	\$217,450	\$294,000	35.2%	\$301,644	\$7,644	2.5%
Waltham	\$59,546	\$202,000	\$319,000	57.9%	\$212,650	-\$106,350	-50.0%
Wareham	\$44,565	\$91,000	\$145,000	59.3%	\$164,152	\$19,152	11.7%
Watertown	\$65,890	\$230,600	\$350,000	51.8%	\$232,509	-\$117,491	-50.5%
Wayland	\$111,392	\$332,250	\$461,563	38.9%	\$385,208	-\$76,355	-19.8%
Wellesley	\$125,339	\$469,000	\$695,000	48.2%	\$454,785	-\$240,215	-52.8%
Wenham	\$99,803	\$302,500	\$533,000	76.2%	\$351,970	-\$181,030	-51.4%
West Bridgewater	\$61,694	\$147,175	\$216,145	46.9%	\$226,087	\$9,942	4.4%
West Newbury	\$102,343	\$272,450	\$392,450	44.0%	\$376,346	-\$16,104	-4.3%
Westford	\$108,345	\$229,900	\$330,500	43.8%	\$399,550	\$69,050	17.3%
Weston	\$169,695	\$576,500	\$968,000	67.9%	\$604,009	-\$363,991	-60.3%
Westwood	\$96,352	\$280,000	\$410,000	46.4%	\$340,478	-\$69,522	-20.4%
Weymouth	\$56,961	\$148,750	\$228,500	53.6%	\$205,505	-\$22,995	-11.2%
Whitman	\$60,972	\$130,950	\$202,100	54.3%	\$219,568	\$17,468	8.0%
Wilmington	\$77,894	\$186,000	\$274,500	47.6%	\$291,781	\$17,281	5.9%
Winchester	\$103,689	\$365,000	\$520,000	42.5%	\$362,166	-\$157,834	-43.6%
Winthrop	\$58,567	\$174,900	\$261,000	49.2%	\$211,778	-\$49,222	-23.2%
Woburn	\$60,524	\$180,000	\$268,500	49.2%	\$225,664	-\$42,836	-19.0%
Wrentham	\$86,042	\$184,950	\$284,700	53.9%	\$315,591	\$30,891	9.8%

Source: U.S. Census Bureau and Banker and Tradesman

Notes:

¹ The 2001 median household income was estimated by increasing the 1999 median household income by 10.5%.

² Boston and Berkley used sales data for all home sales rather than single-family home sales.

Appendix 5

City/Town	2002 Percent Subsidized	Estimated % of Subsidized Units Using Comp Permit*	Gained Affordable Units Since 1997	Passed CPA	EO 418 Certified in Yr 1 or 2	Reported Gain in Affordable** Rentals under EO418	Reported Gain in Affordable** Homeownership under EO418
Abington	4.7%	35.7%	+		Y		
Acton	2.1%	65.2%	+			+	+
Amesbury	6.8%	32.1%	+		Y	+	+
Andover	8.5%	51.2%	+		Y		
Arlington	4.6%	0.0%	+		Y		
Ashland	3.7%	5.7%		Y	Y		
Avon	4.0%	0.0%					
Ayer	3.8%	0.0%	+	Y	Y		+
Bedford	4.5%	67.1%		Y	Y		+
Bellingham	4.2%	7.5%	-		Y		+
Belmont	2.6%	4.9%	-		Y		
Berkley	0.2%	0.0%	+				
Berlin	4.5%	0.0%	-				
Beverly	10.3%	31.2%	+		Y		+
Billerica	1.7%	21.7%	+		Y		
Blackstone	1.7%	0.0%	-				
Bolton	1.0%	100.0%			Y		+
Boston	19.6%	0.0%	+		Y	+	+
Boxborough	0.6%	100.0%	+		Y		+
Boxford	0.6%	100.0%		Y			
Braintree	8.0%	15.2%	+	Y	Y	+	+
Bridgewater	2.7%	24.1%	+				
Brockton	12.2%	0.0%	+		Y	+	+
Brookline	7.6%	0.0%	+		Y	+	+
Burlington	7.4%	99.7%					
Cambridge	15.6%	4.5%	+	Y	Y	+	+
Canton	7.9%	11.3%			Y	+	
Carlisle	1.1%	0.0%		Y			
Carver	1.9%	89.5%			Y		+
Chelmsford	3.7%	44.7%	+	Y	Y		
Chelsea	17.0%	25.9%	+		Y		+
Cohasset	2.8%	0.0%		Y	Y		
Concord	2.9%	34.5%	+		Y	+	+
Danvers	4.4%	0.0%	+				
Dedham	5.0%	0.0%	+				
Dighton	3.8%	15.3%					
Dover	0.7%	0.0%	-				
Dracut	2.6%	19.0%	-	Y			
Dunstable	0.0%	0.0%					
Duxbury	3.4%	0.0%		Y	Y		
East Bridgewater	3.3%	2.0%					
Easton	2.9%	11.9%	+	Y			
Essex	2.9%	0.0%			Y		

Appendix 5

City/Town	2002 Percent Subsidized	Estimated % of Subsidized Units Using Comp Permit*	Gained Affordable Units Since 1997	Passed CPA	EO 418 Certified in Yr 1 or 2	Reported Gain in Affordable** Rentals under EO418	Reported Gain in Affordable** Homeownership under EO418
Everett	8.2%	0.0%	+		Y	+	+
Foxborough	3.5%	0.0%					
Framingham	10.2%	21.7%	+		Y		+
Franklin	5.4%	5.1%	+		Y	+	+
Georgetown	6.1%	6.3%	+	Y	Y		
Gloucester	6.4%	31.1%	+		Y		+
Groton	2.8%	97.9%	+		Y		+
Groveland	2.8%	0.0%	-				
Halifax	1.0%	85.7%					
Hamilton	2.5%	20.7%					
Hanover	6.2%	0.0%	+				
Hanson	3.6%	17.7%	+				
Harvard	1.5%	97.0%		Y			
Haverhill	8.3%	16.3%	+		Y	+	+
Hingham	2.4%	62.8%	+	Y	Y		
Holbrook	9.5%	78.6%					
Holliston	3.1%	49.0%	+	Y			
Hopedale	3.5%	0.0%					
Hopkinton	2.7%	20.0%	+	Y	Y		+
Hudson	6.7%	75.6%	-		Y		+
Hull	3.2%	0.0%	+		Y	+	
Ipswich	6.5%	14.9%	+		Y		+
Kingston	3.2%	85.5%	-				
Lakeville	0.2%	0.0%	+		Y		+
Lancaster	3.5%	0.0%	+				
Lawrence	15.0%	7.3%	-		Y	+	+
Lexington	7.1%	50.5%	+				
Lincoln	8.4%	0.0%			Y		
Littleton	8.0%	73.3%					+
Lowell	13.5%	0.0%	+		Y	+	+
Lynn	12.7%	0.0%	+		Y		+
Lynnfield	1.8%	7.7%			Y		
Malden	12.2%	0.0%	+		Y	+	+
Manchester	3.8%	0.0%			Y		
Mansfield	7.1%	45.6%			Y		
Marblehead	3.6%	0.0%					
Marlborough	7.9%	0.0%	+		Y	+	+
Marshfield	4.0%	10.8%		Y	Y		+
Maynard	7.5%	0.0%	+		Y		+
Medfield	4.6%	64.3%	+		Y		
Medford	7.0%	0.0%	+		Y	+	+
Medway	4.9%	57.5%		Y			
Melrose	6.9%	43.1%	-		Y		+

Appendix 5

City/Town	2002 Percent Subsidized	Estimated % of Subsidized Units Using Comp Permit*	Gained Affordable Units Since 1997	Passed CPA	EO 418 Certified in Yr 1 or 2	Reported Gain in Affordable** Rentals under EO418	Reported Gain in Affordable** Homeownership under EO418
Mendon	1.6%	0.0%					
Merrimac	3.3%	63.2%					
Methuen	6.3%	5.2%	+		Y		
Middleborough	4.1%	1.7%	+		Y	+	+
Middleton	3.3%	0.0%	-				
Milford	6.3%	0.0%	-		Y		+
Millis	3.3%	17.0%					
Millville	1.9%	0.0%			Y		+
Milton	4.0%	0.0%	+				
Nahant	2.9%	0.0%					
Natick	5.1%	66.6%	+				
Needham	3.7%	24.3%	+		Y		
Newbury	3.6%	0.0%					
Newburyport	8.6%	0.0%	+		Y		+
Newton	4.9%	14.2%	+	Y	Y		+
Norfolk	2.9%	23.8%		Y	Y		+
North Andover	5.3%	92.3%		Y	Y		+
North Reading	1.1%	5.5%	+		Y		+
Norton	5.4%	4.3%	+				
Norwell	2.9%	83.5%		Y			
Norwood	5.4%	0.0%	-		Y	+	+
Peabody	7.6%	23.1%	+	Y	Y		
Pembroke	3.8%	20.1%	+				
Pepperell	3.0%	6.0%					
Plainville	4.1%	100.0%	+				
Plymouth	3.9%	0.0%	+	Y	Y		
Plympton	4.6%	0.0%	+				
Quincy	8.6%	0.0%	+		Y		
Randolph	5.7%	26.2%			Y		+
Raynham	4.7%	52.3%	+		Y	+	+
Reading	4.6%	59.9%	+		Y		
Revere	10.1%	0.0%	+		Y	+	+
Rockland	6.1%	61.3%	-		Y		
Rockport	4.5%	100.0%	+	Y	Y		+
Rowley	3.9%	46.2%		Y			
Salem	12.5%	0.0%	+		Y		
Salisbury	3.2%	0.0%			Y	+	+
Saugus	6.2%	1.5%	+				+
Scituate	4.3%	30.2%	+	Y	Y	+	+
Sharon	3.4%	60.9%	-		Y		
Sherborn	2.3%	0.0%	+		Y		+
Shirley	2.7%	0.0%	+				+

Appendix 5

City/Town	2002 Percent Subsidized	Estimated % of Subsidized Units Using Comp Permit*	Gained Affordable Units Since 1997	Passed CPA	EO 418 Certified in Yr 1 or 2	Reported Gain in Affordable** Rentals under EO418	Reported Gain in Affordable** Homeownership under EO418
Somerville	8.7%	4.6%	+		Y		
Southborough	2.3%	0.0%	+				
Stoneham	5.4%	0.0%	+		Y		+
Stoughton	7.0%	20.0%	+				+
Stow	5.6%	100.0%		Y	Y		
Sudbury	3.8%	61.7%	+	Y	Y		+
Swampscott	3.2%	0.0%	+				
Taunton	6.3%	5.9%	-			+	+
Tewksbury	4.0%	55.8%	+				
Topsfield	4.8%	39.6%	+				
Townsend	1.6%	100.0%			Y		
Tyngsborough	3.1%	50.0%	+	Y			
Upton	7.8%	0.0%					
Wakefield	4.4%	2.2%	+		Y		+
Walpole	1.7%	73.0%			Y		
Waltham	5.2%	38.1%	+		Y	+	+
Wareham	5.5%	6.4%	+	Y		+	+
Watertown	5.5%	0.0%	+		Y		
Wayland	3.2%	18.1%	+	Y	Y		+
Wellesley	4.6%	59.0%	+				
Wenham	7.0%	91.3%					
West Bridgewater	1.9%	0.0%				+	+
West Newbury	1.8%	100.0%					
Westford	1.9%	68.2%	+	Y	Y		
Weston	3.3%	9.5%	+	Y			
Westwood	7.3%	98.9%	+		Y		+
Weymouth	6.9%	50.7%	-		Y		
Whitman	4.1%	0.0%	+				
Wilmington	6.9%	80.4%	+		Y	+	+
Winchester	1.8%	0.7%	+		Y		
Winthrop	7.4%	0.0%					
Woburn	5.7%	36.3%	+		Y		+
Wrentham	4.0%	61.6%			Y		+

* Estimated percent of all subsidized housing inventory (40B list) units built under comprehensive permits since enactment of MGL Chapter 40B in 1969

** Under Executive Order #418 housing is considered affordable if it is priced so that a household earning 150% of the area median income could buy/rent a unit, spending no more than 30% of income for housing.

DHCD estimates the maximum affordable rent/prices (assessed valuation) each year.

For FY2002, the maximum monthly rent/purchase price ranged from:

	Purchase Price	Rent
Boston MSA	\$373,000	\$1,750
Brockton MSA	\$321,000	\$1,522
Lawrence MSA	\$338,000	\$1,603

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City/Town	2002 Percent Subsidized	Estimated % of Subsidized Units Using Comp Permit*	Gained Affordable Units Since 1997	Passed CPA	EO 418 Certified in Yr 1 or 2	Reported Gain in Affordable** Rentals under EO418	Reported Gain in Affordable** Homeowner ship under EO418
Lowell MSA	\$374,000				\$1,755		

Source: DHCD April 2002 Subsidized Housing Inventory and reported changes 1997-2002

Details on percent of units using comprehensive permit from municipalities

Executive Order #418 Certified Communities, Fiscal Years 2001, 2002

CPA Implementation Status, Trust for Public Land