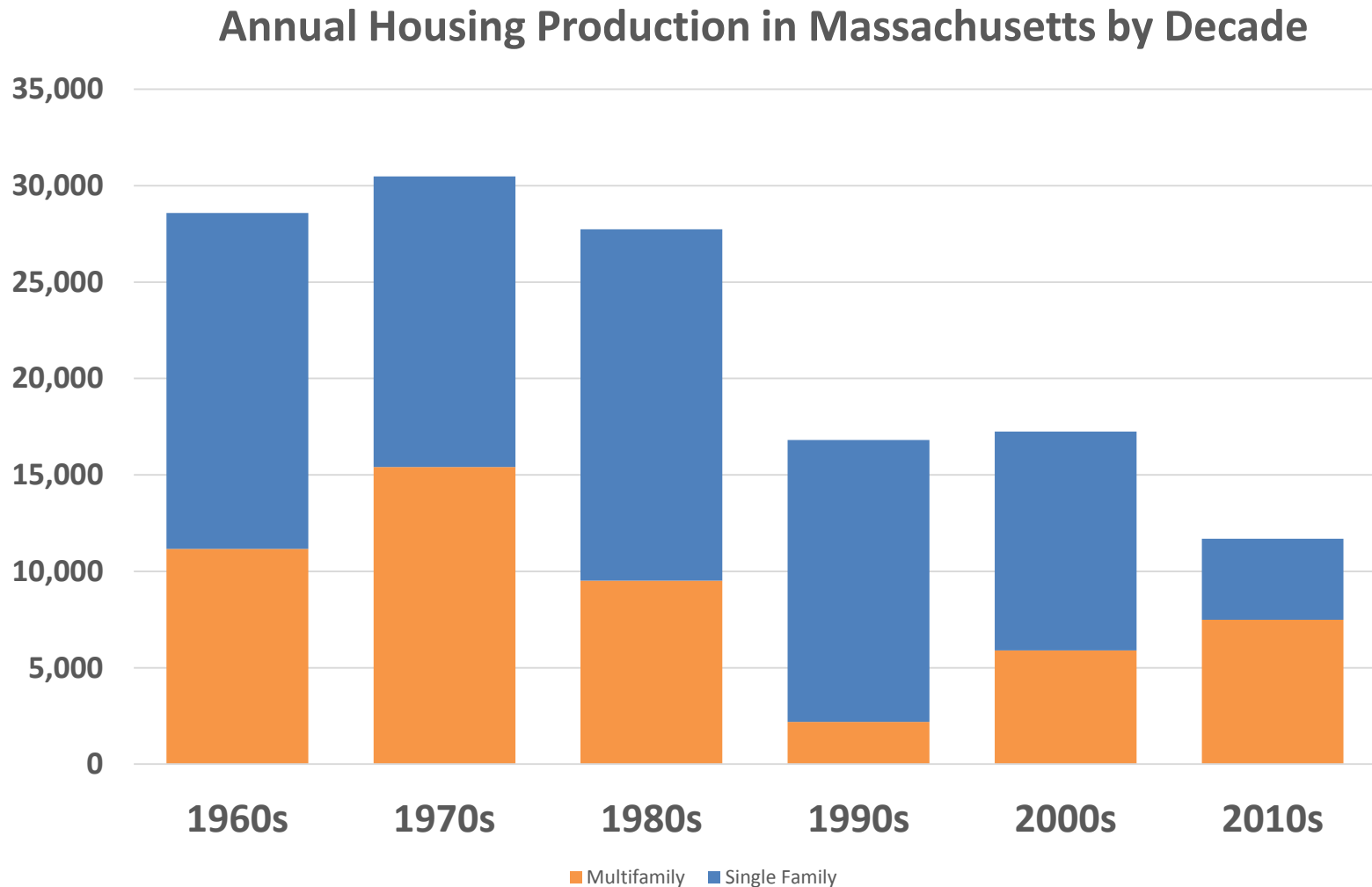


Housing Supply in the Commonwealth



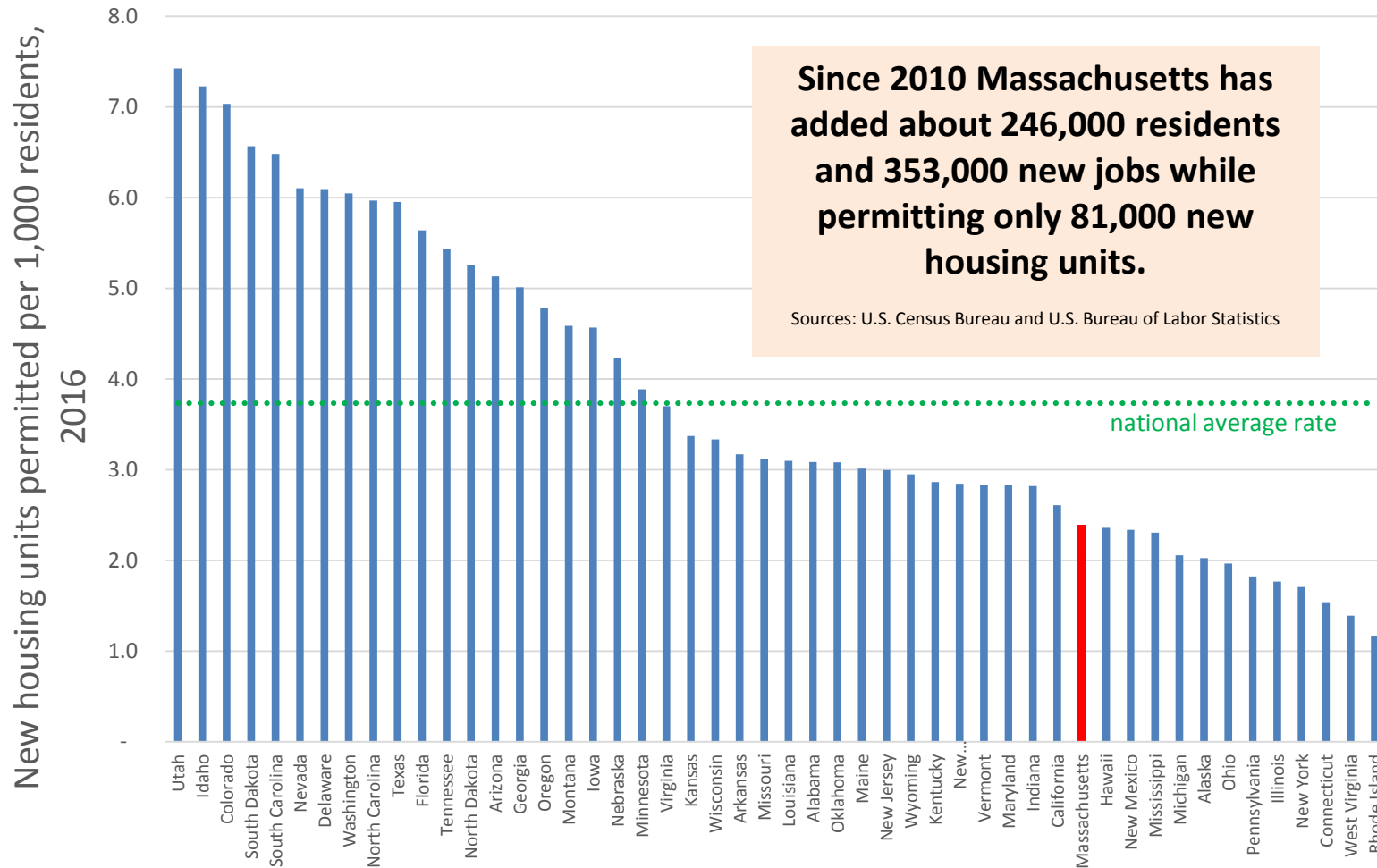
Housing production has sharply declined in Massachusetts despite increases in population and employment



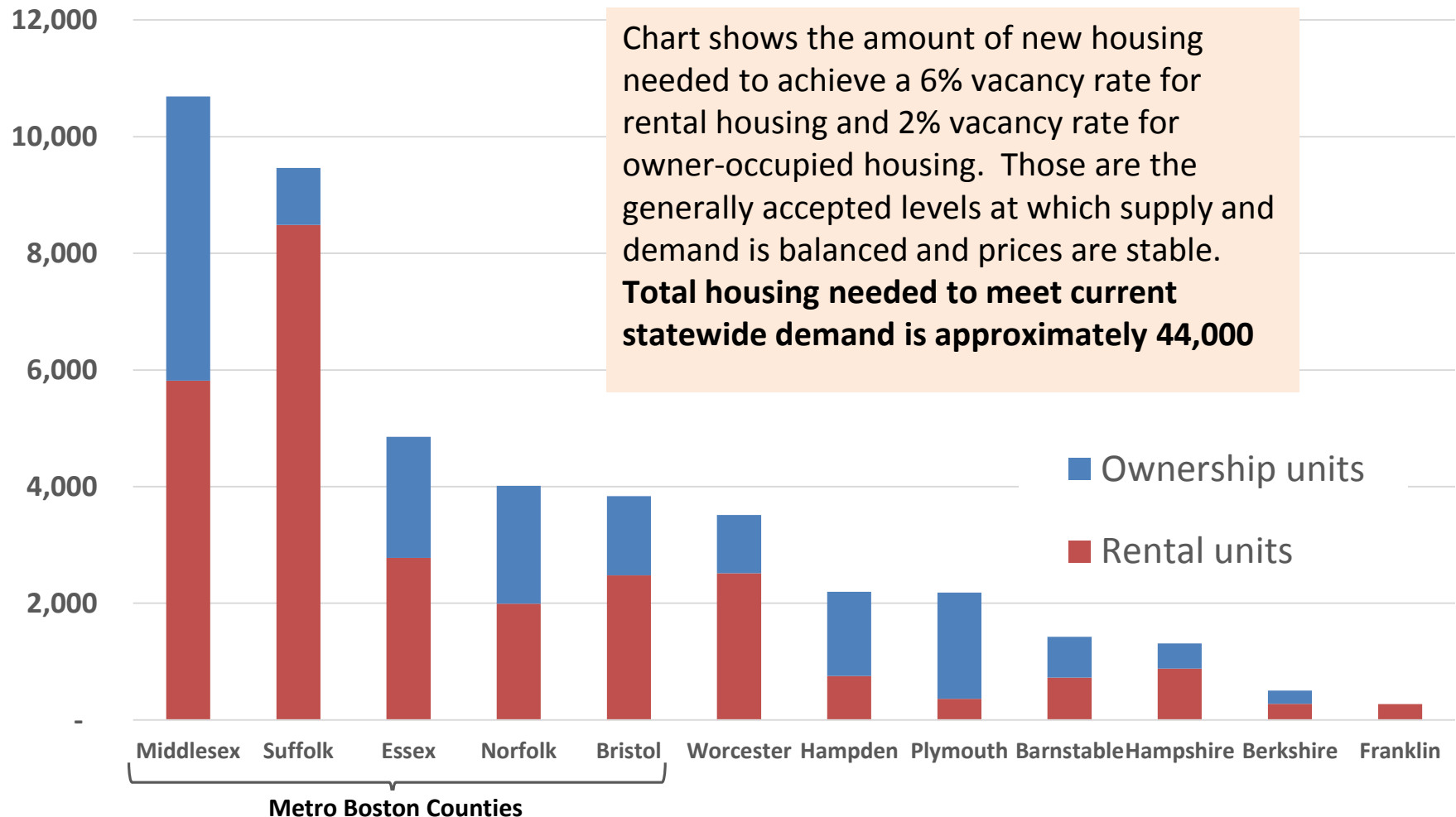
Data from U.S. Census Bureau, Building Permit Survey. Note: in this and in all subsequent graphics, multifamily is defined as a structure with 2+ units and permits are as reported by cities and towns with imputed data by the Census Bureau for communities that fail to report.

Massachusetts now has one of the lowest rates of housing production in the U.S.

despite increasing population and employment

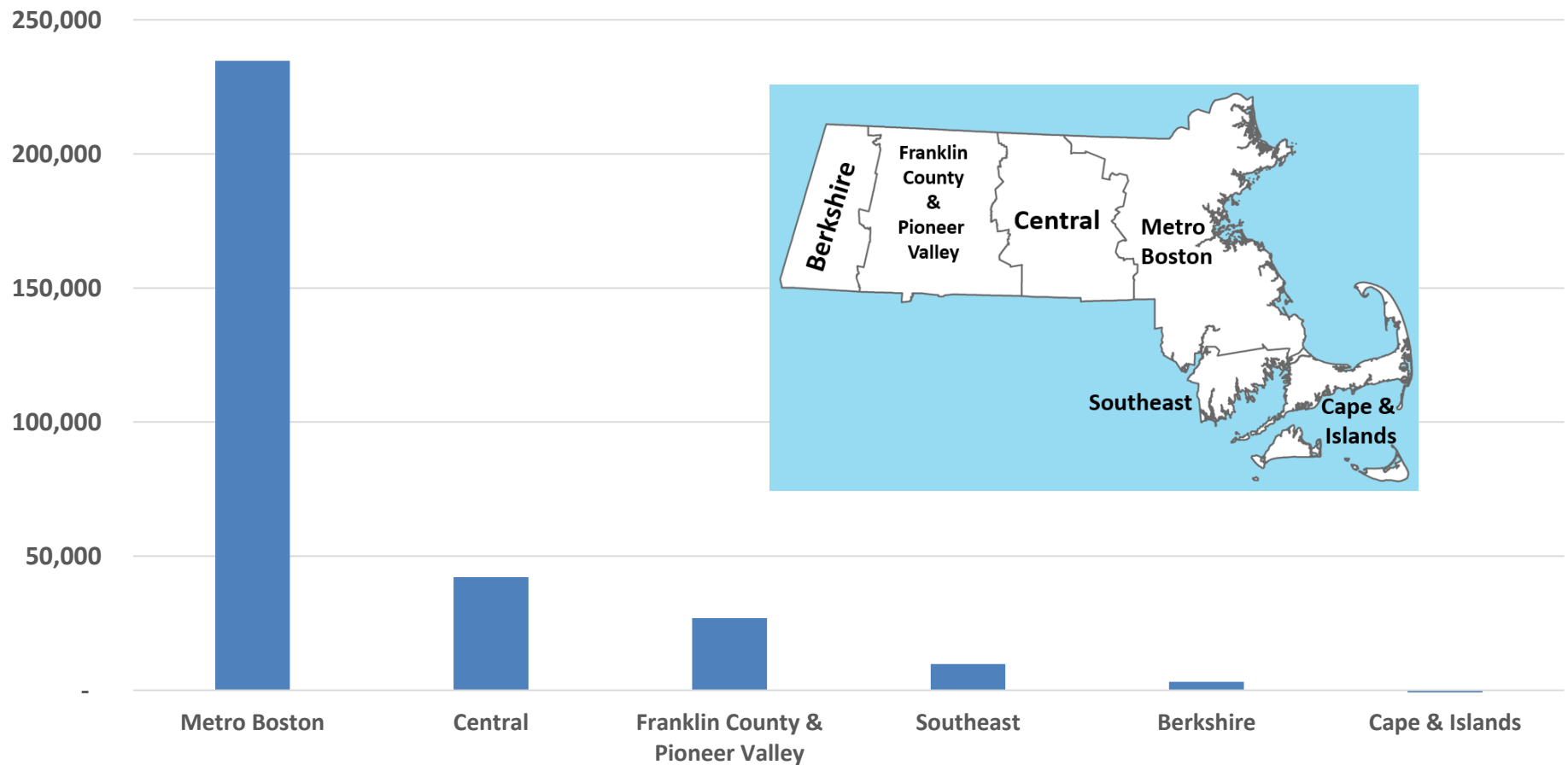


Without adding any new people or new jobs, the state's housing supply is already about 44,000 units short of demand. Most of that shortfall is in metro Boston.



The projected future need for new housing by 2030 is heavily concentrated in metro Boston and driven by the pending retirement of more than a million baby boomers

Projected Net New Households, 2015 to 2030



Most cities and towns in metro Boston have “downzoned” so many of the most attractive single-family neighborhoods could not be built again today at the same density



The homes above – located in a desirable, walkable neighborhood – have assessed values ranging from \$554,000 to \$731,000. None of these homes could be built again today under current zoning.

The average lot size for each new single family homes in metro Boston is now more than an acre, or the size of an NFL football field.



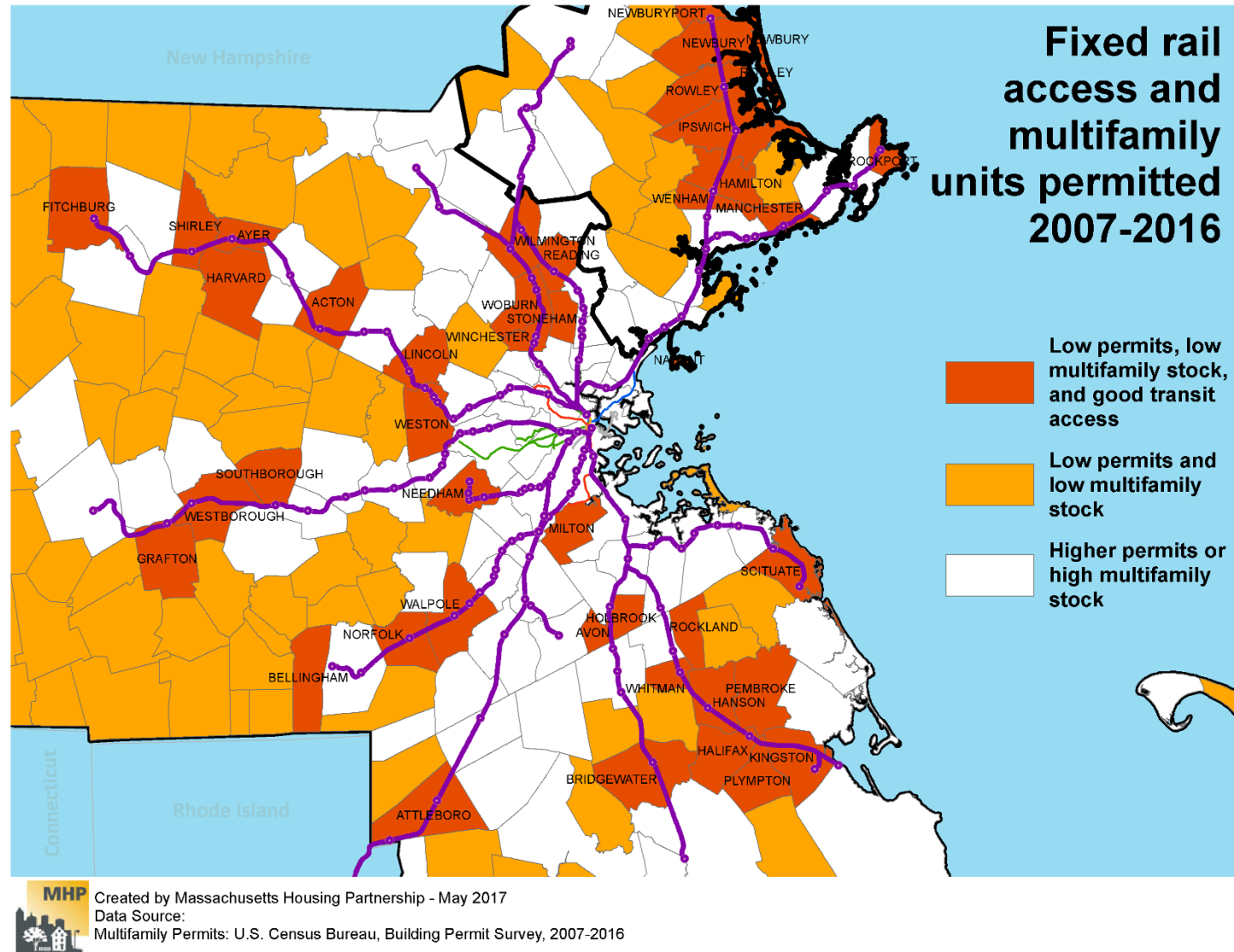
**Local permits for multifamily housing used to be routine.
Now 210 cities and towns have gone for a decade or longer
without permitting any multifamily housing of 5+ units**



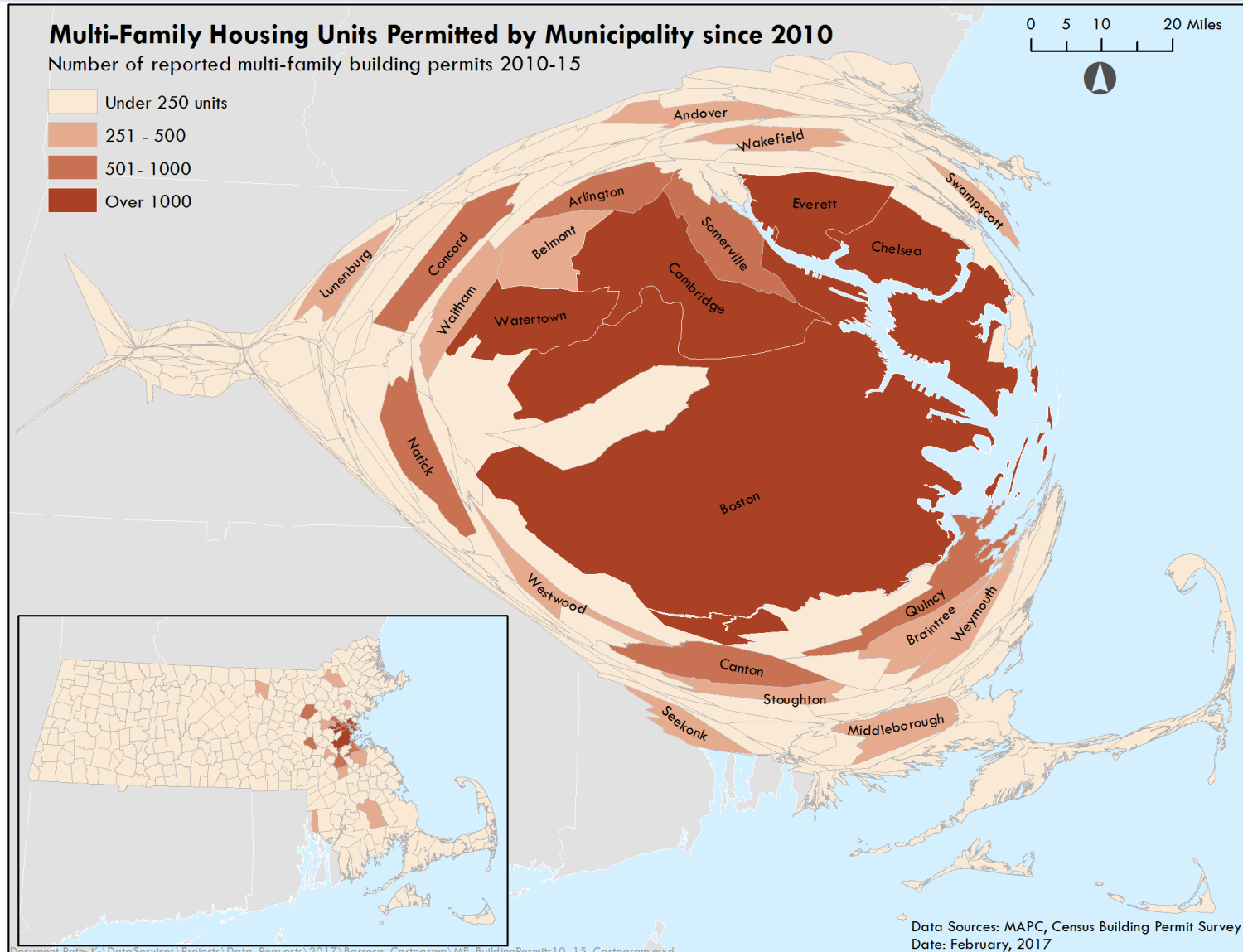
More than 30 communities served by MBTA fixed route service have permitted little or no multifamily housing over the last decade

The 91 communities with fixed-route transit issued a total of 41,000 multifamily permits over the past 10 years:

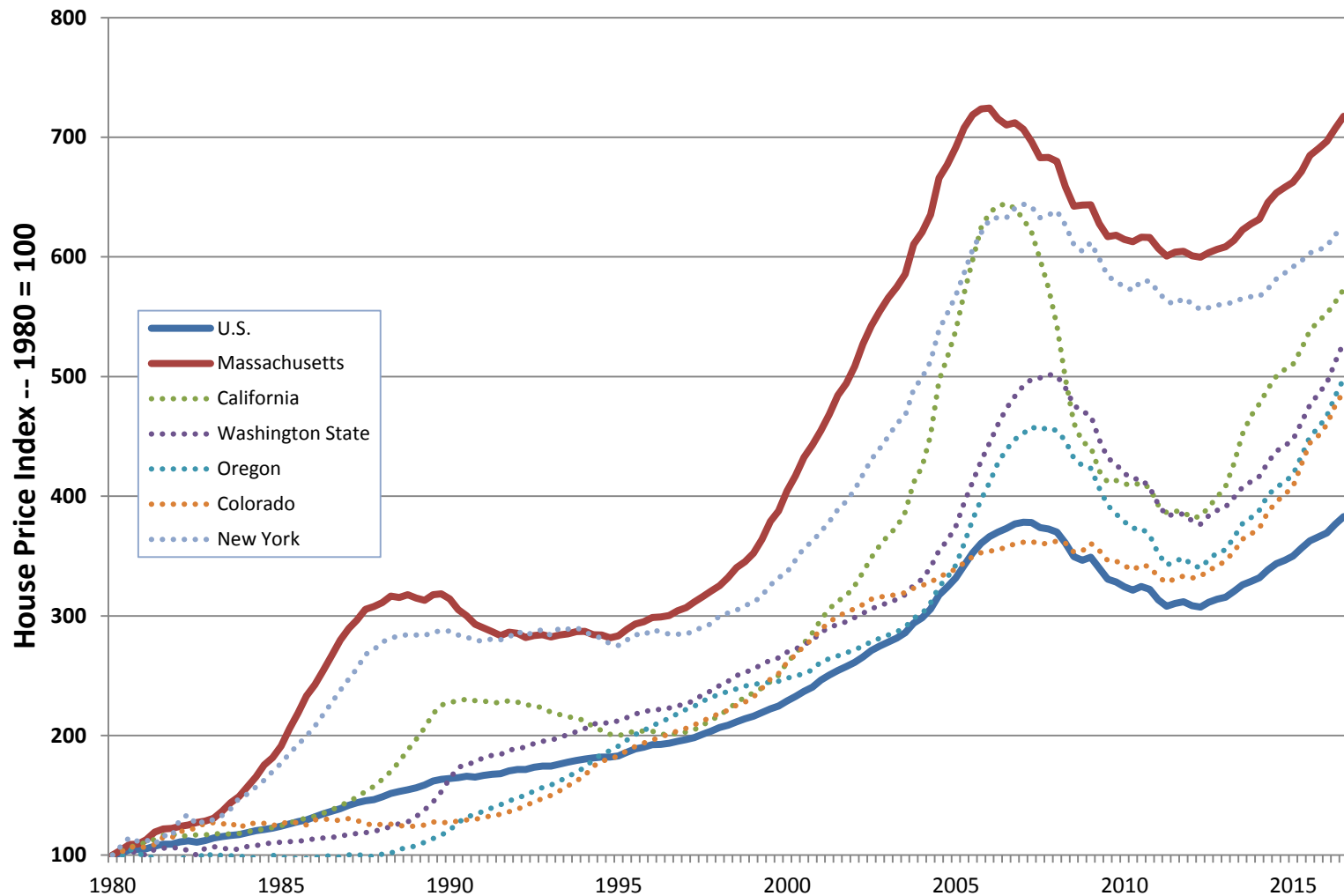
- *Boston alone permitted more than 40% of these units;*
- *The top 5 communities (Boston, Cambridge, Quincy, Chelsea, and Canton) permitted 64% of units; and*
- *33 of the 91 communities permitted **fewer than 100 multifamily units each over 10 years.***



More than half of the multifamily units recently permitted in Massachusetts were in just five cities and towns: Boston, Cambridge, Chelsea, Everett and Watertown



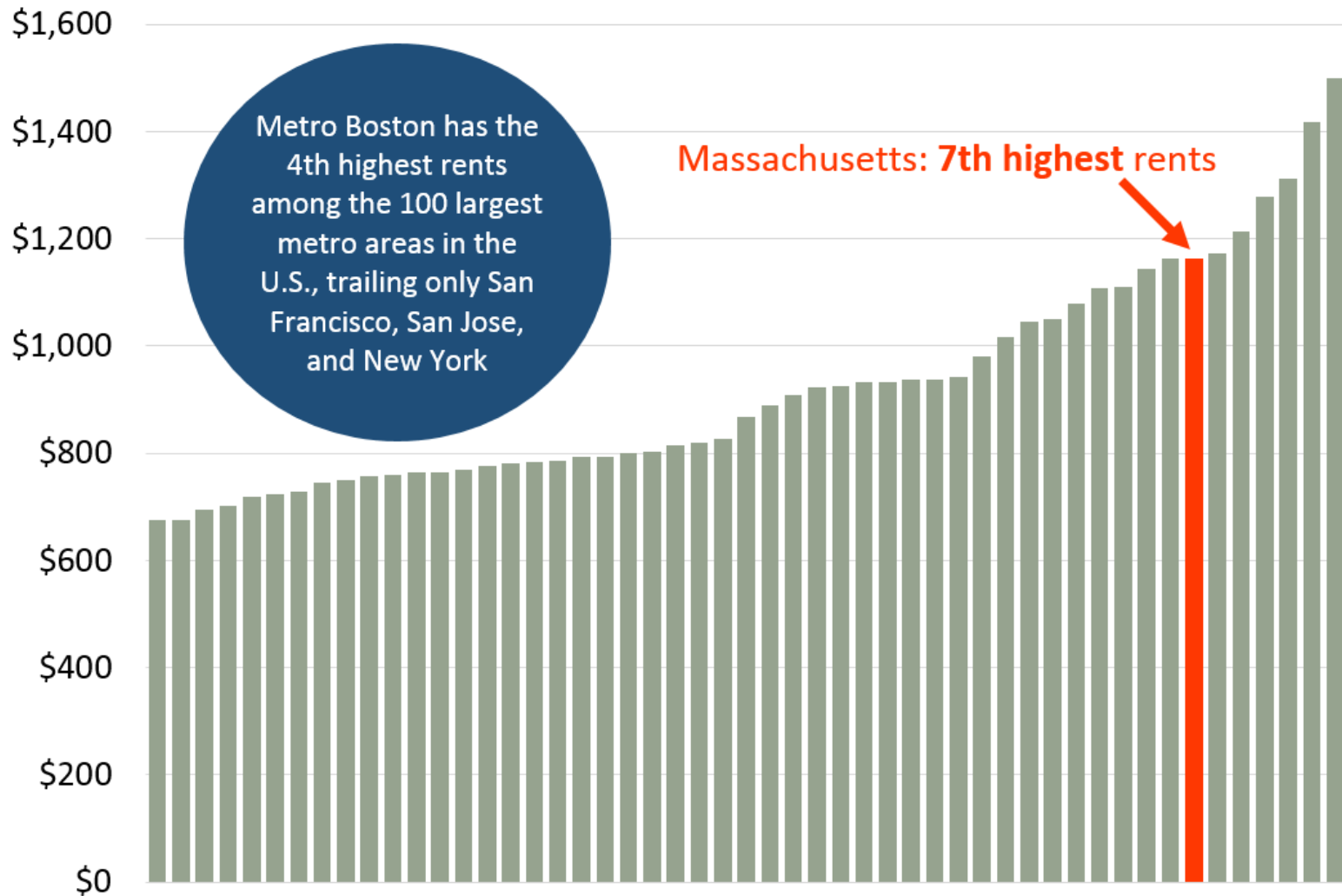
Massachusetts has become a housing cost outlier – limiting the state's potential to create new jobs or possibly even to sustain the current level of employment



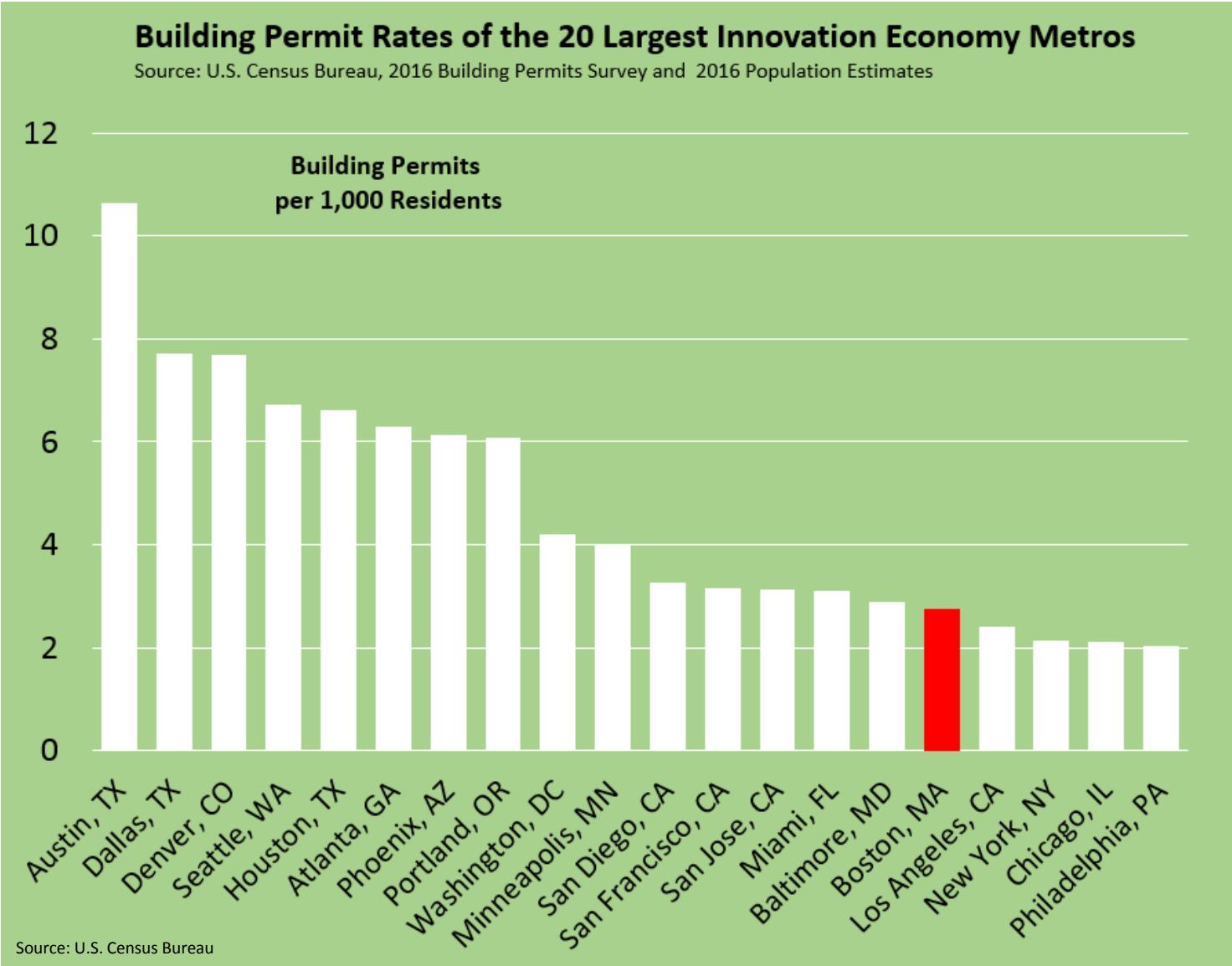
Source: Federal Housing Finance Agency, House Price Index – All Transactions

Massachusetts rents are also among the nation's highest, especially compared to the state's economic competitors

Median Rent by State

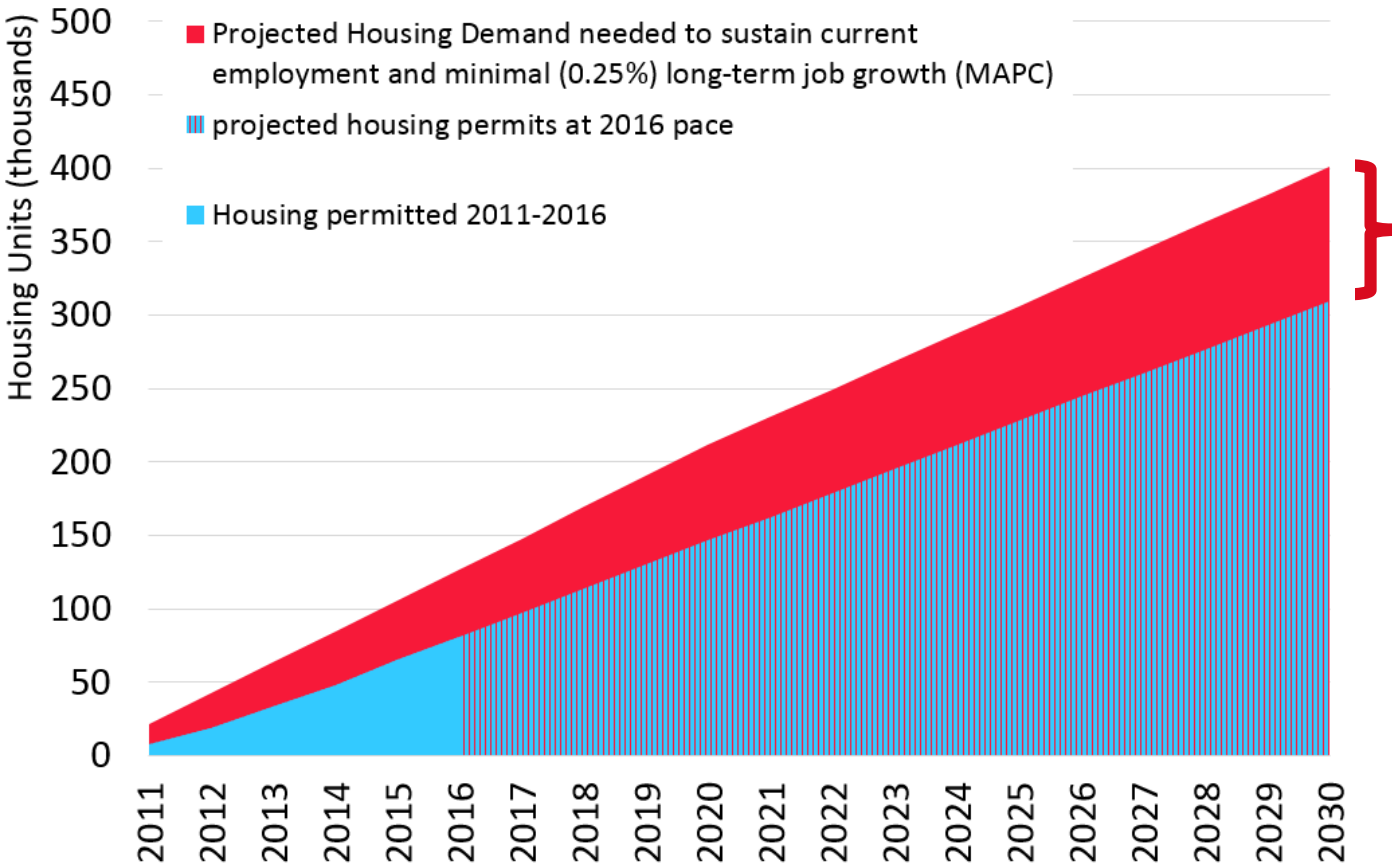


Most of the regions with which we compete for skilled workers are building more housing and have lower housing costs



If the pace of new housing construction is maintained at 2016 levels there will be a housing shortage of over 91,000 units by 2030

Massachusetts Housing Production Compared to Projected Demand
2011-2016



Multifamily permitting in 2015 was at its highest level since the late 1980s. In 2016, there was a 6.5% drop in total permitting and a 20% drop in multifamily permitting.

The single greatest driver of housing demand is the projected retirement of more than a million baby boomers in Massachusetts by 2030 and the housing needs of workers to refill those existing jobs

For more information...



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