

AFFORDABILITY

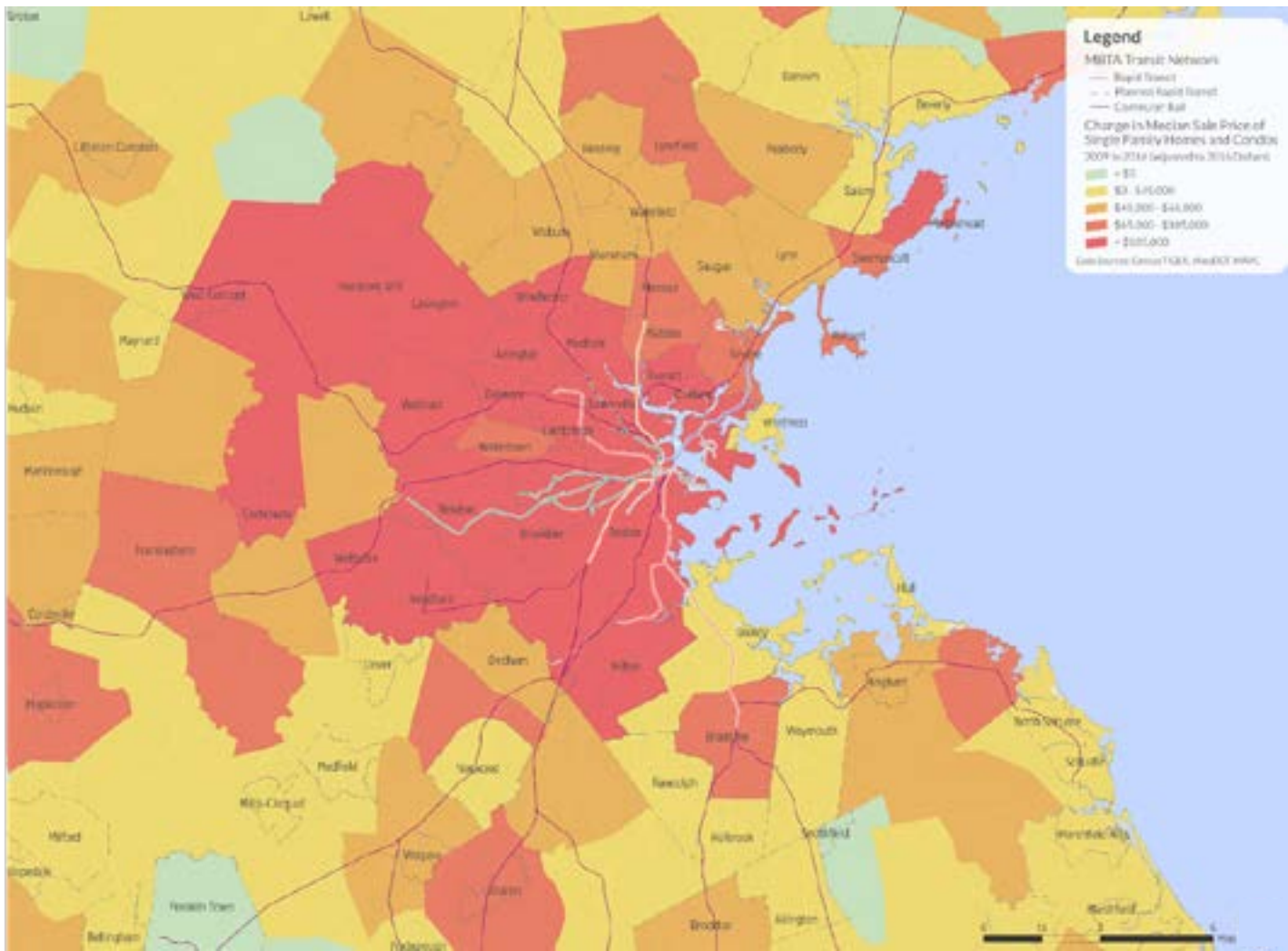
Numerous factors have come together over the past several decades to make eastern Massachusetts one of the most expensive places to live in the United States. Limited available land, a tradition of low-density residential neighborhoods, local land use regulations that discourage the production of multifamily housing, and a booming job market all work in concert to produce very high housing costs. These high housing costs have made it increasingly difficult for low-and-middle income residents to remain in the metro Boston area and has directed new growth to lower density areas of the region that will allow it.

Although lower density areas are generally more affordable, inadequate public transit access is a significant barrier to accessing jobs, educational opportunities, and other pathways to financial security. But low-density areas are difficult for public transit to serve well, leading to major mobility challenges as residents are forced to spend more on transportation either to commute by car on increasingly congested roadways or to travel roundabout MBTA routes to get where they need to go. For all of these reasons, the MBTA has a keen interest in understanding land and housing costs, how those costs will shape regional settlement patterns, and thus where MBTA service will be needed in the future in order to serve those most dependent on its service.

MBTA IMPACTS

The trend in housing affordability, which is being repeated in some but not all cities across the US, has enormous implications for the Greater Boston region as a whole. Good public transit can help to play an equalizing function in regions being segregated by wealth, but only if the transit system is flexible enough and robust enough to meet changing patterns of demand (and to recognize, at a policy level, that access to transit is one of the factors that enables regional growth and access to opportunity).

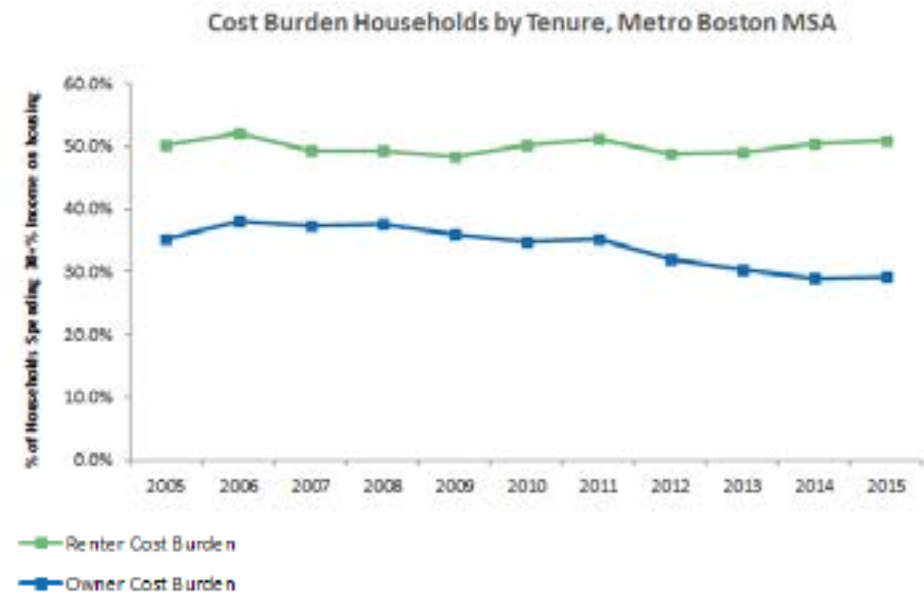
Post-Recession Home Prices



Since 2009, the largest increase in home prices have occurred in and around Boston’s Inner Core. Every Inner Core community has seen median sale prices rise by at least \$65,000, and most have seen prices rise by \$105,000 or more. This is in contrast to most suburban communities, especially those further out from the core, which have seen increases of less than \$50,000, and in some cases declines in median sale price. In the city of Boston, median household income is the same as the nation, but homes are two and a half times as expensive (Imagine Boston 2030, 2017).

Source: The Warren Group

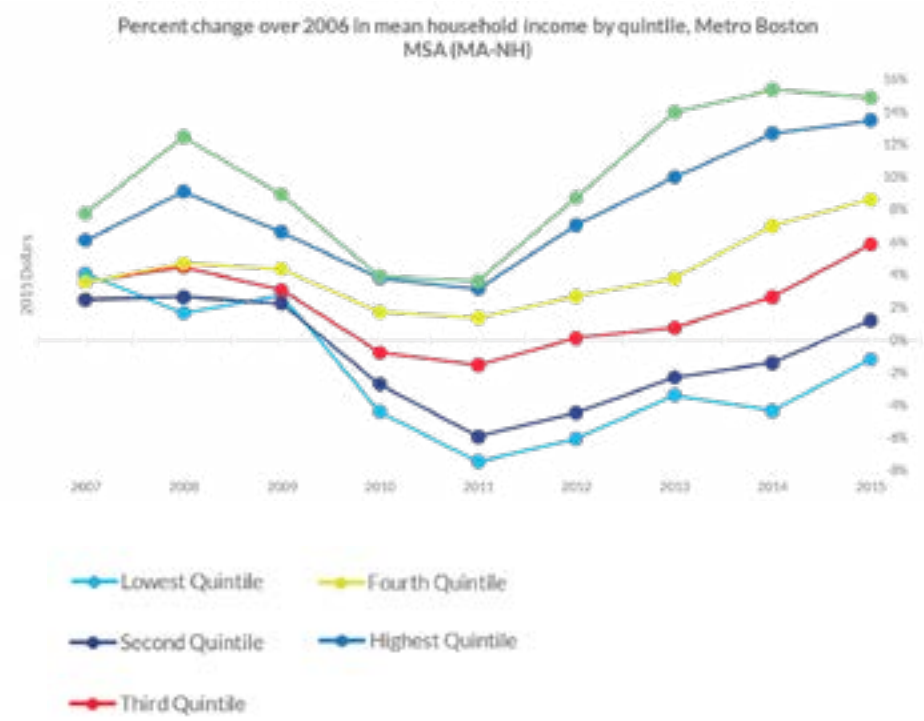
Housing Cost Burden in Greater Boston



Nearly half of metro Boston’s renters are housing cost burdened, meaning they spend more than 30% of their household income on rent, and 30% of the region’s homeowners are cost burdened.

Source: MAPC State of Equity Report, 2017; American Community Survey (Boston MSA)

Income Inequality



The income gap between high and low-wage earners has grown substantially in the past ten years. In 2015, the richest fifth households in the metro Boston MSA earned 15% more than they did in 2006, while real dollar income of the lowest-income fifth decreased by 1%

Source: MAPC State of Equity Report, 2017; American Community Survey, 2007 - 2015