2023 State of Home Affordability in Massachusetts

Help Habitat make the #CostOfHome something we all can afford.

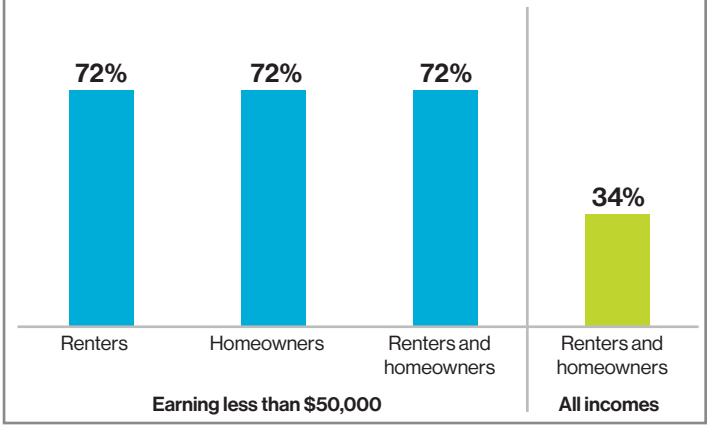
In Massachusetts,

1 IN 6 HOUSEHOLDS

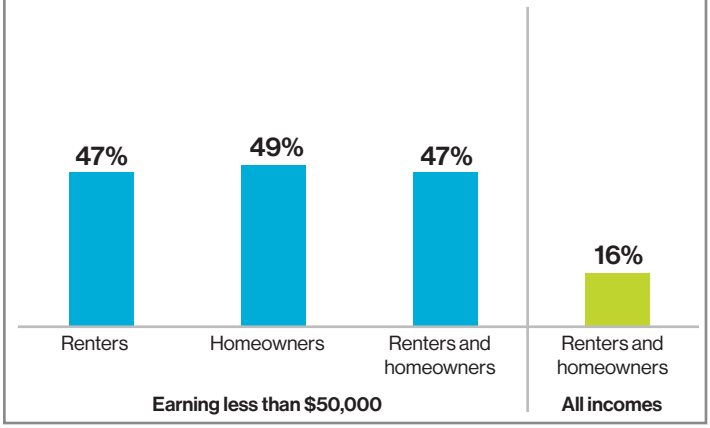
spend more than half of their income on housing.

Lower-income households are especially likely to have unaffordable housing costs, requiring more than 30% of their income.

Share of households paying over 30% of their income on housing[1]



Share of households paying over 50% of their income on housing[1]



The income needed to afford rent exceeds that of many workers, and increasingly, renters can't afford the typical home price.

$41.64/hour ($86,613 per year)[2]

Wage needed to afford fair market rent for a two-bedroom home in Massachusetts, working 40 hours per week.

Minimum wage: $15.00/hour [2]

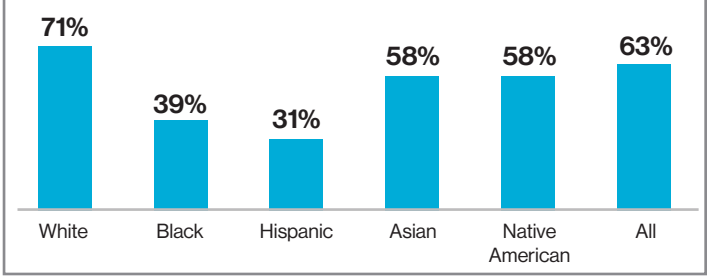
$114,251 per year[3]

Income needed to purchase a median-priced home in Massachusetts.

Median income of renters in Massachusetts: $50,000 [4]

The underproduction of housing is driving up unaffordability and impeding efforts to close racial and ethnic gaps in homeownership.

Homeownership rates by race/ethnicity[5]



Shortage of homes relative to demand in Massachusetts[6]

106,397
(rental and for sale)

Growth in housing shortage since 2014[6]

+33,473
(+46)

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Cost of Home

Habitat for Humanity seeks a world in which everyone has a decent place to live. But too many in the United States still struggle to afford the cost of home. Soaring rents and home prices have led to a substantial rise in housing cost burdens. Many renters face having to choose between paying for housing or for food, medical care or other essential expenses. Aspiring homebuyers are increasingly priced out of the housing market, setting back efforts to close homeownership gaps for households of color.

Cost of Home is a five-year advocacy campaign through which local Habitat organizations, partners, volunteers and community members nationwide are working to increase home affordability for 10 million people. To fully address our nation's housing challenges, Habitat is advocating at all levels of government to advance policy solutions related to:

After four years of the campaign, Cost of Home has been instrumental in helping an estimated 6.6 million people access stable, affordable homes through our advocacy to influence policies at the local, state and federal levels.

Habitat organizations are propelling a wide range of policy solutions at all levels of government, including:

- Dedicating funding for the production and repair of affordable homes for homeownership and rent.
- Increasing access to down payment assistance, especially for those facing the greatest barriers.
- Improving zoning to lower the cost of building affordable homes.
- Incentivizing investment in economically distressed neighborhoods while ensuring housing stability for lower-income households.
- Increasing the availability and mobility of housing choice vouchers for very low-income families while improving their workability for landlords.

To learn more, visit **habitat.org/advocacy**.

Habitat for Humanity

Driven by the vision that everyone needs a decent place to live, Habitat for Humanity found its earliest inspirations as a grassroots movement on an interracial community farm in south Georgia. Since its founding in 1976, the Christian housing organization has grown to become a leading global nonprofit working in local communities across all 50 states in the U.S. and in more than 70 countries. Families and individuals in need of a hand up partner with Habitat for Humanity to build or improve a place they can call home. Habitat homeowners help build their own homes alongside volunteers and pay an affordable mortgage. Through financial support, volunteering or adding a voice to support affordable housing, everyone can help families achieve the strength, stability and self-reliance they need to build better lives for themselves. Through shelter, we empower. To learn more, visit **habitat.org.**

Sources:

1. IPUMS (2021 American Community Survey 1-Year Estimates).
2. National Low Income Housing Coalition (Out of Reach 2023: The High Cost of Housing).
3. Assumes a 10% downpayment, 28% payment-to-income ratio, 3.0% interest rate (the median in 2021), nationally typical mortgage insurance and homeowner's insurance, and state-specific taxes (Sources: St Louis Federal Reserve's FRED database, National Association of Home Builders Priced-Out Estimates for 2021, Census Bureau's 2021 and 2020 ACS 1-Year estimates).
4. IPUMS (2021 ACS 1-Year Estimates).
5. IPUMS (2021 ACS 1-Year Estimates). Note: Limited sample size may impact the precision of the results.
6. Up for Growth (2023 Housing Underproduction™ in the U.S.).

Habitat for Humanity®

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