



Real Estate TRENDS



ANNUAL REPORT 2000

DEPARTMENT OF NEIGHBORHOOD DEVELOPMENT • POLICY DEVELOPMENT & RESEARCH DIVISION • CITY OF BOSTON • THOMAS M. MENINO, MAYOR

BOSTON'S HOUSING SUMMARY

Volume of Housing Sales*

1999:	8,183
2000:	7,480
Change:	-9%

Median Sales Price*

1999:	\$182,000
2000:	\$231,583
Change:	+27%

Mortgage Foreclosures*

1999:	177
2000:	75
Change:	-58%

Median Advertised Rent, Two-Bedroom Apartment**

1999:	\$1,550
2000:	\$1,600
Change:	+ 3%

Volume of Advertised Apartments**

1999:	3,621
2000:	3,437
Change:	-5%

Abandoned Residential Buildings***

1999:	431
2000:	376
Change:	-13%

* 1-, 2-, 3-family & Condominiums

** City of Boston Rental Survey. Source: The Boston Globe apartment listings first Sunday of the month. Includes 1-,2-,3-bedroom apartments. Apartments that include utilities or parking in the monthly rent are not represented in this survey.

*** City of Boston annual Abandoned Building Survey.

SALES:

- Boston's median sale price increased by 27% (from \$182,000 to \$231,583) from 1999 to 2000. This is compared to an 11% increase during the previous year. Sales volume slowed by 9%, with decreases in all categories, lead by a 16% decrease in the number of 2-family home sales.
- The 1-family median sales price increased by 20% between 1999 and 2000. Jamaica Plain, the fastest appreciating single family market, saw a 32% increase (from \$292,500 to \$385,000) in sales prices. One neighborhood, Allston/Brighton, experienced a drop in prices, of 14%.
- The median sales price for 2-family homes increased by 10% in 2000 compared to 1999. The largest increase in the median price (44%) took place in East Boston (\$139,200 in 1999 to \$200,000 in 2000).
- Citywide the 3-family median price increased by 28%. Highest appreciating markets during 2000 were Allston/Brighton (44%), Charlestown (35%), and Mattapan (34%). Sales volume increased only in South Boston (19%), possibly reflecting sales of three-family homes to be converted to condominiums.
- Condominiums continue to dominate Boston's real estate market representing 60% of all transactions, in contrast to 1-families at 17%, and 2-families at 11% and 3-families at 12%. The median condominium sales price appreciated faster than any other housing type during 2000 (31%). Dorchester experienced a 52% increase in prices (from \$82,000 to \$125,000), but South Boston experienced the highest increase in volume (29%), compounded by a high increase in prices (47%).



Real Estate Trends is published by the Policy Development & Research Division of the City of Boston Department of Neighborhood Development. For more information about this publication, call Tim Davis at (617) 635-0269 or e-mail tdavis.dnd@ci.boston.ma.us



Housing SALES & PRICES



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Table 1. Median Residential Sales Price

1999 and 2000

Year	Quarter	Single Family	Two Family	Three Family	Condominium
1999	Q1	\$160,000	\$180,000	\$170,000	\$166,463
	Q2	\$180,000	\$185,000	\$183,000	\$180,000
	Q3	\$190,000	\$200,000	\$199,000	\$170,000
	Q4	\$188,000	\$217,777	\$210,000	\$180,000
2000	Q1	\$195,850	\$213,000	\$225,000	\$210,000
	Q2	\$215,250	\$240,000	\$237,500	\$225,000
	Q3	\$221,250	\$270,000	\$254,500	\$225,000
	Q4	\$229,000	\$258,500	\$267,000	\$252,250

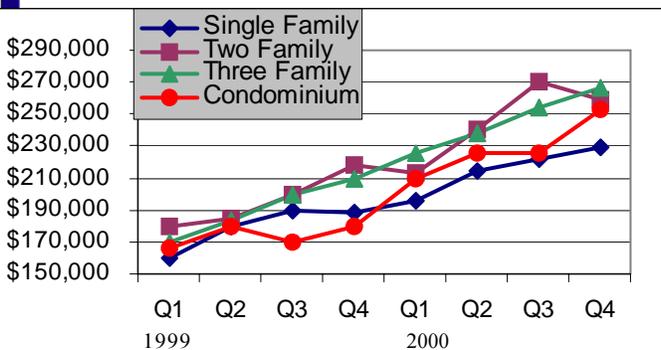
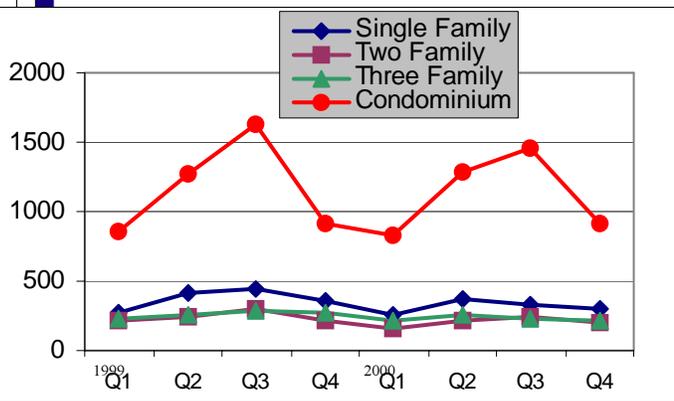


Table 2. Volume of Residential Sales

1999 and 2000

Year	Quarter	Single Family	Two Family	Three Family	Condominium
1999	Q1	273	211	232	858
	Q2	408	241	264	1,275
	Q3	442	295	289	1,629
	Q4	362	221	267	916
2000	Q1	258	163	219	825
	Q2	374	209	256	1,290
	Q3	322	247	234	1,454
	Q4	307	194	218	910



Data Source: Banker & Tradesman

Data includes residential sales, which have a sales price between \$25,000 and \$1,000,000.



Housing SALES & PRICES



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Table 3. Sales of Single Family Homes in Boston's Neighborhoods, 1999 - 2000

NEIGHBORHOOD	Median Sales Price			Volume of Sales		
	1999	2000	% Change	1999	2000	% Change
ALLSTON/BRIGHTON	\$250,000	\$215,350	-14%	93	54	-42%
BACK BAY/BEACON HILL	**	**	***	8	8	***
CENTRAL	**	**	***	2	3	***
CHARLESTOWN	\$329,500	\$395,000	20%	65	57	-12%
DORCHESTER	\$150,000	\$176,750	18%	236	178	-25%
EAST BOSTON	\$115,000	\$138,500	20%	56	46	-18%
FENWAY/KENMORE	**	**	***	3	0	***
HYDE PARK	\$156,000	\$189,000	21%	235	185	-21%
JAMAICA PLAIN	\$292,500	\$385,000	32%	78	77	-1%
MATTAPAN	\$135,000	\$160,000	19%	71	76	7%
ROSLINDALE	\$187,500	\$222,500	19%	183	157	-14%
ROXBURY	\$115,000	\$135,000	17%	52	69	11%
SOUTH BOSTON	\$202,000	\$240,000	19%	55	39	-33%
SOUTH END	\$645,000	\$690,000	7%	24	15	-39%
WEST ROXBURY	\$229,000	\$265,000	16%	323	276	-15%
Citywide	\$180,000	\$216,000	20%	1485	1261	-15%

Table 4. Sales of Two Family Homes in Boston's Neighborhoods, 1999 - 2000

NEIGHBORHOOD	Median Sales Price			Volume of Sales		
	1999	2000	% Change	1999	2000	% Change
ALLSTON/BRIGHTON	\$297,000	\$369,450	24%	91	84	-8%
BACK BAY/BEACON HILL	**	**	***	2	0	***
CENTRAL	**	**	***	3	2	***
CHARLESTOWN	\$360,500	\$364,750	1%	29	34	17%
DORCHESTER	\$175,000	\$220,000	26%	209	170	-23%
EAST BOSTON	\$139,200	\$200,000	44%	74	63	-12%
FENWAY/KENMORE	**	**	***	0	0	***
HYDE PARK	\$200,000	\$250,000	25%	130	73	-44%
JAMAICA PLAIN	\$270,000	\$292,500	8%	45	58	29%
MATTAPAN	\$149,950	\$195,750	31%	62	56	-10%
ROSLINDALE	\$217,163	\$285,000	31%	128	89	-30%
ROXBURY	\$150,000	\$172,000	15%	91	81	-11%
SOUTH BOSTON	\$225,000	\$262,500	17%	45	58	29%
SOUTH END	\$760,000	**	***	14	7	***
WEST ROXBURY	\$265,000	\$336,500	27%	45	36	-20%
Citywide	\$190,850	\$250,500	10%	968	813	-16%

Table 5. Sales of Three Family Homes in Boston's Neighborhoods, 1999 - 2000

NEIGHBORHOOD	Median Sales Price			Volume of Sales		
	1999	2000	% Change	1999	2000	% Change
ALLSTON/BRIGHTON	\$320,000	\$460,000	44%	33	29	-12%
BACK BAY/BEACON HILL	**	**	***	2	0	***
CENTRAL	**	**	***	2	4	***
CHARLESTOWN	\$302,500	\$409,750	35%	18	14	-22%
DORCHESTER	\$185,000	\$231,450	25%	347	306	-12%
EAST BOSTON	\$169,900	\$225,100	32%	203	155	-24%
FENWAY/KENMORE	**	**	***	1	2	***
HYDE PARK	\$220,000	\$276,500	26%	26	16	-38%
JAMAICA PLAIN	\$250,000	\$317,000	27%	68	66	-3%
MATTAPAN	\$179,500	\$240,000	34%	70	58	-17%
ROSLINDALE	\$262,500	\$300,000	14%	40	38	-15%
ROXBURY	\$155,000	\$205,000	32%	149	135	-9%
SOUTH BOSTON	\$255,000	\$300,000	18%	78	93	19%
SOUTH END	\$609,500	**	***	10	8	***
WEST ROXBURY	**	**	***	5	3	***
Citywide	\$190,000	\$243,000	28%	1052	927	-12%

Table 6. Sales of Condominiums in Boston's Neighborhoods, 1999 - 2000

NEIGHBORHOOD	Median Sales Price			Volume of Sales		
	1999	2000	% Change	1999	2000	% Change
ALLSTON/BRIGHTON	\$116,000	\$141,000	22%	742	639	-14%
BACK BAY/BEACON HILL	\$270,000	\$360,000	33%	881	753	-15%
CENTRAL	\$227,750	\$320,000	41%	400	415	4%
CHARLESTOWN	\$239,900	\$308,000	28%	351	260	-26%
DORCHESTER	\$82,000	\$125,000	52%	184	204	11%
EAST BOSTON	\$81,450	\$92,000	13%	58	49	-16%
FENWAY/KENMORE	\$135,000	\$175,000	30%	354	277	-20%
HYDE PARK	\$99,900	\$94,750	-5%	55	36	-35%
JAMAICA PLAIN	\$150,800	\$189,250	25%	328	342	4%
MATTAPAN	\$150,000	\$97,500	-35%	33	22	-33%
ROSLINDALE	\$121,000	\$157,500	30%	125	123	-2%
ROXBURY	\$120,000	\$140,000	17%	69	81	17%
SOUTH BOSTON	\$165,000	\$243,000	47%	341	441	29%
SOUTH END	\$260,750	\$320,000	23%	630	671	7%
WEST ROXBURY	\$107,500	\$135,000	26%	127	158	24%
Citywide	\$175,000	\$229,000	31%	4678	4479	-4%

Data Source: *Banker & Tradesman*

Data includes sales of properties from \$25,000 to \$1,000,000.

** Insufficient data (less than 10) to calculate reliable median

*** Insufficient data (less than 10) to calculate reliable % change



Housing FORECLOSURES



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Table 7: Mortgage Foreclosures by Housing Type in Boston 1999 and 2000

Housing Type	1999	2000	% Change	2000 % of Sales
One Family	33	16	-52%	1.3%
Two Family	42	13	-69%	1.6%
Three Family	52	13	-75%	1.4%
Condominium	50	33	-34%	0.7%
Total	177	75	-58%	1.0%

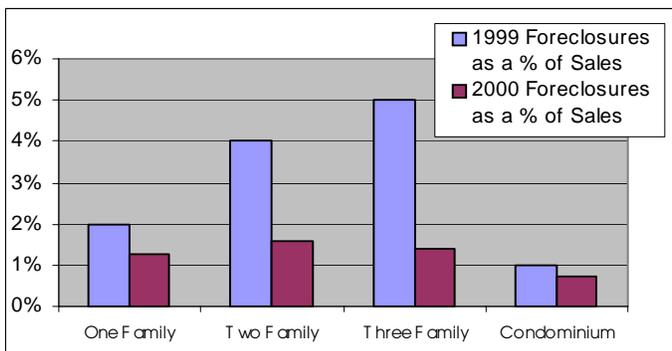


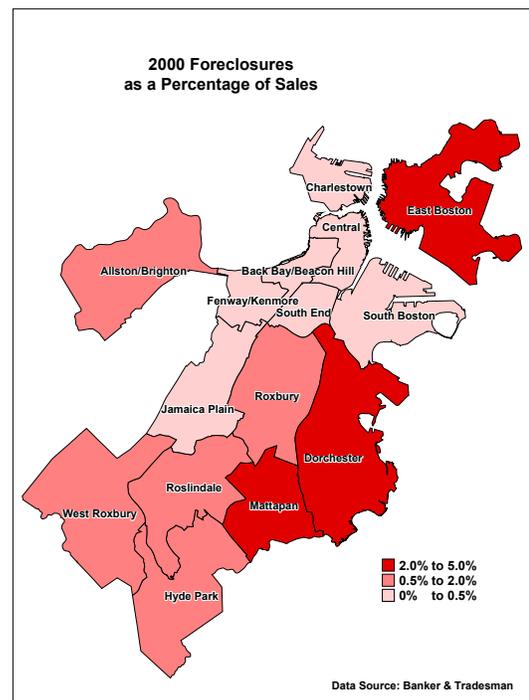
Table 8: Mortgage Foreclosures 1999 and 2000

Neighborhood	1999	2000	Foreclosures As a % of Sales
Allston/Brighton	16	9	1.1%
Back Bay/Beacon Hill	1	1	0.1%
Central	4	0	0%
Charlestown	1	1	0.3%
Dorchester	42	31	3.6%
East Boston	9	7	2.2%
Fenway/Kenmore	8	1	0.4%
Hyde Park	7	2	0.6%
Jamaica Plain	4	2	0.4%
Mattapan	34	6	2.8%
Roslindale	7	4	1.0%
Roxbury	36	7	1.9%
South Boston	5	0	0%
South End	2	0	0%
West Roxbury	1	4	0.8%
Citywide	177	75	1.0%

Data Source: Banker & Tradesman

FORECLOSURES:

- Mortgage foreclosures continued its long term trend and decreased 58% (from 177 to 75) from 1999 to 2000. They represent 1% of all sales.
- Dorchester, Mattapan and Roxbury, traditionally plagued by foreclosures, have foreclosure rates of less than 4%. The rate for Roxbury (1.9%) has fallen below that of East Boston (2.2%).
- 3-families experienced the greatest decline in foreclosures (-75%).





Housing RENTS



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Table 9.

**Two Bedroom Median
Advertised Asking Rent
1999 and 2000**

NEIGHBORHOOD	1999	2000	% Change
ALLSTON/BRIGHTON	\$1,275	\$1,400	10%
BACK BAY/BEACON HILL	\$1,800	\$2,200	22%
CENTRAL	\$1,800	\$1,800	0%
CHARLESTOWN	\$1,500	\$1,600	7%
DORCHESTER	\$975	\$1,200	23%
EAST BOSTON	**	\$1,100	***
FENWAY/KENMORE	\$1,600	\$1,600	0%
HYDE PARK	\$1,100	\$1,200	9%
JAMAICA PLAIN	\$1,200	\$1,300	8%
MATTAPAN	**	**	***
ROSLINDALE	\$1,100	\$1,200	20%
ROXBURY	\$1,100	\$1,400	27%
SOUTH BOSTON	\$1,300	\$1,350	4%
SOUTH END	\$1,750	\$2,200	26%
WEST ROXBURY	\$1,150	\$1,275	11%
Citywide	\$1,550	\$1,600	3%

RENT:

- Boston's rental market continues to be tight. The number of advertised units dropped 5% from 1999 to 2000. This drop can be attributed to continued tightening in central neighborhoods (Back Bay/Beacon Hill, Central and Charlestown). There was an *increase* in all other neighborhoods, indicating a possible loosening of the rental market. Asking rents continue to increase, with Roxbury and the South End experiencing the largest increases (27% and 26%, respectively).
- Advertised rents should only be used as indicator of changes in the market, as few owners in certain neighborhoods chose to advertise in the *Boston Globe*, and in some neighborhoods a large percentage of units rented include utilities.

Table 10.

**Volume of Advertised Apartments,
Two Bedrooms
1999 and 2000**

NEIGHBORHOOD	1999	2000	% Change
ALLSTON/BRIGHTON	61	267	338%
BACK BAY/BEACON HILL	573	404	-30%
CENTRAL	162	128	-21%
CHARLESTOWN	82	74	-10%
DORCHESTER	22	33	50%
EAST BOSTON	9	15	67%
FENWAY/KENMORE	27	29	7%
HYDE PARK	11	12	9%
JAMAICA PLAIN	64	85	33%
MATTAPAN	1	3	***
ROSLINDALE	43	43	0%
ROXBURY	12	21	75%
SOUTH BOSTON	88	119	35%
SOUTH END	95	135	42%
WEST ROXBURY	41	54	32%
Citywide	1500	1422	-5%



** Insufficient data (less than 10) to calculate reliable median

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City of Boston Rental Survey. Source: The Boston Globe apartment listings first Sunday of the month. Includes 1-, 2-, 3-bedroom apartments. Apartments that include utilities or parking in the monthly rent are not represented in this survey.



Housing 2000



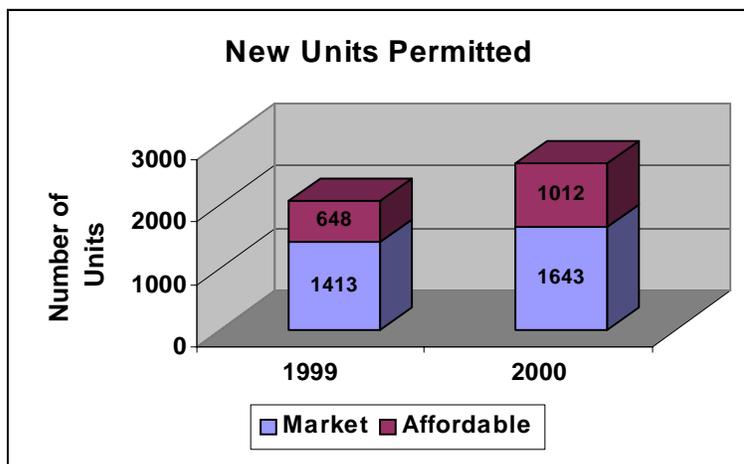
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Increasing Housing Production

In his 1999 State of the City Address, Mayor Thomas M. Menino made a bold commitment to more than double housing production in Boston during 1999, from 888 units in 1998 to a target of 2,000 units in 1999. The city exceeded that goal with 2,061 housing units permitted by the end of that year. This represented a 132% increase at a time when metropolitan area housing production grew by only 1.4% and statewide housing production grew by almost 6%.

For the year 2000, Mayor Menino sought for an additional increase in the number of units permitted. With 2,655 new units permitted in 2000 -- a 29% increase over 1999, affordable housing became the fastest growing segment of Boston's housing production. Affordable housing production grew by 56% from 648 units in 1999 to 1,012 units in 2000. By comparison, new market-rate housing production increased by only 16% over last year. In total, the city has been able to increase overall housing production three-fold since 1998.



Housing Production Policy Initiatives

On February 28, 2000, Mayor Thomas M. Menino signed an Executive Order implementing an inclusionary zoning policy. The order requires certain residential real estate projects to set aside 10% of units as affordable to people within certain incomes. The executive order is expected to generate about 100 new units of affordable housing annually. This announcement was followed by an April announcement of legislation that would increase by nearly fifty percent the rate per square foot that developers must pay into the Housing Linkage Program.

In March 2000, Mayor Menino convened a Housing Advisory Group to work with city officials to shape the city's housing agenda for the next several years. This group was instrumental in creating a three year housing strategy, launched in October 2000 as *Leading the Way*. This report points the way towards further increases in the availability of affordable housing, by challenging universities, private and nonprofit developers, and public and private funding sources to bring new solutions and sources of funds to the table. The major focus of this strategy is to create 7,500 units of housing over the next three years--matching the year 2000 rate of increase in the number of housing units, and sustaining that increase for three years.