

We're Not as Young as We Used to Be

And four more somewhat less
self-evident observations about
Demographics and Housing
in Metro Boston



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**Housing demand:
Population growth is only
half the equation (or less)**



Mary's Household 2000 - 2040



**2000,
age 45**



**2010,
age 55**

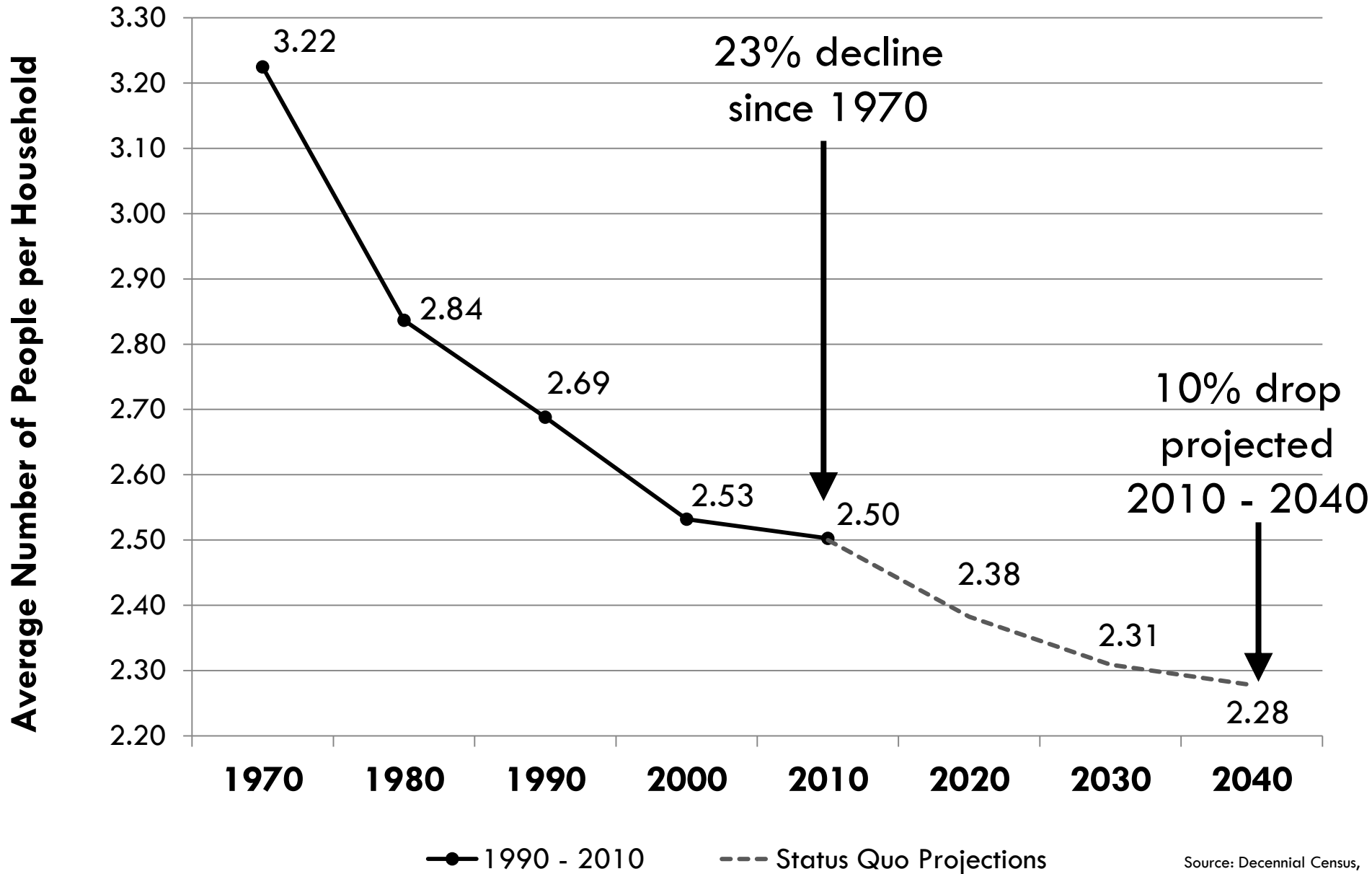


**2020,
age 65**



**2040,
age 85**

Average Household Size, Metro Boston, 1970 - 2040



Same number of residents form more households, need more housing units

2010



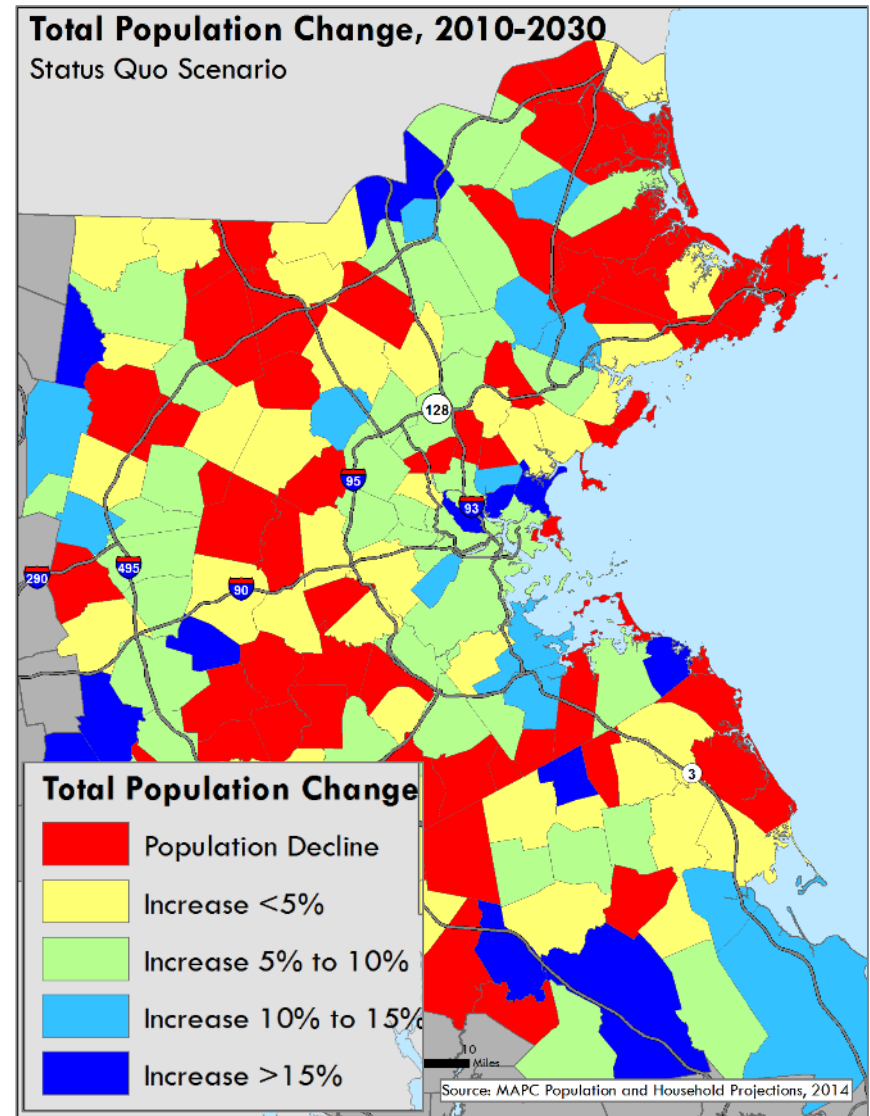
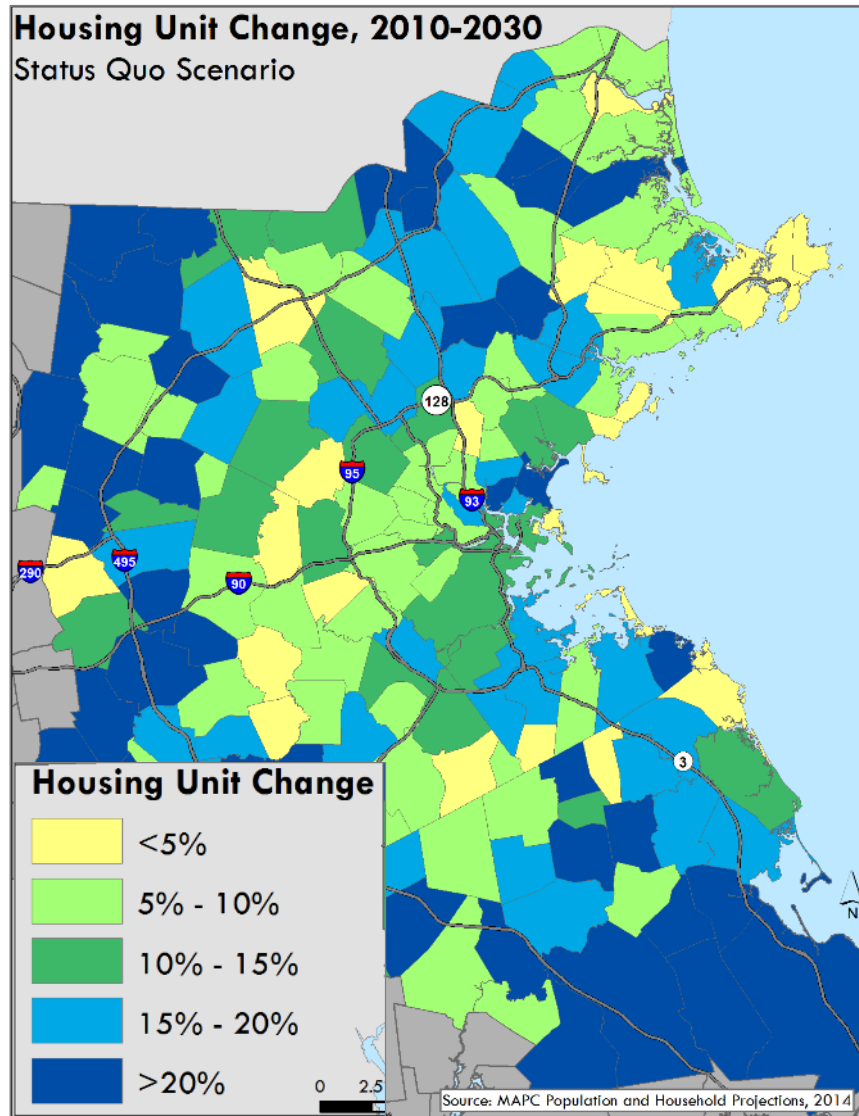
250 people =

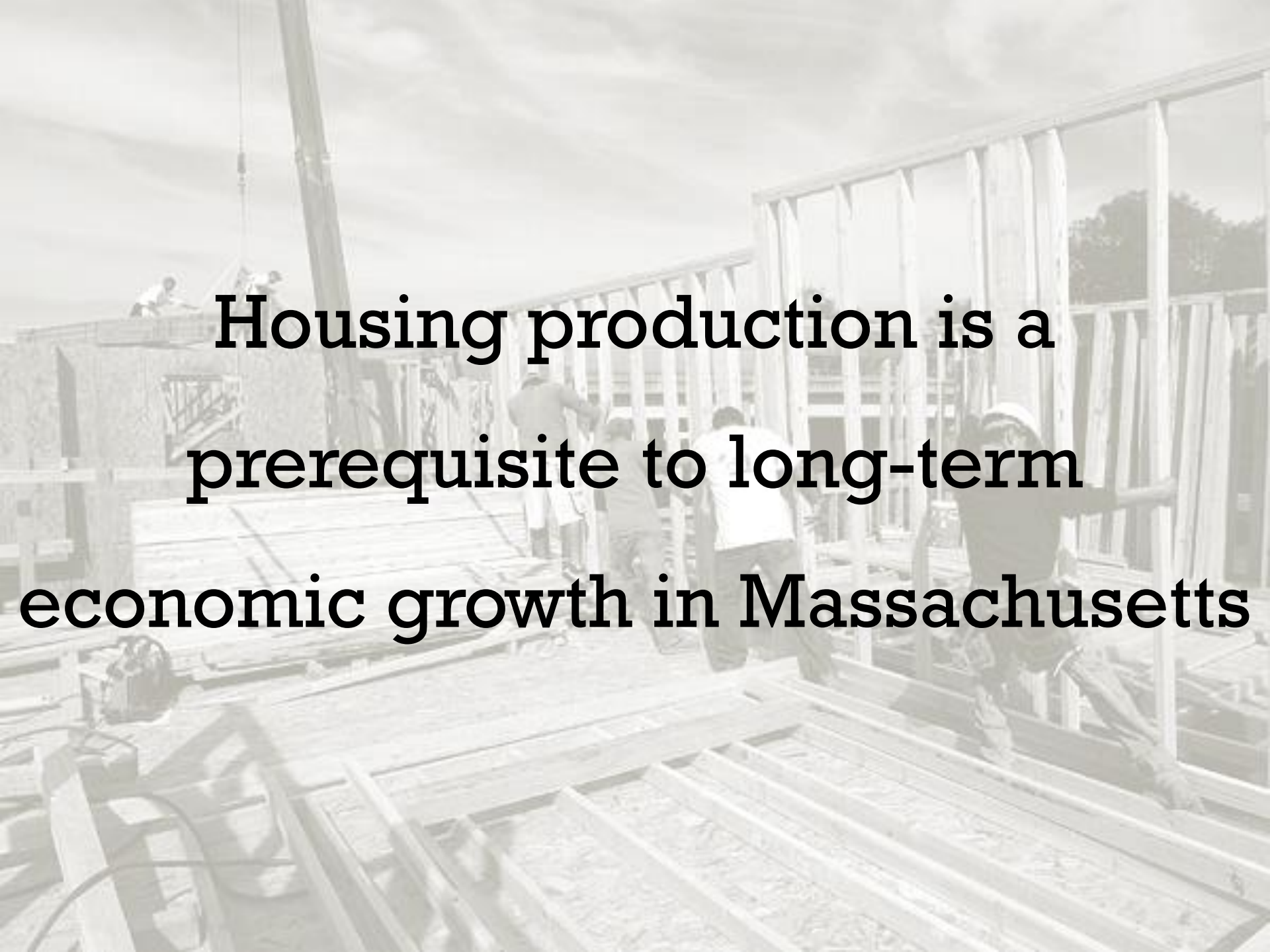
2040



250 people =

Dozens of communities may see housing growth + population decline



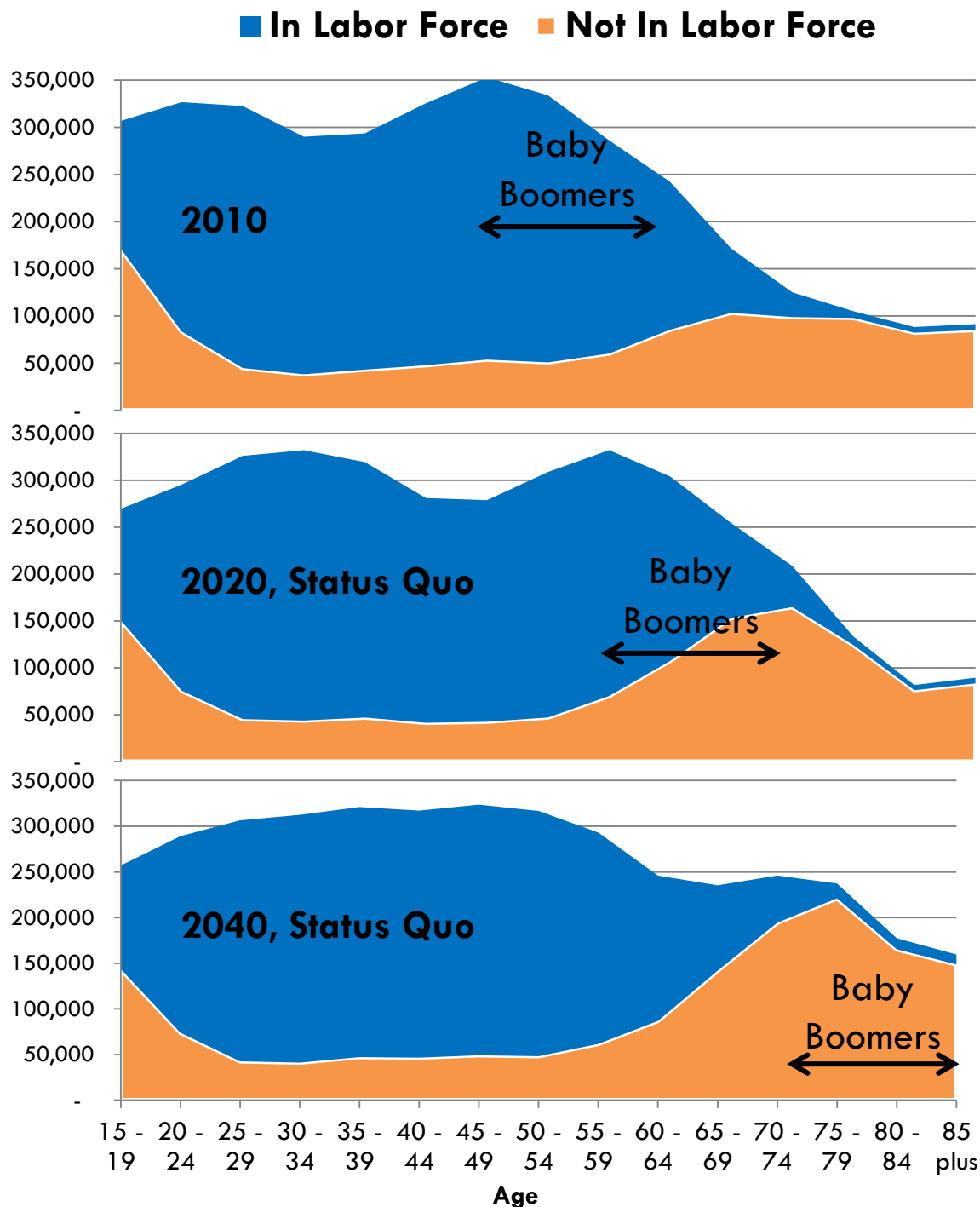


**Housing production is a
prerequisite to long-term
economic growth in Massachusetts**

Baby Boomers
comprise 49% of
labor force

One million workers
born before 1970
will retire by 2030
(39% of labor force)

State is not producing
or importing enough
young workers to fill
vacant positions

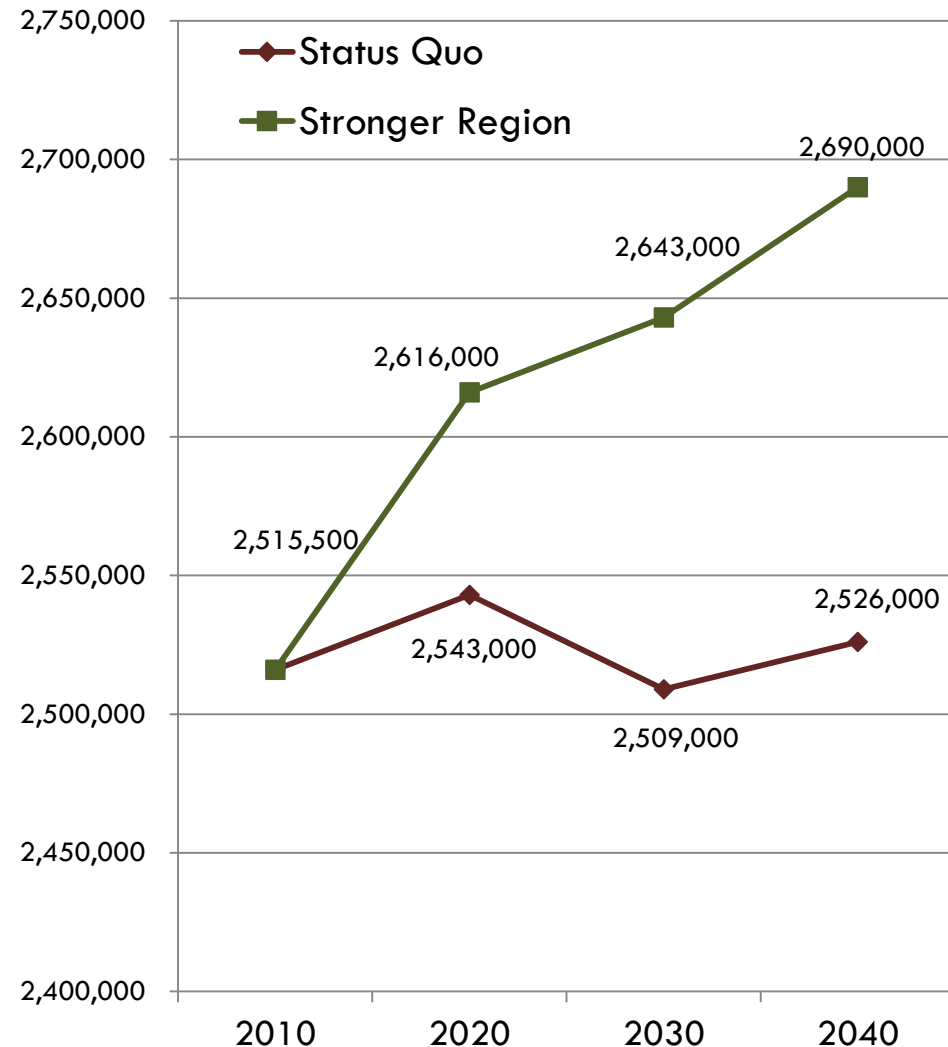


A Stronger Region is Possible

Continued outmigration
will result in
stagnant labor force

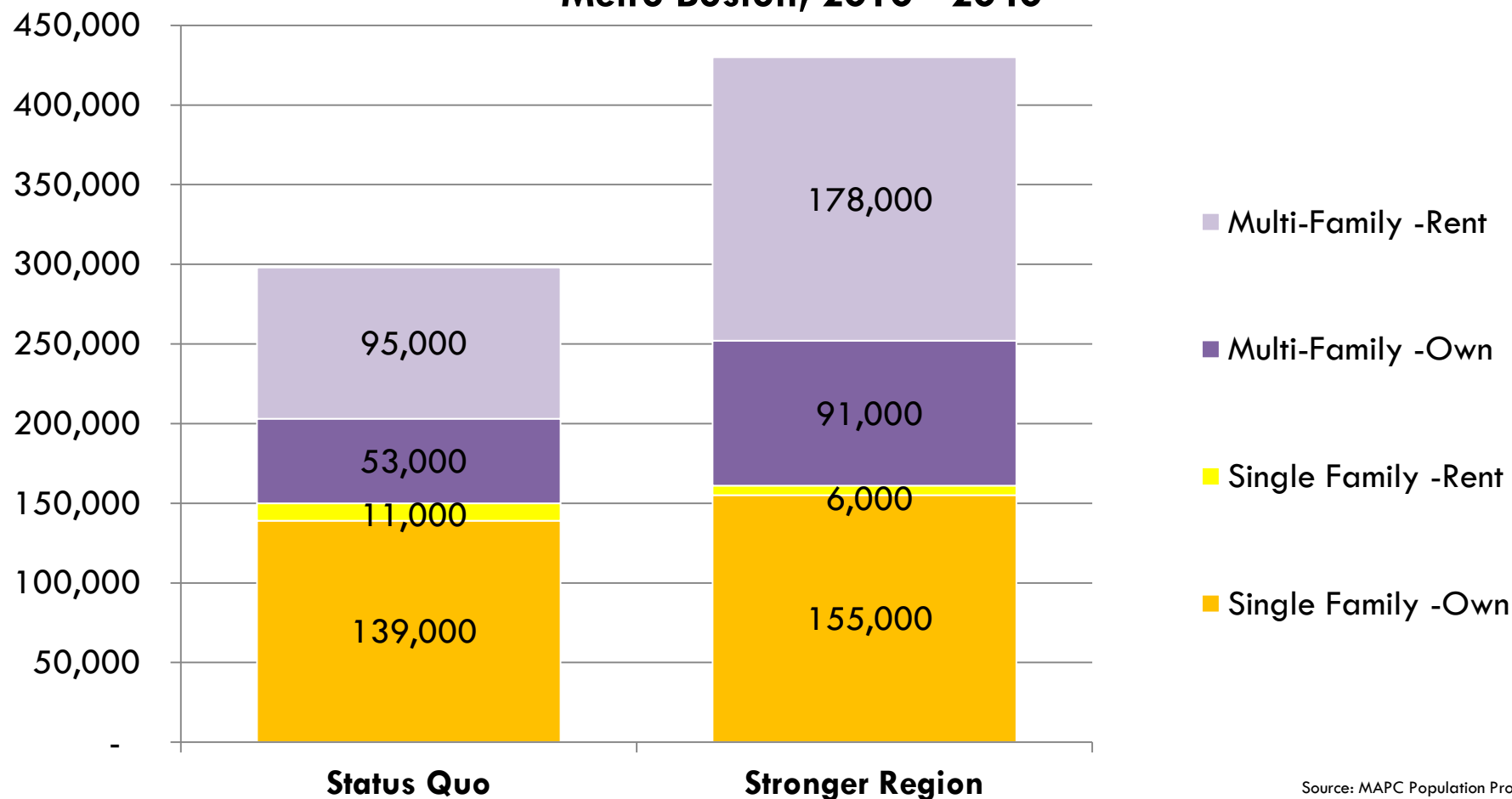
Net in-migration of
10,000 per year could
add 175,000 workers
by 2040
(7% increase)

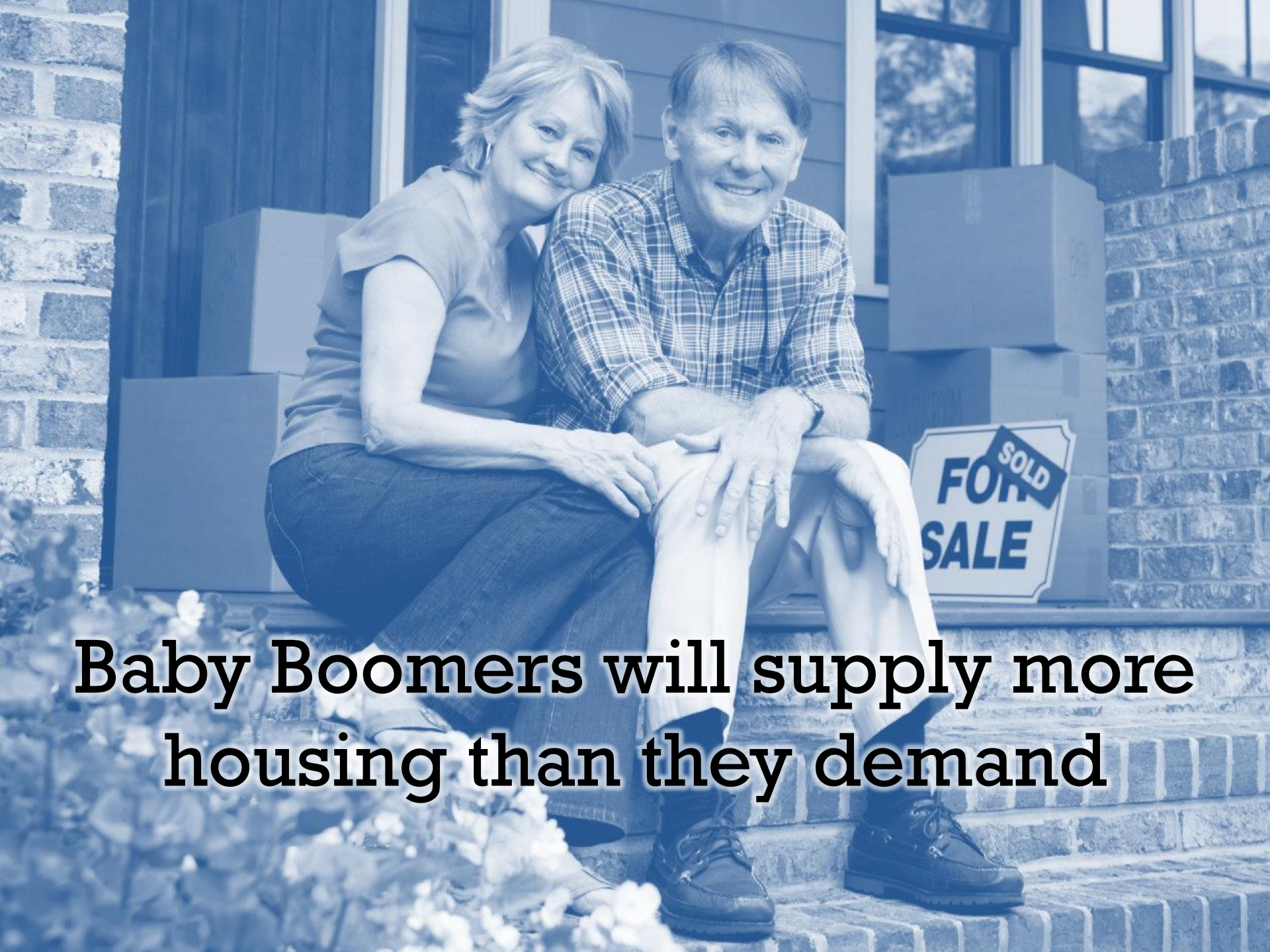
Population in the Labor Force,
Metro Boston, 2010 - 2040,
Status Quo vs. Stronger Region



Long-term economic growth requires 435,000 new units in Metro Boston, ~500,000 units statewide, by 2040

**Total Net Housing Demand, by Type,
Metro Boston, 2010 - 2040**

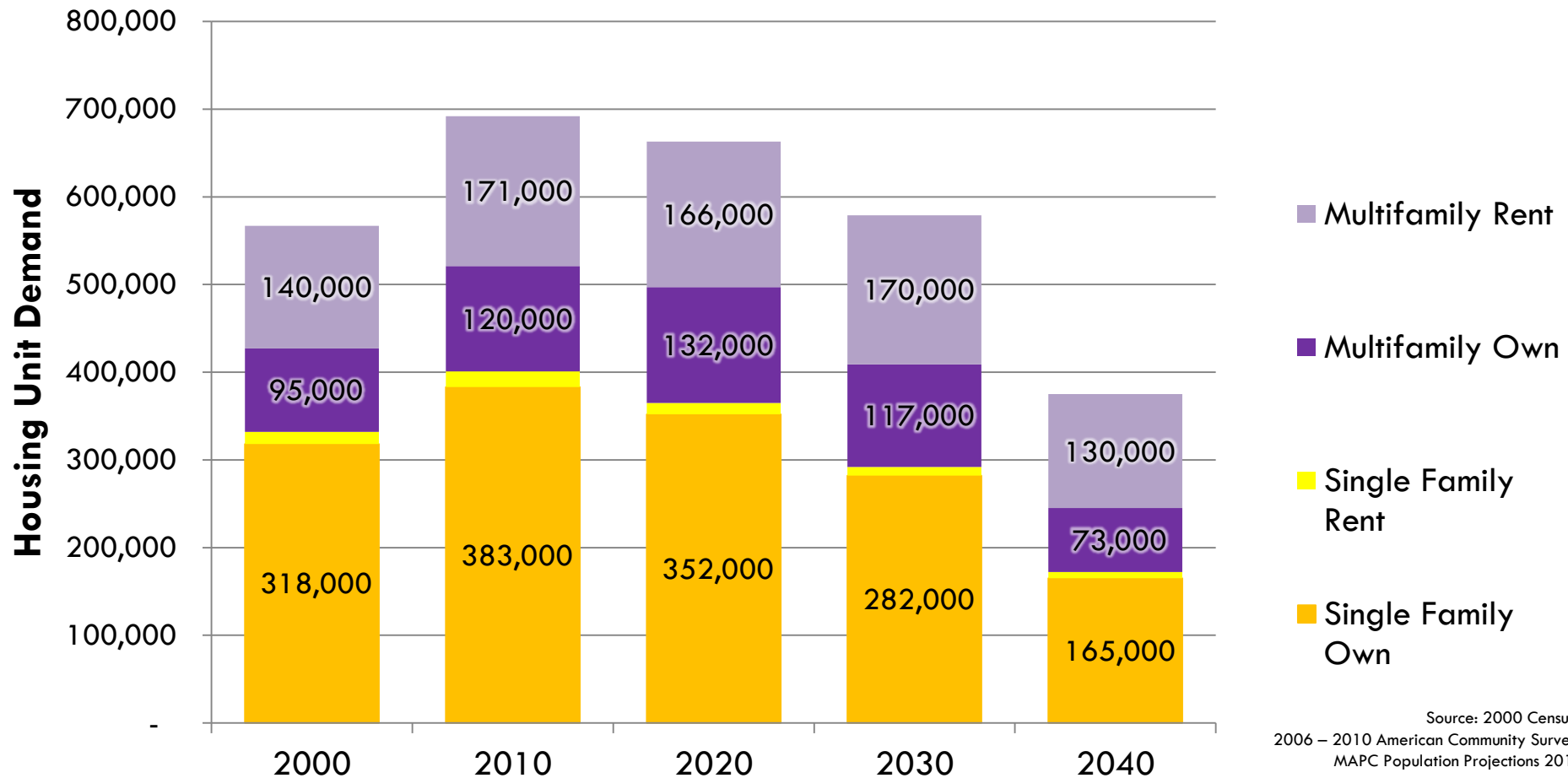




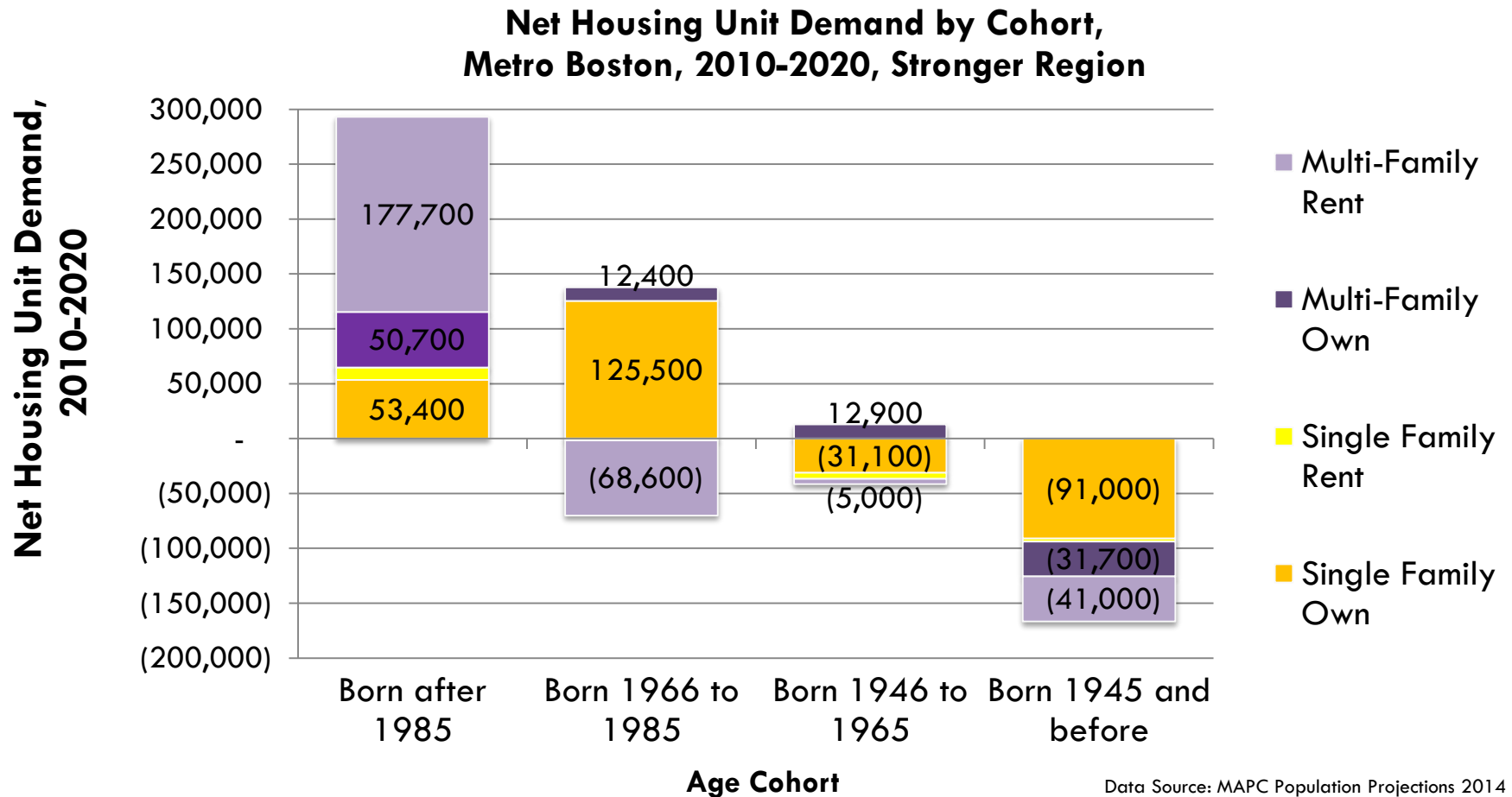
**Baby Boomers will supply more
housing than they demand**

Baby Boomers are occupying as many housing units as they ever will

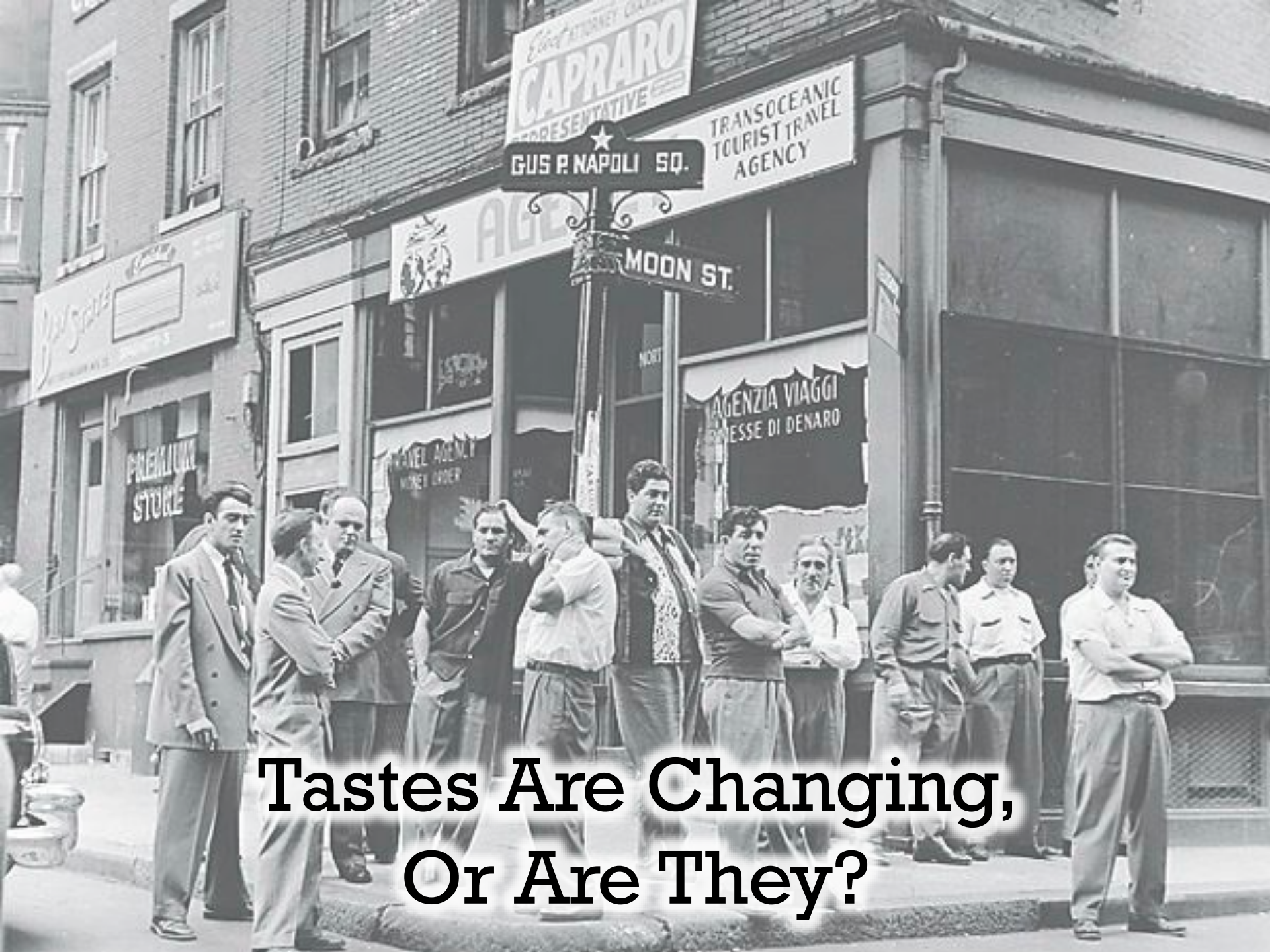
**Baby Boomer (1946 - 1965) Housing Demand,
Metro Boston, 2010 - 2040,
Stronger Region Scenario**



The coming single-family “senior sell-off”



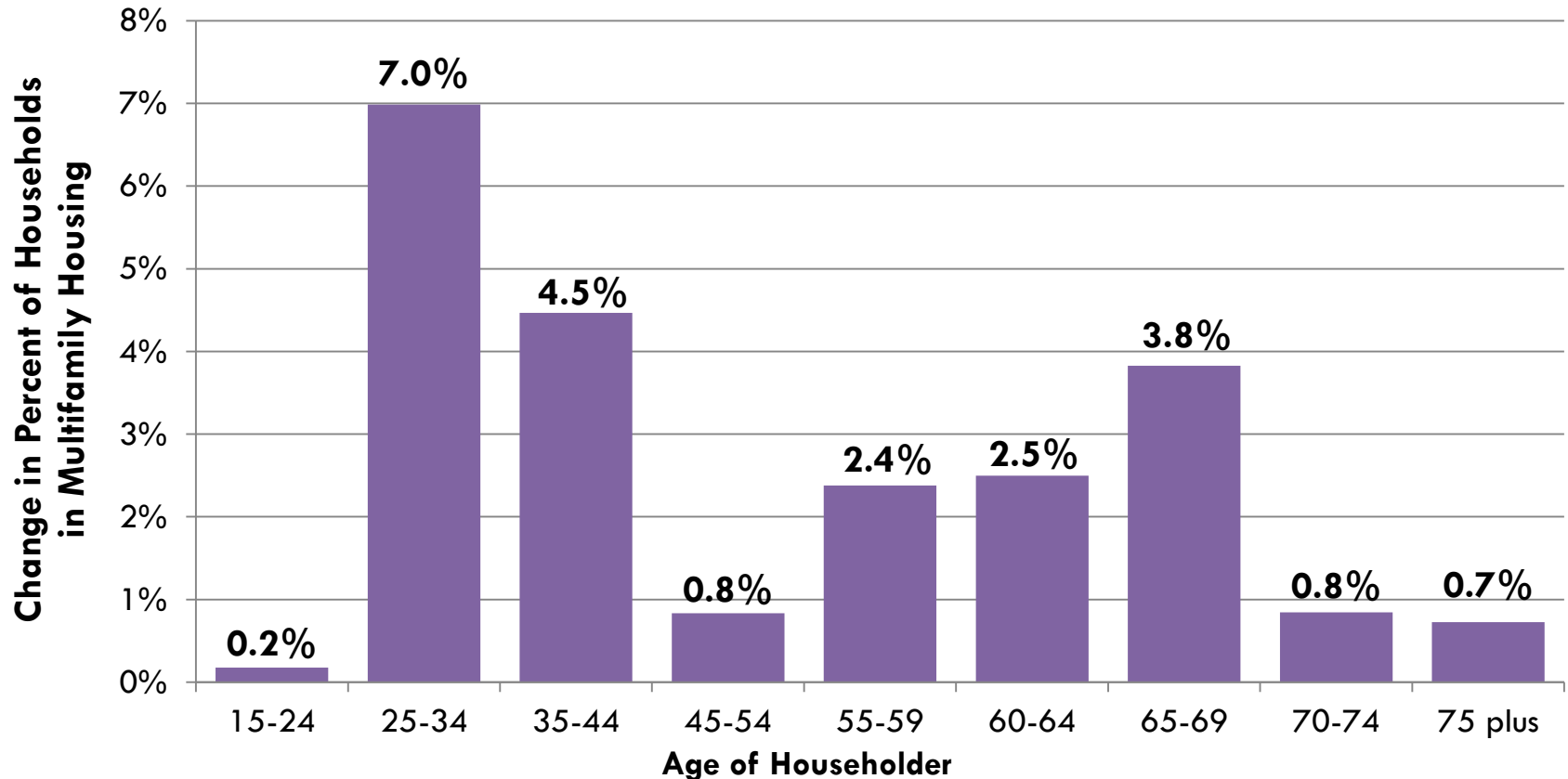
**Puts 130,000 units back on the market by 2020,
supplies 72% of demand for younger households**



**Tastes Are Changing,
Or Are They?**

Multifamily Occupancy is Growing

Change in Multifamily Occupancy Rates,
2000 to 2010, Metro Boston

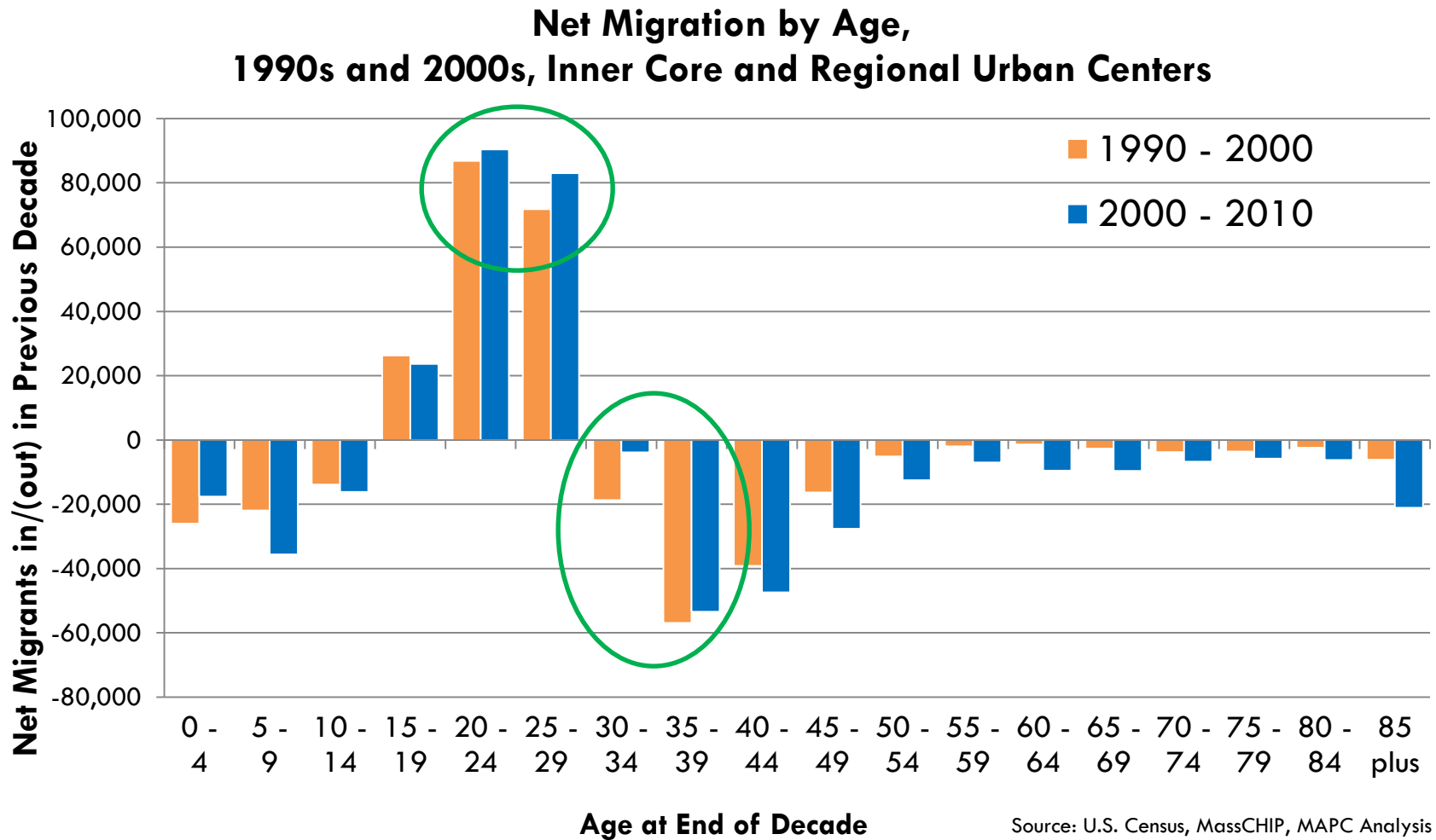


Multifamily occupancy increased for all age groups

Steepest increases among Millennials and Baby Boomers

An Urban Resurgence is Underway

Urban municipalities attracted/retained 30,000 additional residents as compared to the 1990s

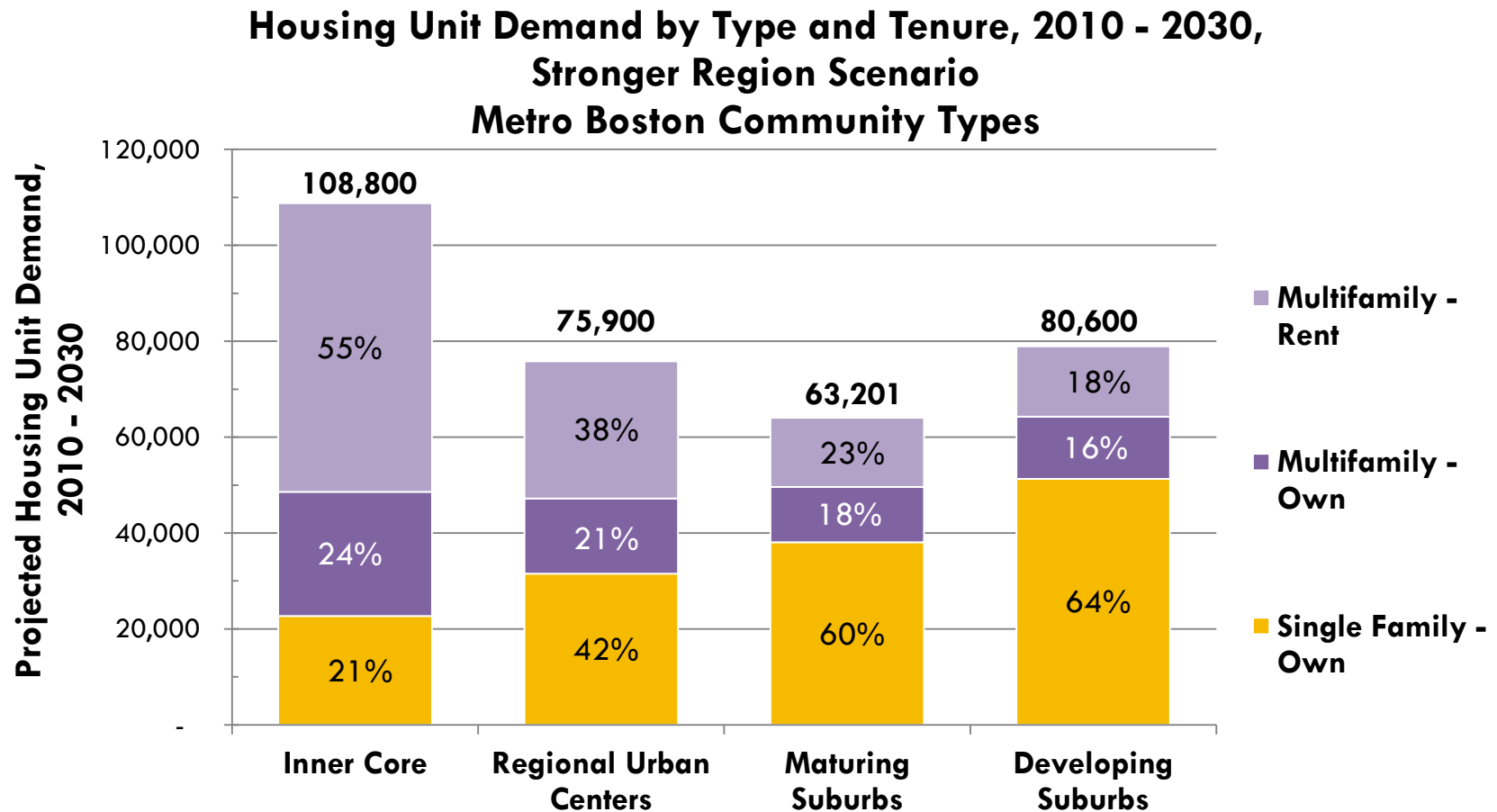


A New Paradigm of Housing Demand

Metro Boston will need 435,000 new units by 2040

Most housing demand will be in urban communities

Two-thirds of demand will be for multifamily





The calculus for assessing the impacts of housing production is changing radically and rapidly

Communities with declining working-age population will be at competitive disadvantage

Boomer downsizing satisfies only a portion of demand created by younger households

Long-term trends will drive continued demand for urban & multifamily housing

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www.mapc.org/projections

www.housing.ma

