

Real Estate Impacts: Baseline Conditions

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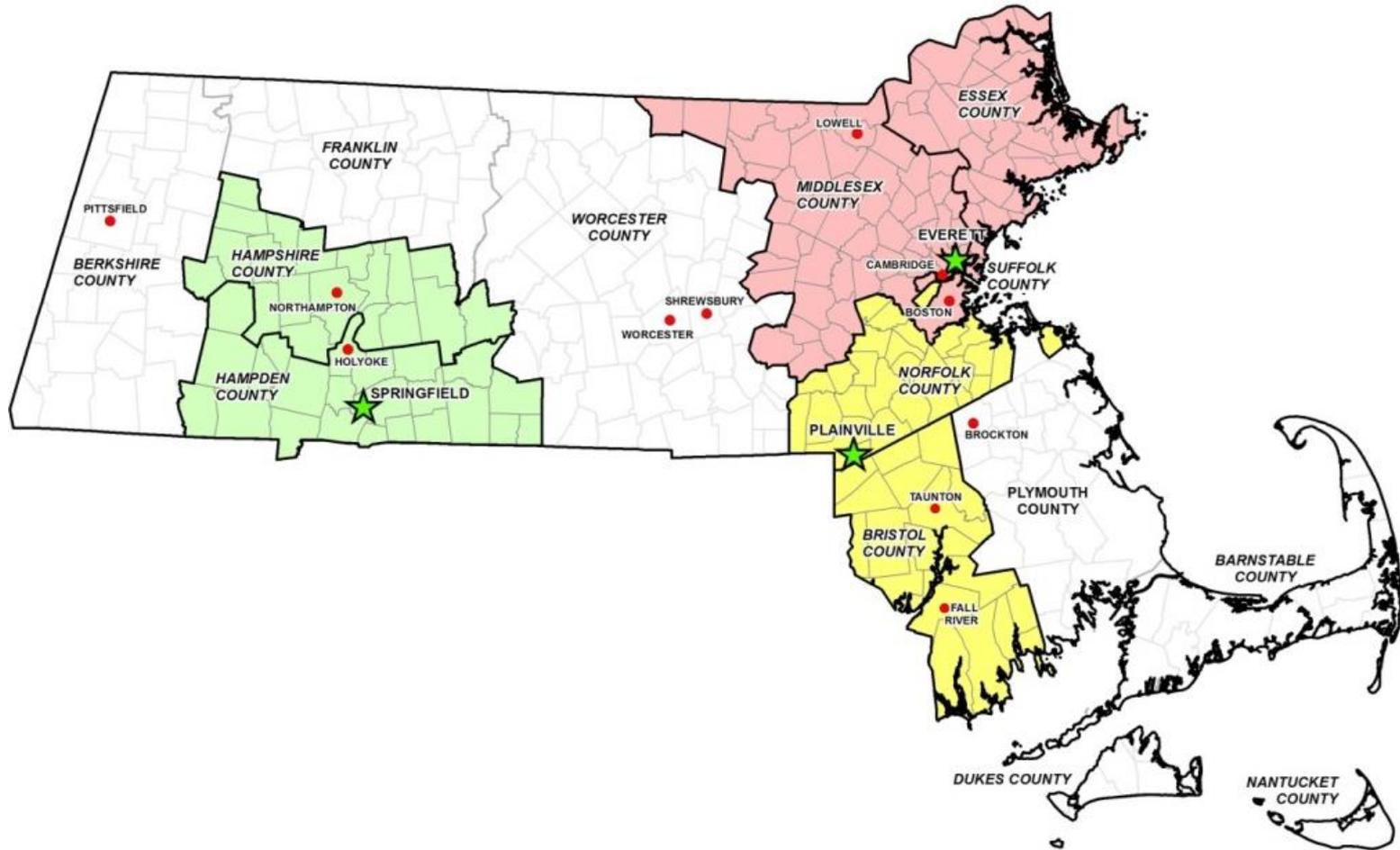
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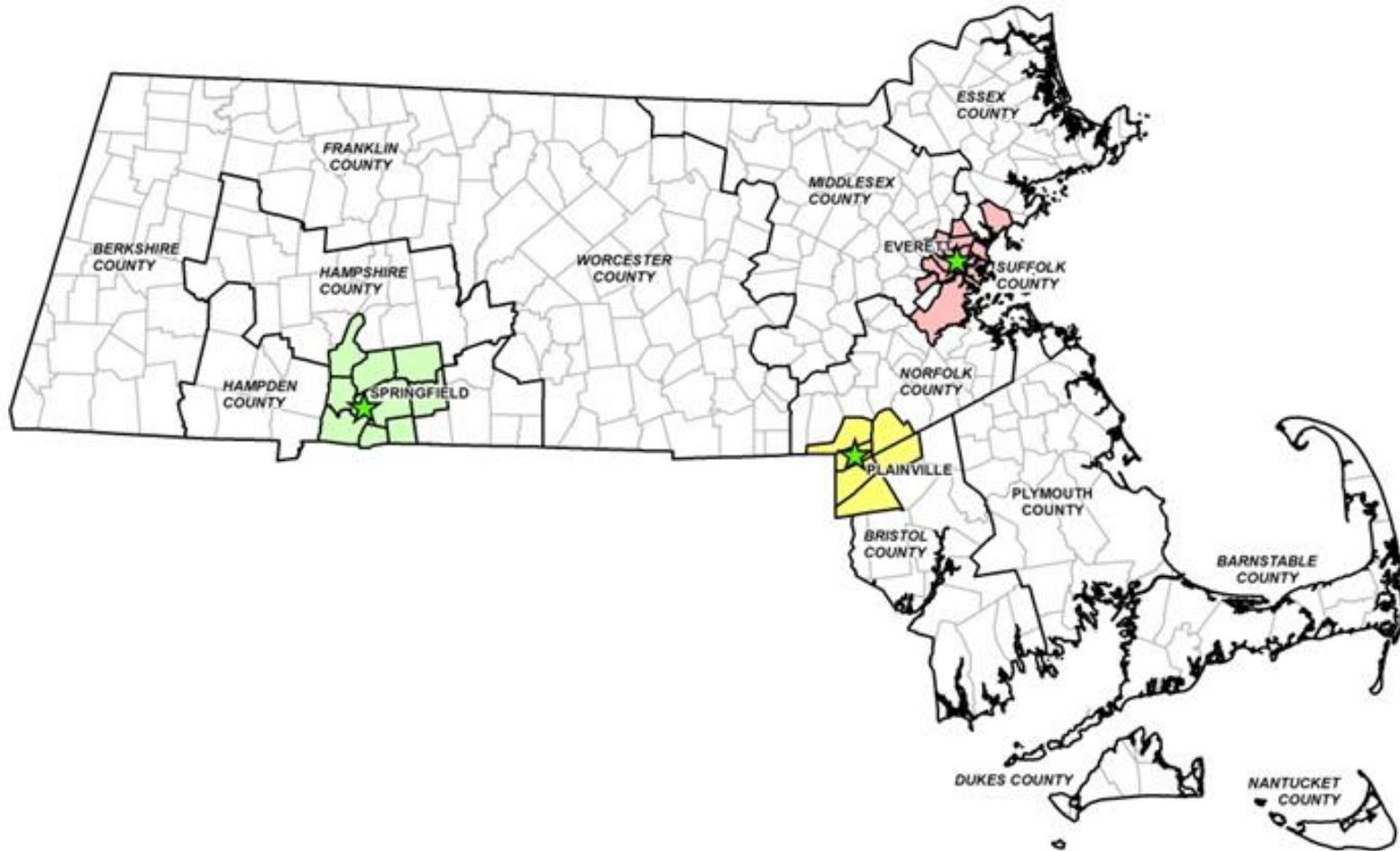
Outline

- Three reports on pre-casino baseline conditions
 - Starting point for measuring impacts
 - Everett as an example
 - Similar format for Plainville and Springfield
 - Two major sections, with numerous indicators
 1. Residential Properties
 - Building Permits, Sales, Sale Price, Rents
 2. Commercial/Industrial Properties
 - Inventory, Vacancy, Net Absorption, Lease Rates
- Analysis conducted at multiple scales
 - Host community, immediate region, official surrounding communities, distance from casino

Sites and Regions



Sites and Surrounding Communities



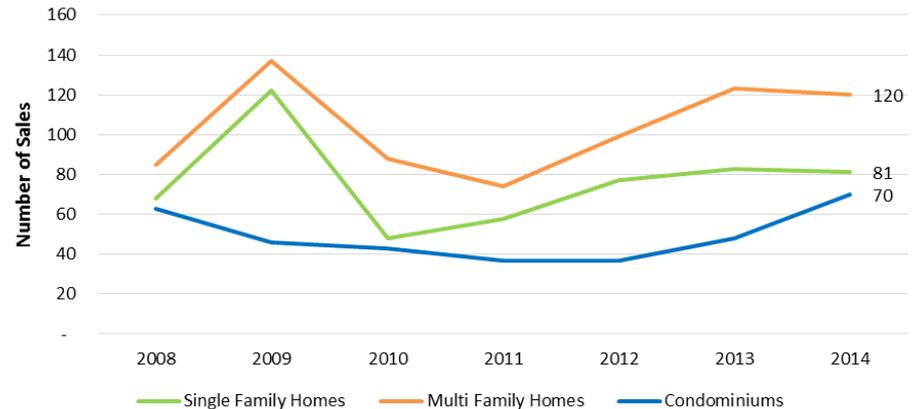
Residential Real Estate Sales

- Source: MA DOR LA3 database
- All property sales in the state
 - Real-verified property sales (arms-length transactions)
 - Location, Sale Date, Sale Price, Land Use type
 - Starting (reliably) in 2008
 - Updated to end of 2014 (two + year lag in reporting)
- Focus on three types of residential sales
 - Single-family
 - Multi-family
 - Condominiums
- Others deemed too infrequent/sparse

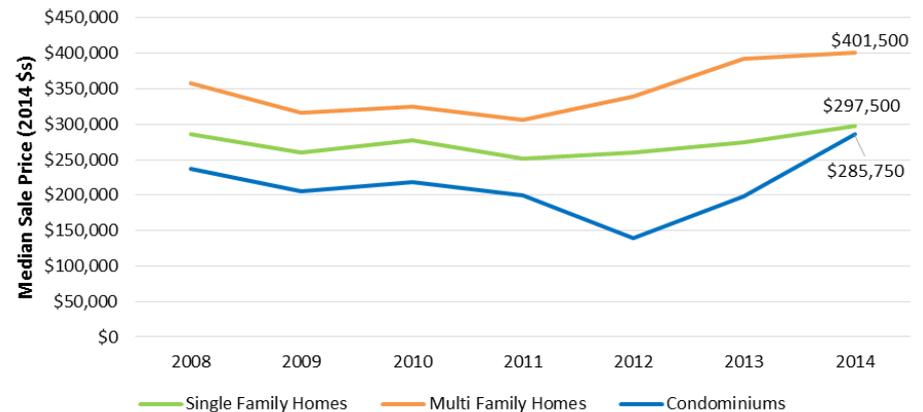
Everett Sales Trends

- Higher proportion of multi-family housing
- Upward trend, particularly condos

Number of Residential Property Sales by Type



Median Sales Price of Residential Properties (2014 dollars)

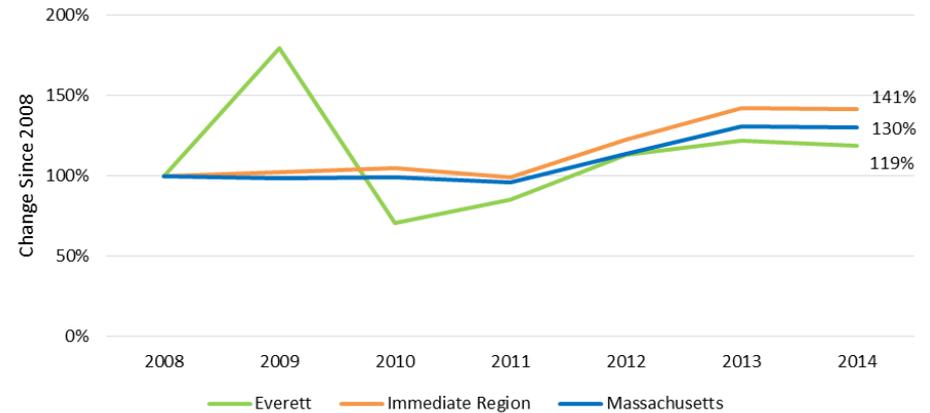


- Sale prices growing, especially condos

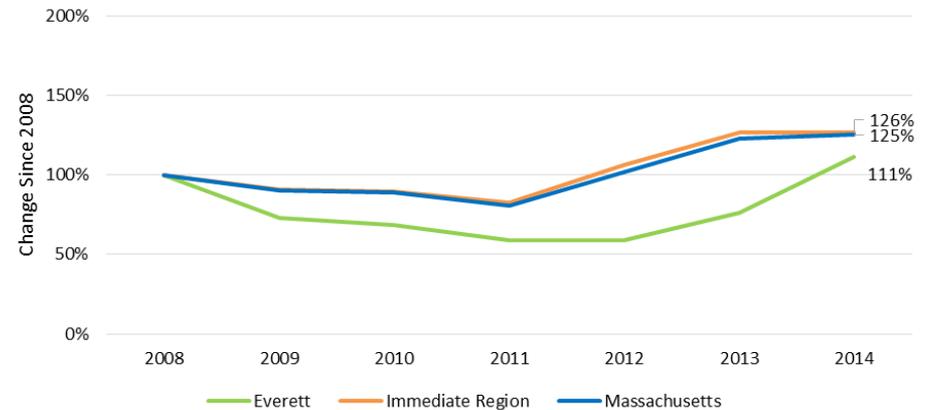
Sales Comparisons

- Growth in SF home sales slightly below region & state
- Condo sales rising sharply since 2012

Single-family Home Sales



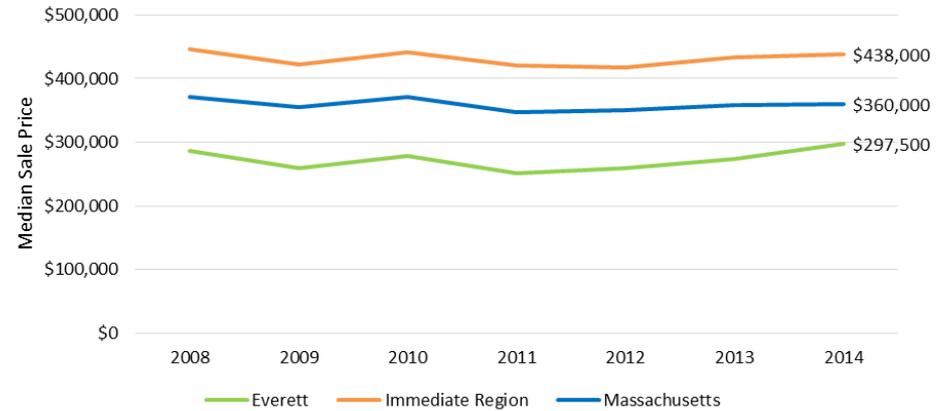
Condominium Sales



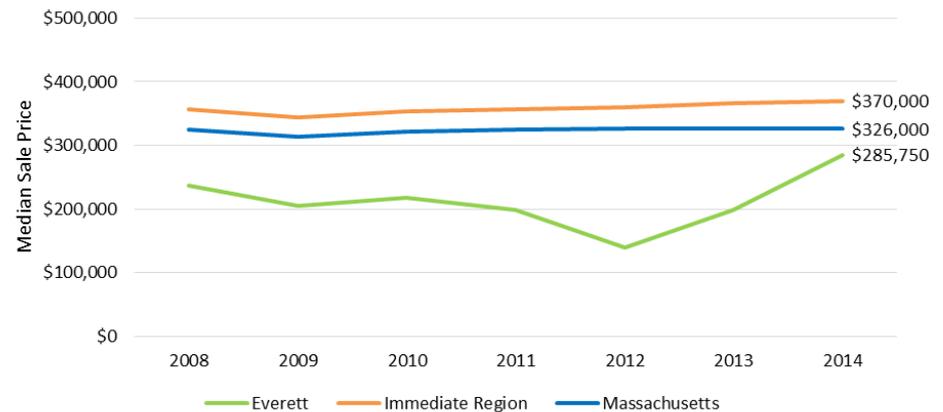
Sale Price Comparisons

- Relatively affordable
- Prices rising at a faster rate in recent years
- Not as fast as many neighboring communities

Single-family Homes

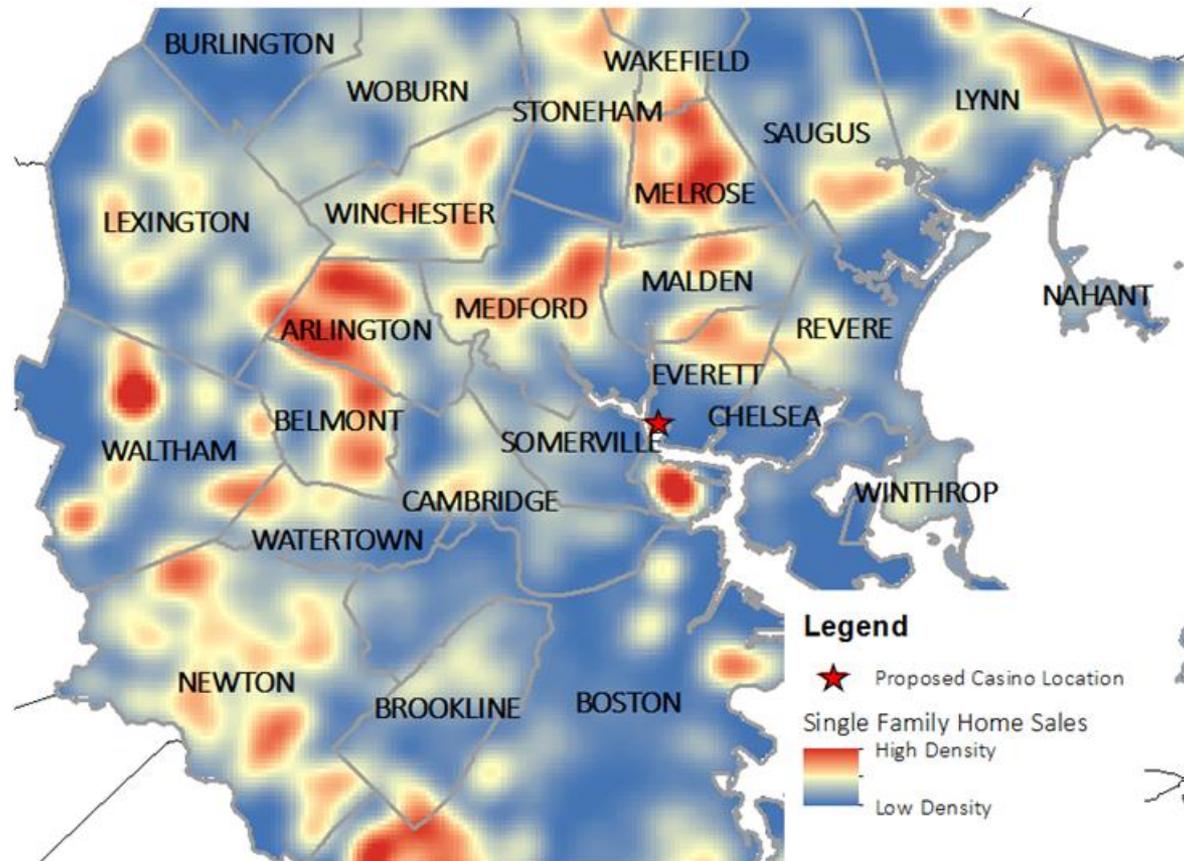


Condominiums



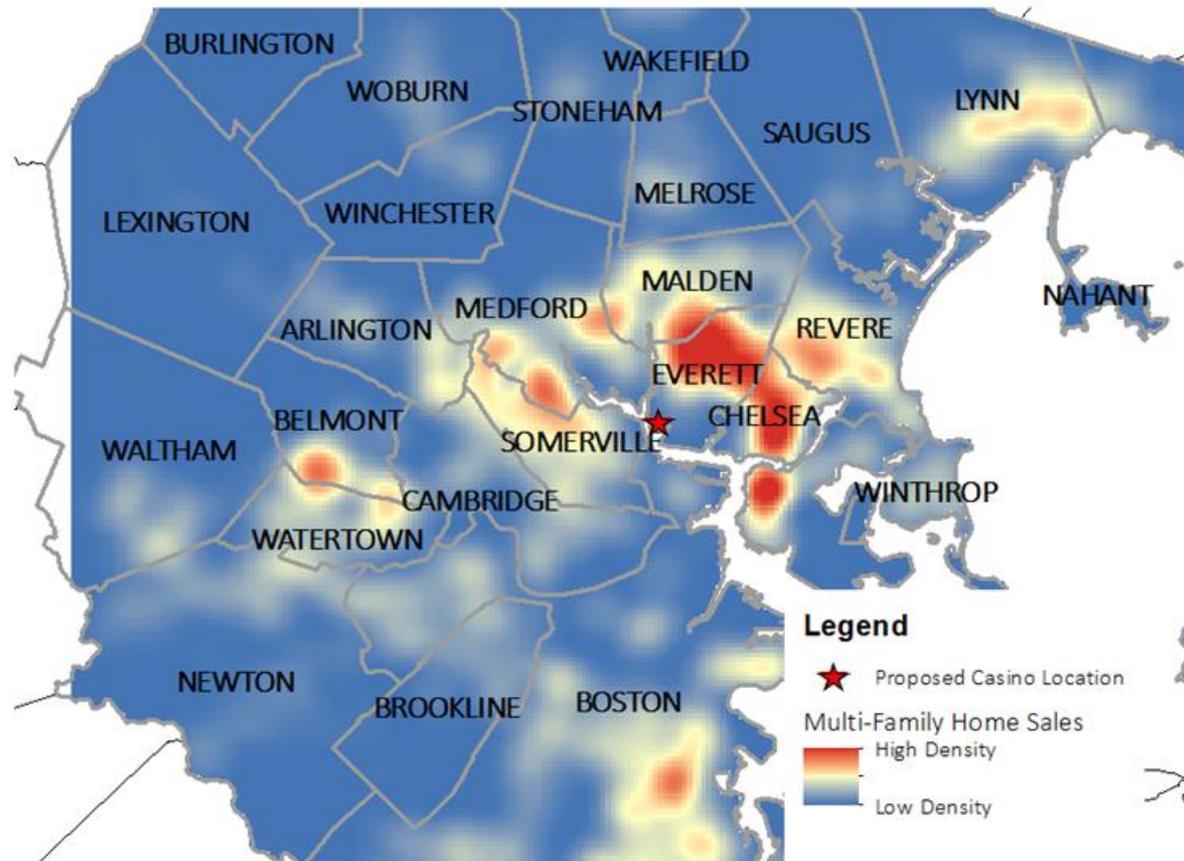
Sales “Hot Spots”

Areas of Concentrated Single-family Home Sales, 2008 to 2014



Sales “Hot Spots”

Areas of Concentrated Multi-family Home Sales, 2008 to 2014



Sales Trends by Distance

Single Family

- Few sales near site
- Changes in sales unrelated to distance

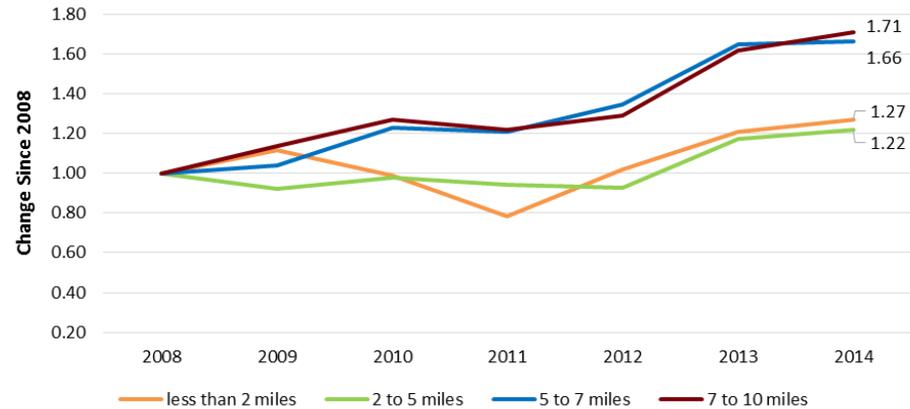
Multi Family

- Faster growth further from site, but similar since 2012

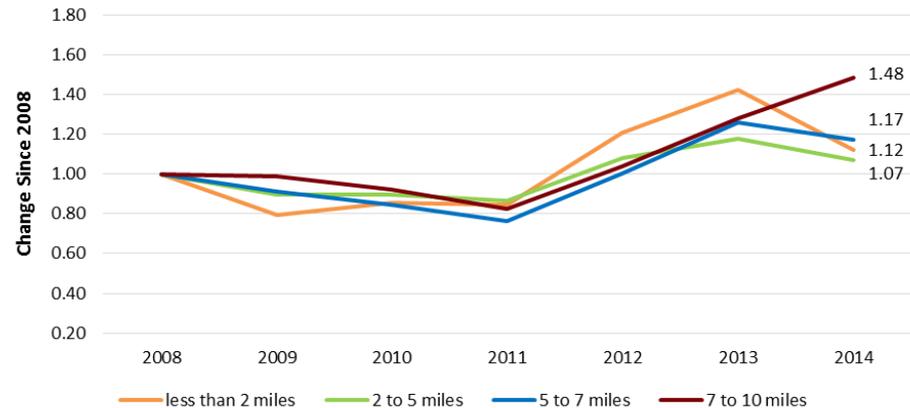
Condo

- Generally unrelated to distance

Multi-family Home Sales by Distance to Casino

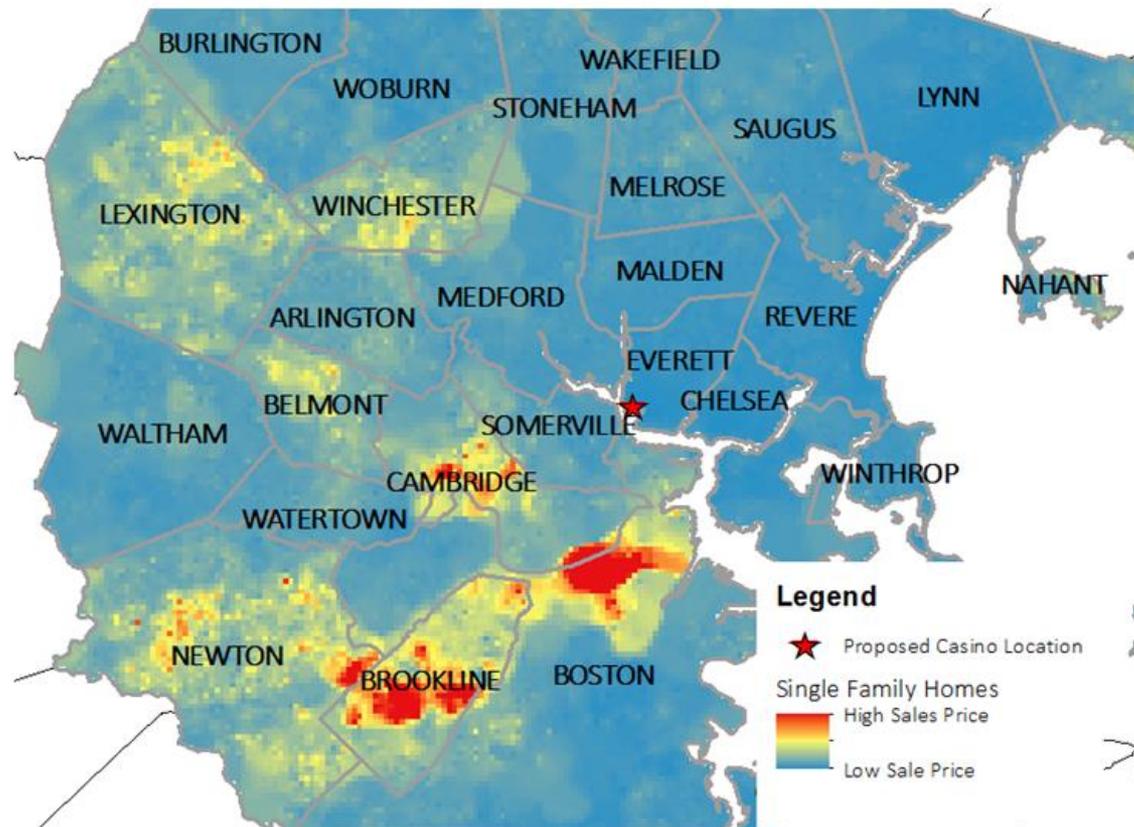


Condominium Sales by Distance to Casino



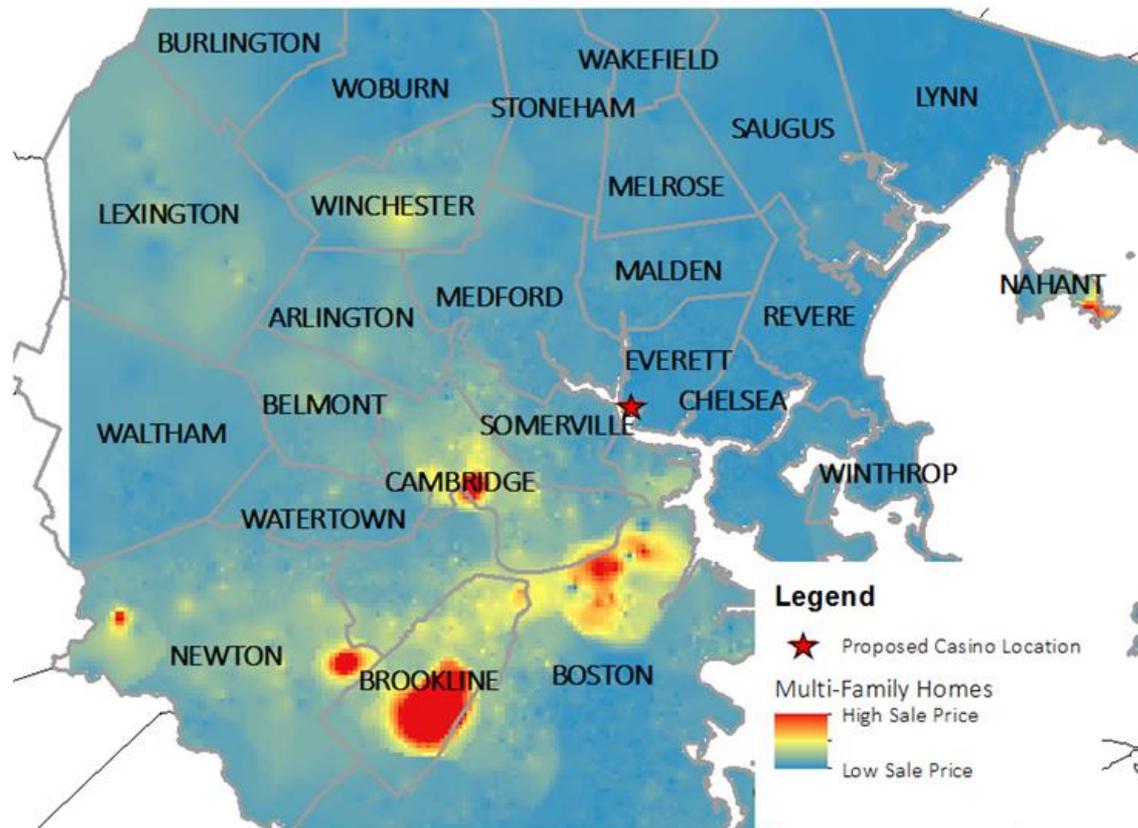
Where are homes most expensive?

Spatial Variations in the Sale Price of Single-family Homes, 2008 to 2014



Where are homes most expensive?

Spatial Variations in the Sale Price of Multi-family Homes, 2008 to 2014



Sales Prices by Distance

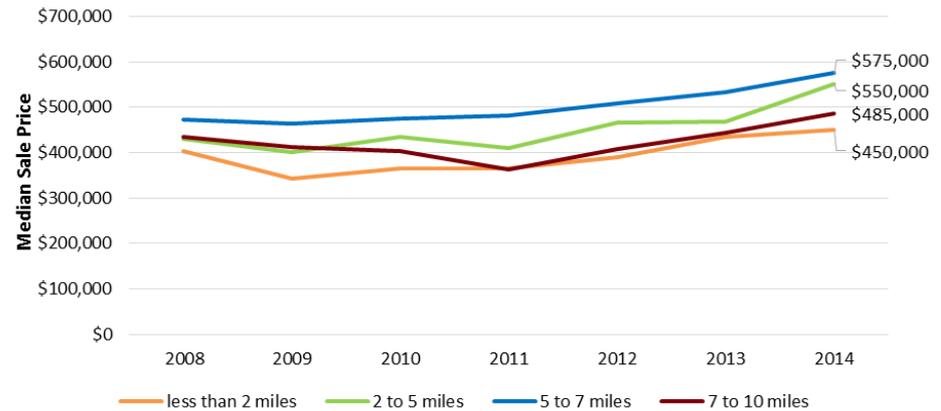
Single/Multi Family

- Closest, least expensive
- Trends in sales prices unrelated to distance

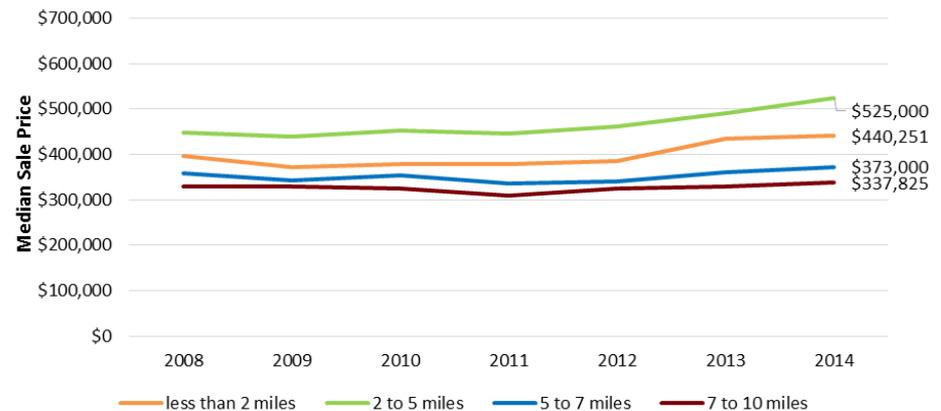
Condominiums

- 2-5 miles most expensive and fastest rate of growth

Multi-family Home Sales Prices by Distance



Condominium Sales Prices by Distance



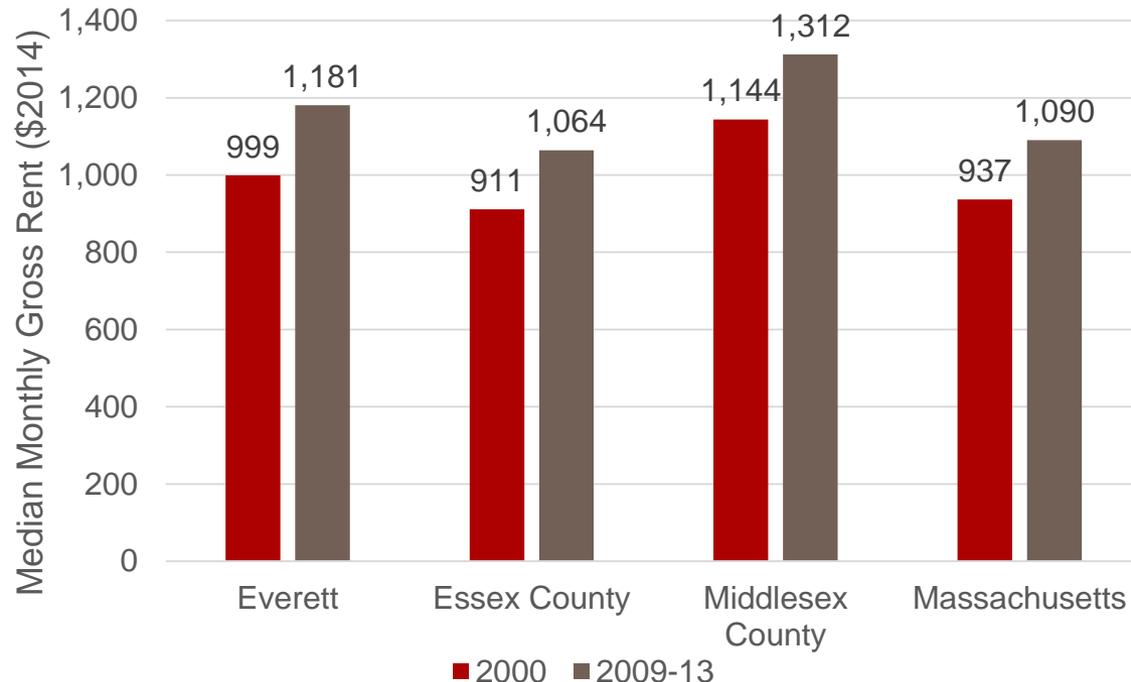
Rental Markets, Data Sources

- **American Community Survey**
 - Comprehensive and representative profile of housing stock
 - Census tract/block group level and higher
 - Five year rolling survey
 - Can't measure year to year changes
- **CoStar**
 - Proprietary Data Service, apartments.com data
 - Detailed and very timely (almost real-time)
 - Methods rather opaque
 - Non-representative: dominated by multi-unit apartment complexes

Rental Profile (ACS)

Gross Monthly Rents in Everett and Comparison Regions

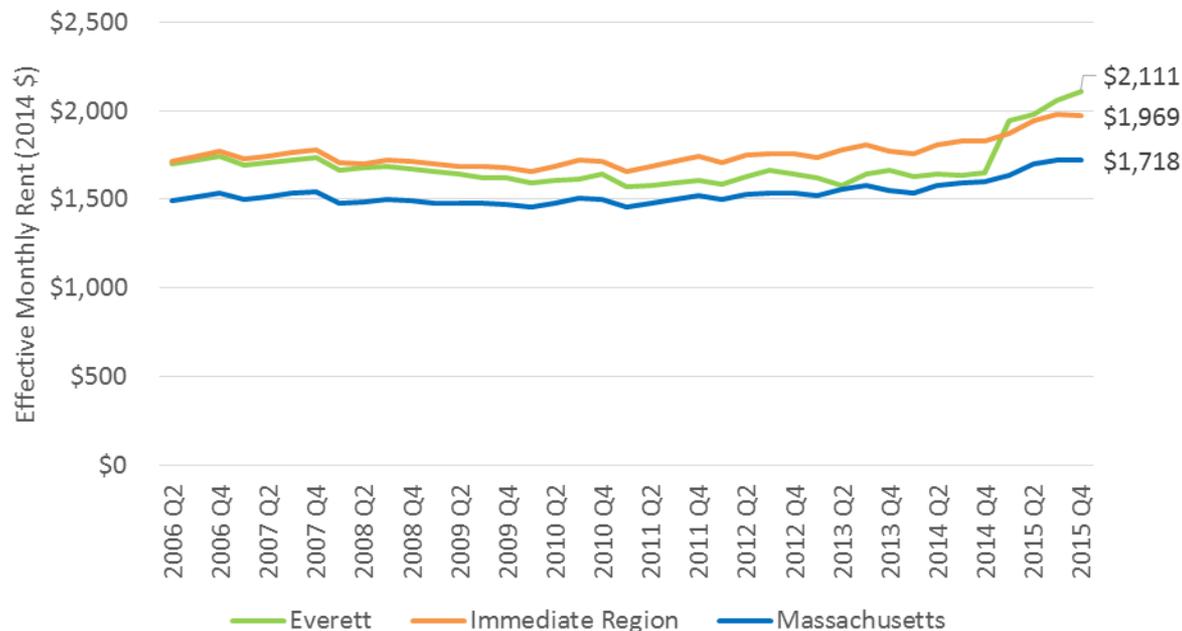
- > 75% of Everett residents are renters, most multi-unit
- Rents are higher than state median, but below most neighbors
- Increase in rent lower than 6 of 9 surrounding communities



Rental Market, CoStar

Effective Monthly Rents, Everett vs. Region and State, 2006 to 2015 (Q3)

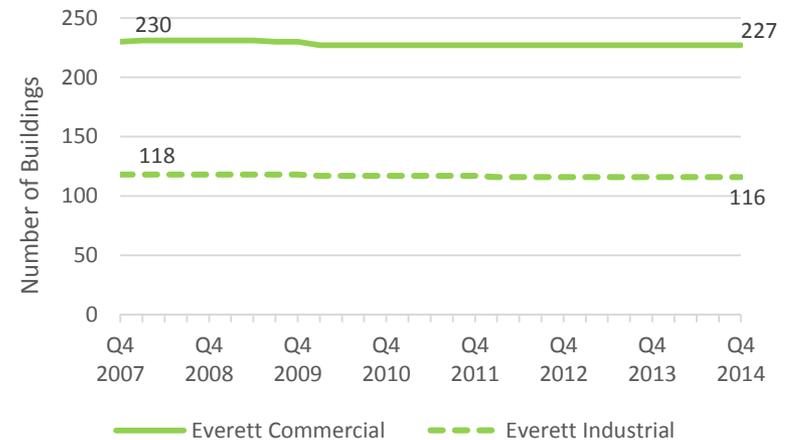
- Rents notably higher than reported in ACS
- Effective real rents shoot up in Q1 2015
 - Coincides with 300 new units, plus rise in vacant units



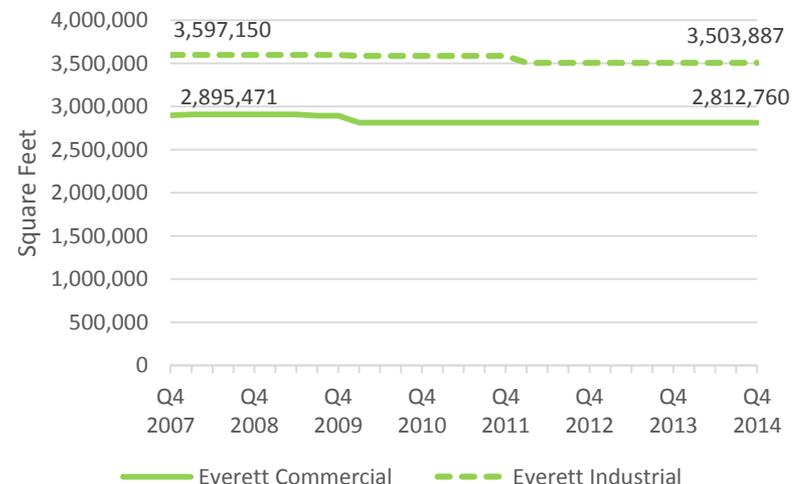
Commercial/ Industrial Building Inventory

- Little change in inventory or rentable building area (RBA) from year to year
- Slight declines in inventory and RBA, consistent with state trends

Building Inventory

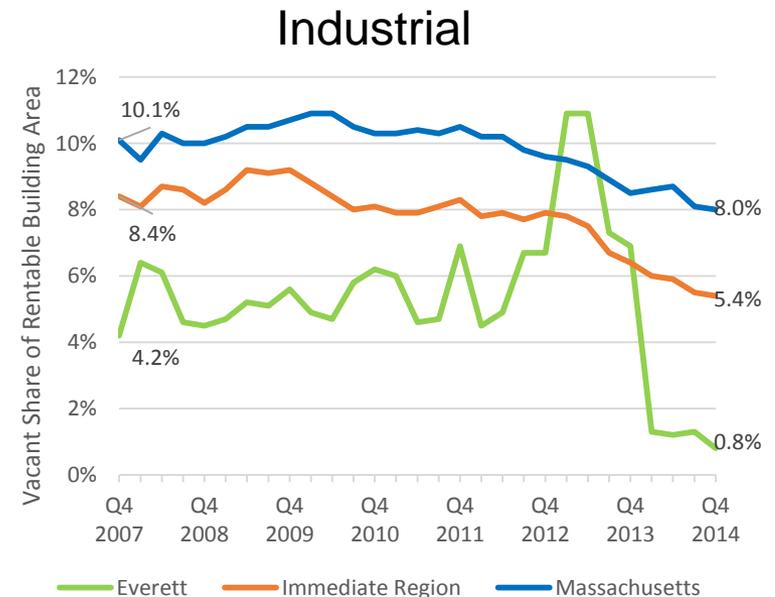
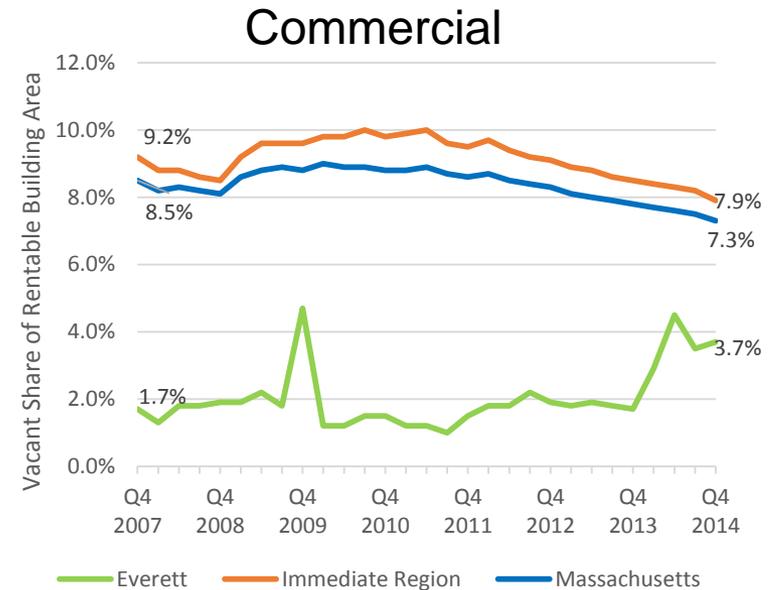


Rentable Building Area



Vacancy Rates

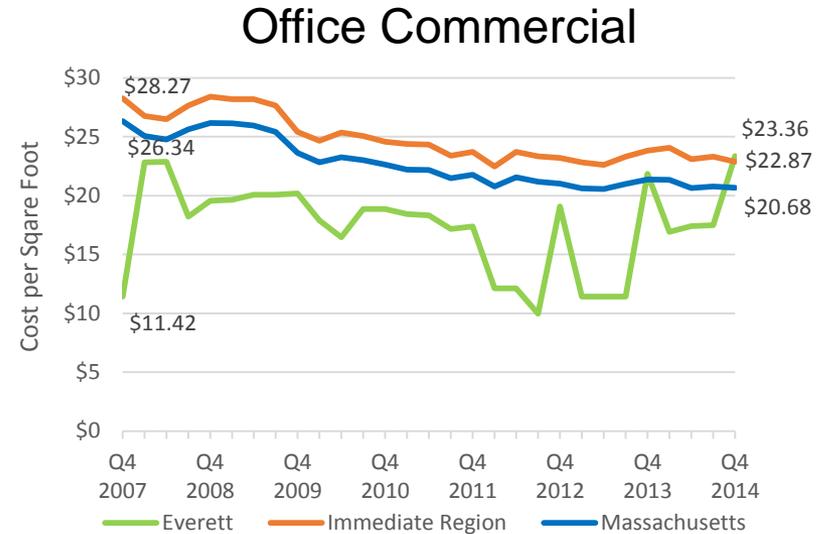
- Much lower than state averages
- Commercial vacancy rate increases since 2013, but still very low
- Industrial vacancy rates highly volatile



Lease Rates

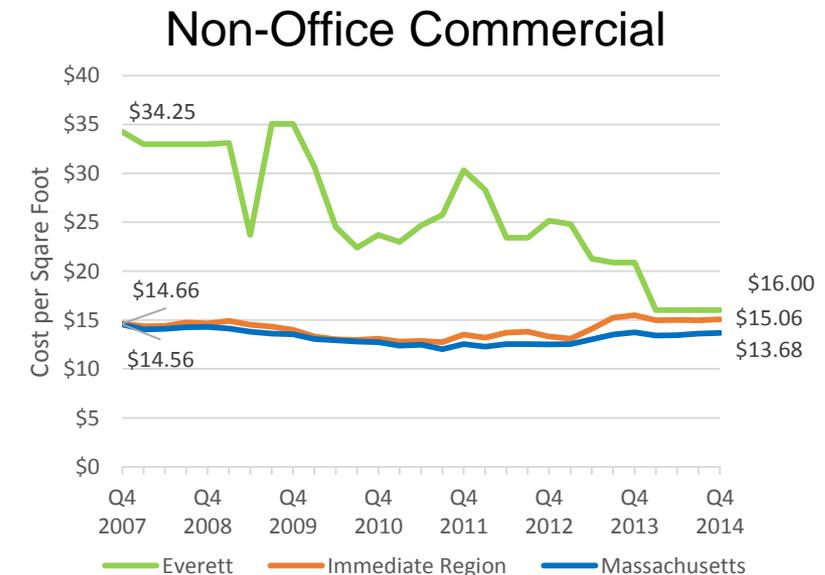
Office Commercial

- Typically below state and region
- Rates increasing since 2013, now on par with region



Non-Office Commercial

- Steady decline
- Now similar to state/region



Industrial (not shown)

- Erratic, slightly higher than state/region

Next Steps

- Shift from establishing baseline to measuring impacts
 - Post-casino, do we see a departure from past trends?
 - Do we see a similar departure in reference areas?
 - Do impacts attenuate by distance?
- Data development
 - Two + year lag on property sales is a problem
 - Looking into other sources (i.e. County Registry of Deeds)
 - Address Matching
 - More difficult to match sales in new developments
 - New possible source: Master Address File of MassGIS
 - Developed for emergency services provision, updated regularly

Thank you!

Additional questions or comments
please email:

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