



Regional Housing Needs Assessment

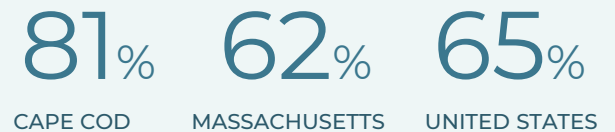
The Cape Cod Commission contracted with the Donahue Institute at UMass Amherst (UMDI) to update and expand the 2017 Regional Housing Market Analysis. The assessment provides demographic and economic information as well as population and housing supply and demand projections. The assessment was informed by a resident survey seeking to understand housing situations and what factors influence housing choices.

Cape Cod's housing stock is predominantly owner-occupied, detached single-family homes, limiting housing options in the region

Percentage of housing stock that is detached single-family homes



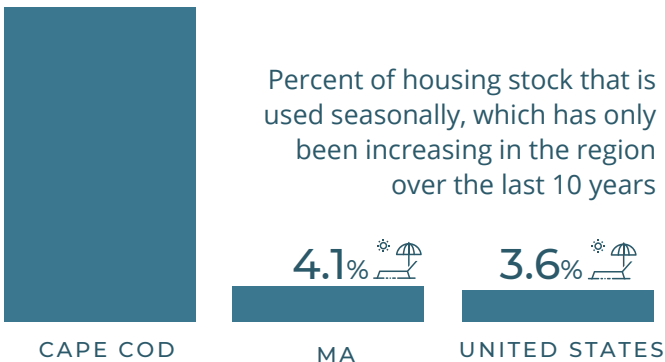
Percentage of housing stock that is owner-occupied



American Community Survey (ACS) 2021 5-year Estimates, Table DP04

The region's draw as a seasonal home destination puts pressure on the housing market – for owners and for long-term renters

36.3%



Percent of housing stock that is used seasonally, which has only been increasing in the region over the last 10 years

There is a strong financial incentive to rent a home seasonally rather than year-round. It only takes **two months** for the revenues from a 3-bedroom short-term rental to exceed the revenue from renting a full-time, 3-bedroom year-round rental at the average monthly rent for Barnstable County.

\$12,000

AVG. MONTHLY SHORT-TERM RENTAL REVENUE

vs.

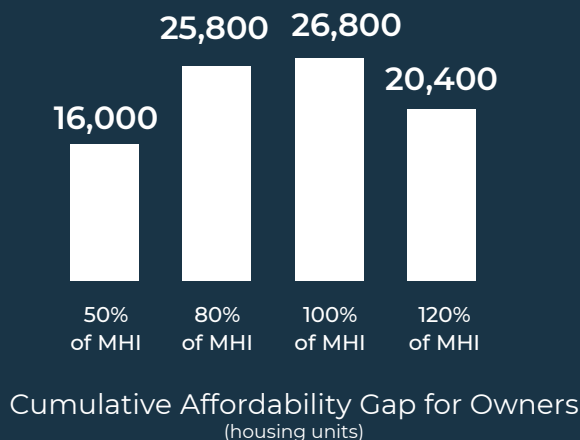
\$1,900

AVG. MONTHLY YEAR-ROUND RENTAL REVENUE

ACS 2021 5-year Estimates, Tables DP04 & B25004

The Affordability Gap – 2020

The affordability gap is the difference between the estimated supply of housing units affordable to those households at a certain percentage of the median household income (MHI) for owners or renters in a given area and the demand, assuming that housing cost is 30% or less of household income. It considers the existing population of owners and renters and the existing housing stock, distributed across different income levels.



\$210,000

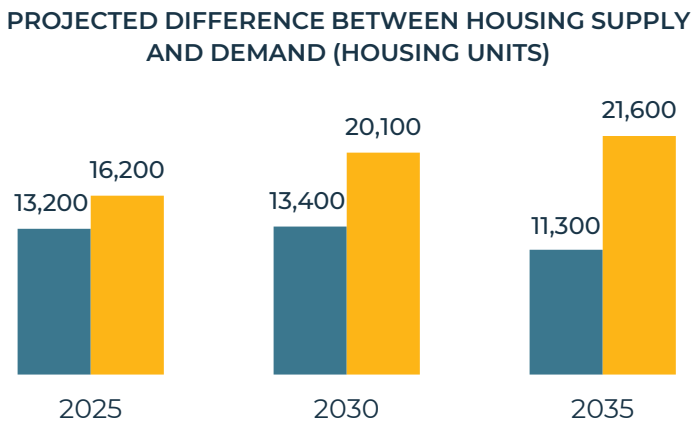
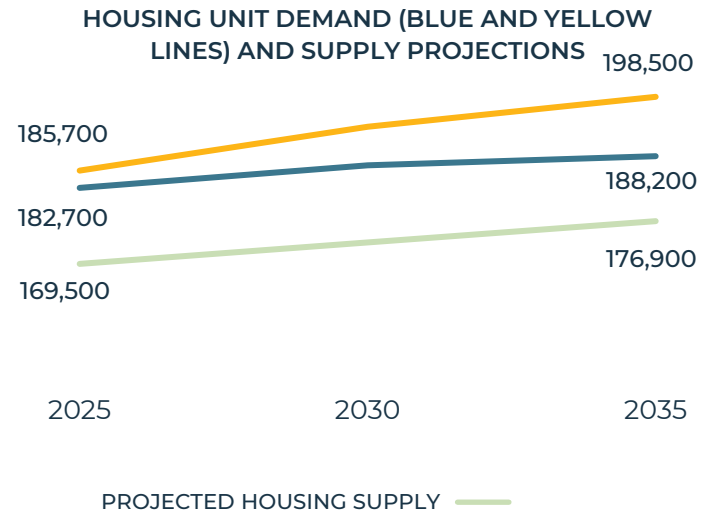
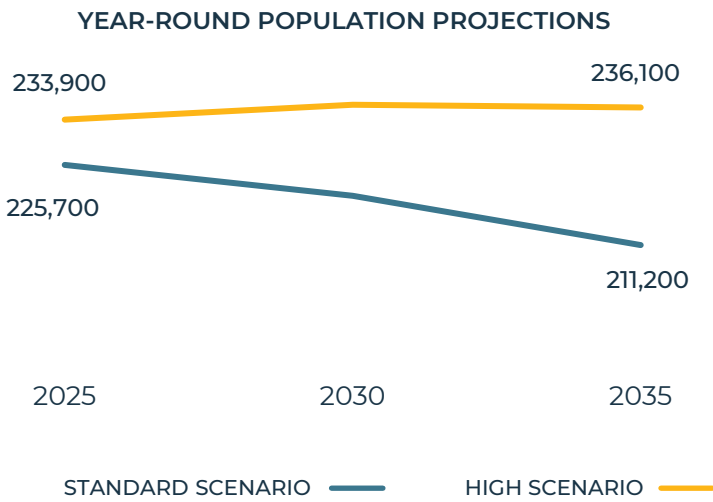
ESTIMATED INCOME NEEDED TO AFFORDABLY PURCHASE A MEDIAN-PRICED SINGLE-FAMILY HOME IN 2022

\$82,000

MEDIAN HOUSEHOLD INCOME (2021)

Population and Housing Projections, 2025 - 2035

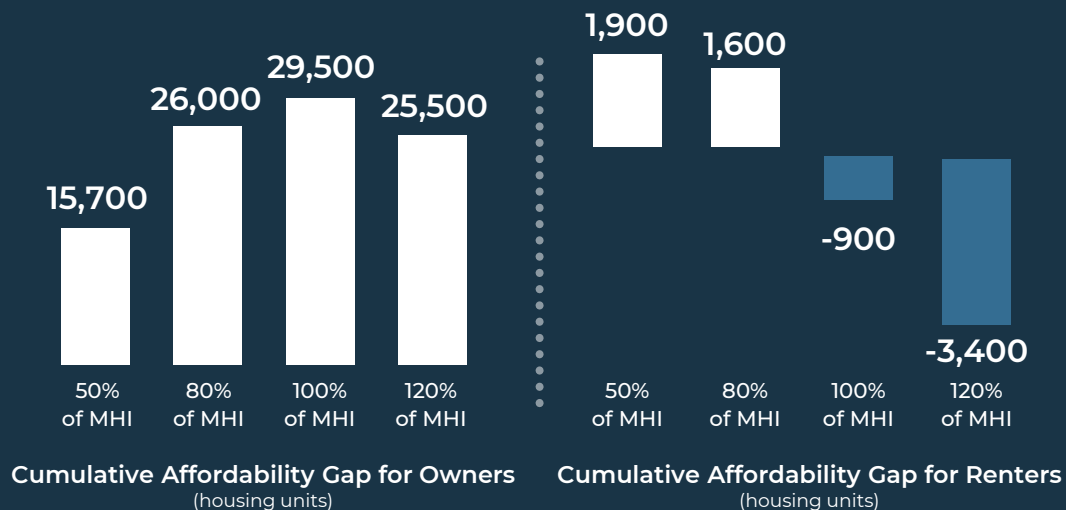
UMDI conducted projections based on two different scenarios: the standard projection (blue) assumes pre-pandemic migration trends continue and the high scenario (yellow) assumes pandemic migration trends persist. The housing demand projections are based on the population projections and also consider the seasonal housing demand trends. The housing supply projections do not take into consideration where and whether the housing units could be built.



Depending upon the scenario, the needs assessment estimates that demand for housing in the region could outpace supply by anywhere from 11,000 to nearly 22,000 housing units by 2035. It is important to keep in mind that this is without any interventions, assuming existing trends continue. Just as important is to note that these numbers are not necessarily targets for construction of housing, but rather provide a sense of the potential need for more housing affordable to a range of incomes in the region.

The Affordability Gap – 2030

The affordability gap is expected to worsen for homeowners by 2030 for those earning up to 100% of the median household income for homeowners. There remains a large predicted cumulative gap for rental housing units in the price range affordable to the households at 50% and 80% of median income. This is likely to cause these households to have to obtain housing that would otherwise be available to households at 100 and 120% of median household income.



*Values have been rounded