

INCOME THRESHOLDS

	1-person	2-persons	3-persons	4-persons
HUD 80 % AMI	\$45,500	\$52,000	\$58,500	\$65,000
	Income limit for most affordable housing programs			
City 80% AMI	\$54,800	\$62,640	\$70,480	\$78,240
	Income limit for City Inclusionary Housing program			
100% AMI	\$68,500	\$78,300	\$88,100	\$97,800
	Income limit for FTHB Financial Assistance program			
120% AMI	\$82,200	\$93,960	\$105,720	\$117,360
	Income limit for existing City middle-income homeownership units			

Middle Income Family Housing Options

- Rental:

- In the most recent CDD rent survey, only 15% of available units were 3-bedroom
- Of these units, less than 10%, or only eight units, were affordable to a family of four at 100% AMI or \$97,800 annual income

- Ownership:

- As of 9/26, only 14 3 bedroom units are listed on MLS at prices affordable to a family of four at 100% AMI
- Cambridge has fewer options than surrounding communities:
 - Arlington 31 listings
 - Watertown 37 listings
 - Somerville 74 listings

Median Home Sales Prices 2012

Condominium

- Cambridge \$434,500
 - 3+br \$719,500
- Somerville \$387,000
- Arlington \$344,000
- Watertown \$315,000

Cambridge prices are 12% higher than Somerville, 26% higher than Arlington, and 38% higher than Watertown

Single Family

- Cambridge \$795,000
- Somerville \$449,000
- Arlington \$501,000
- Watertown \$420,500

Cambridge prices are 77% higher than Somerville, 59% higher than Arlington, and 89% higher than Watertown

*Prices are for all size units

Middle Income Affordability Gap

4-person family

Rental

- Median asking rent for a three bedroom unit: \$2,750
- Income to afford median market rent: \$110,000
- AMI level to afford median market rent: 112% for a family of four
- Maximum AMI for most affordable rental programs: 80% or \$78,240 for a family of four

GAP:

80-112% AMI

Income range \$78,240 - \$110,000

Ownership

- Median condo sales price for a three bedroom unit 2012: \$719,500
- Income to afford median three bedroom unit: \$137,660
- AMI level to afford median market unit: 141% for a family of four
- Maximum AMI for most affordable homeownership programs: 100% or \$97,800 for a family of four

GAP:

80-141% AMI

Income range \$97,800 - \$137,660

Challenges for Middle Income Housing in Cambridge

- The middle-income households we see unable to stay in Cambridge are mainly families with children, looking for larger units, particularly 3-bedroom units
- There is a scarcity of 3-bedroom supply at all levels of the market
- Middle-income renters and buyers have many more options in terms of housing size, style and price in nearby communities
- Many middle-income families, particularly buyers, would rather live in a community next to Cambridge versus purchasing a unit subject to the City's deed restriction, which includes occupancy standards and limits price appreciation
- There is a demand for larger units serving families between 80% and 120% of Area Median Income (AMI), particularly homeownership units