



WORCESTER REGIONAL
CHAMBER OF COMMERCE
RECRUIT | RETAIN | INCUBATE

Condos

Creating Affordable Urban Homeownership Opportunities in Worcester

The Current Market and Opportunities

February 2022

*A report compiled by the Worcester
Regional Chamber of Commerce*



Executive Summary

The city of Worcester, Massachusetts is at a crossroads. A rapidly growing population and economy, coupled with existing issues in home production, have resulted in a housing crisis in the city and across the state.

While thousands of new rental housing units are coming online as developers start to respond to the issue, homeownership opportunities are not being created with the same level of investment. Condominiums, or condos, present an important opportunity for Worcester to increase its low homeownership rate, which is among the lowest in the nation for a mid-size city.

As of early 2022, there are 4,948 condos in Worcester, primarily in small complexes with a handful of units each. Condos only comprise about 6% of the city's housing stock. Condo buildings in the city are by and large older properties, with many being converted from historic buildings and existing apartments, particularly Worcester's popular "three-decker" apartment buildings. Furthermore, there are not enough condos along the Main Street corridor to help the city reach its goal of becoming a bustling 18-hour downtown. More density is needed in terms of homeownership opportunities in the urban core, especially low-to-moderate income workforce housing.

In general, homeownership rates correlate to increased educational, civic, public health, public safety, and property maintenance outcomes. Homeownership also gives residents, especially those from disadvantaged communities, a chance to build the generational wealth that gives their families options in life. In Worcester, renters spend more on their housing costs than homeowners, so finding ways to increase homeownership rates will both increase investment in the community and improve socioeconomic outcomes.

Condos in Worcester, especially at current price points, provide relatively affordable opportunities at homeownership for households from all backgrounds when compared to the Boston market or statewide market. However, the Worcester area's rising housing costs require action to increase the supply of owner-occupied units so that prices stabilize. Government programs such as MassHousing's Commonwealth Builder in particular offer incentives for developers to build dense condo developments in Gateway Cities like Worcester.

Overall, developers, employers, policymakers, and residents all can benefit from the construction of new condo developments in Worcester.

Introduction

In 2019, the Worcester Regional Chamber of Commerce published a comprehensive study of the existing conditions of the housing stock in Worcester and what challenges and opportunities presented themselves. The study found that overall, the supply of housing in New England's fastest-growing city was not meeting demand. But it also identified many opportunities for meeting this challenge, including the opportunity of increasing homeownership rates in a city where the vast majority of residents rent.

Worcester's housing challenges are not unique; the availability of housing has proven to be a problem across Massachusetts and the country, even before the COVID-19 pandemic. Housing affordability issues, as a consequence of housing shortages, are a problem in most major cities in America. Housing affordability is particularly an issue for people of color, young adults, and first-time homebuyers.

In Worcester, increasing monthly rent costs burden tenants, and Worcester's collection of affordable rental housing does not meet all the needs of moderate- and low-income households. Worcester has plenty of opportunities for housing growth, but one option in particular should be considered by developers and policymakers to address the city's needs: condominiums.

Condominiums, or condos, vary in size, shape, and style. The major distinction between condos and other types of housing is that condo residents own their property, unlike apartment tenants, but they typically do not own the land or building surrounding the living space, unlike with a traditional single-family home. They are found in multifamily buildings as either apartment-style units or attached single-family homes.¹

Over the years, there has been a wide range of types of condominiums built in Worcester. From converted "three-decker" apartment buildings to townhouse communities to mid-rise and high-rise condo complexes, condos are located in every kind of residential property in every part of the city. Much of Worcester's rich history has been preserved in its condo developments, too, as is seen in converted historic properties like the School House Lofts on Adams Street, the Fremont Lofts in South Worcester, and The Biscuit Lofts off of Shrewsbury Street.

Condos with light industrial aesthetics, such as in the Voke Lofts and Canal Lofts, harken back to Worcester's urban manufacturing roots. Townhouse communities like The Pointe Rok Estates or Country Club Acres offer a more suburban feel within the city limits.

¹ Chen, J. (2021, June 29). *Condominium*. Investopedia. Retrieved from <https://www.investopedia.com/terms/c/condominium.asp>.

The one thing Worcester’s condos all have in common, though, is that they offer homeseekers a chance at relatively affordable homeownership, offer developers the opportunity to create dense and profitable multifamily developments, and offer cities like Worcester the economic and social benefits of expanding the base of local homeowners.

Policymakers recognize the benefits of creating affordable homeownership options in urban areas where rental properties typically dominate the market. The Commonwealth Builder program, as an example, is a successful new initiative by the Massachusetts Housing Finance Agency, or MassHousing, which provides developers with incentives for building condos that are accessible to low-to-moderate income households and people of color.

Homeownership is immensely beneficial to residents as a path to financial sustainability and generational wealth through asset building, which gives families an opportunity to pursue their own “American Dream” for themselves and their families.

But often times, deciding whether to own a condo or rent an apartment can be a daunting task for those looking for a new place to live. Many do not fully understand the differences between owning and renting because of certain misconceptions, like the belief that renting is more cost effective than homeownership. Some may rent because they are uncertain about their future. Others see ownership as too big of a commitment to make. But, as Worcester prepares for continued economic success, there has arguably never been a better time for residents to make a long-term property investment in New England’s second-largest and fastest-growing city.

A concerted effort from both the public and private sector to add to the city’s condominium stock will create more opportunities for people to live in Worcester and own property, creating an even more vibrant, attractive, and invested community for generations to come.

The Current Landscape of Condos in Worcester

According to data collected by the City of Worcester Assessor’s Office and the U.S. Census Bureau, there are 4,948 condos in Worcester as of February 2022.² Condos comprise about 6% of Worcester’s housing stock and about 17% of the owner-occupied housing units in the city.³

² City of Worcester Assessor’s Office.

³ U.S. Census Bureau. (2021). *Decennial Census - Housing*. Explore census data. Retrieved from <https://data.census.gov/cedsci/table?q=1600000US2582000&y=2020&d=DEC+Redistricting+Data+%28PL+94-171%29&tid=DECENNIALPL2020.H1>.

There are four styles of condo properties in Worcester: small condo complexes, high-rise condo complexes, townhouse condos, and converted small apartments.

Small condo complexes are mid-rise buildings up to five stories with apartment- or loft-style units, while high-rise condo complexes are similar but are at least six stories tall. High-rises have far more units than any other type of condo development, allowing for urban residential density.

Townhouse condos tend to have more square footage than apartment-style units as they can have 2-3 floors, access to a private garage or yard, and communal amenities associated with a homeowner's association. Townhouses are typically attached to other townhouses to make a handful of units in a row, and sometimes are organized into an entire neighborhood's worth of condos.

Converted small apartments are former apartments that were converted to condos. The act of conversion does not have to involve significant renovations or redevelopment in this case, but rather the transition from renter-occupied to owner-occupied by way of the occupant purchasing the space.

In Worcester, there are 2,491 small condo complex units, 1,779 townhouse condos, 408 high-rise condo complex units, and 270 converted small apartment condos.



Mid-rise condos: More suburban-style small condo complexes like this one in Worcester are the most common type of condo property in the city. Credit: Realtor.com.



High-rise condos: The Lakeshore Condominiums in Worcester. Credit: Compass Listings.



Townhouse condos: These three-story Worcester townhouses each have access to private garages and backyards. Credit: Coldwell Banker.

Based on sales data from 2017 to 2021, the average sale price of a Worcester condo was \$190,593.⁴ With the 2021 median sale price being \$206,000, prices have remained mostly stable in Worcester while they have surged elsewhere in the state. On average, a condo in Worcester is sold at less than half the price of a typical Massachusetts condo. The 2021 median statewide price for a condo was \$454,000, not much different from the median price for a single-family home, \$510,000.⁵



Converted small apartments: A three-decker in Worcester that has been converted into three condos. Three-deckers are distinct for not only their age, but their similar rectangular shapes and clapboard sidings. Credit: Redfin.

The average year a condo property in Worcester was built is 1951 and the median year is 1985. Some properties are as old as the 1850s and a substantial amount were built around 1890. The oldest buildings are historic conversions of landmark properties and converted “three-deckers” – the industrial-era, three-story multifamily properties which constitute a large portion of Worcester’s housing stock.

Many of these older buildings have undergone significant renovations over the years, and at least 80 of these older condo properties have undergone renovations in the past three years to bring the units into the 21st century with new flooring, roofing, paint, and amenities.⁶ However, this still leaves a relatively old condo building stock. Adding new units can help to improve the quality of condo housing available.

The Need for Downtown Condos

Condos are in every neighborhood of the 38-square-mile city. Though one important area of Worcester which is relatively bereft of condos is downtown. There are 626 condos within walking distance of City Hall at the center of downtown Main Street, comprising just 12% of the condo stock in the city.

For the buildings in which these downtown condos are located, the average year built is 1929, mostly due to downtown’s older building stock. However, many of these buildings boast an architecturally refined exterior, giving developers an opportunity

⁴ City of Worcester Assessor’s Office.

⁵ Breed, M. (2022, February 1). *Massachusetts Median Single-Family Home Price Tops \$500,000 in 2021*. The Warren Group. Retrieved from <https://www.thewarrengroup.com/2022/02/01/massachusetts-median-single-family-home-price-tops-500000-in-2021/>.

⁶ City of Worcester Assessor’s Office.

for residential conversion or renovation that retains the aesthetic and historic character of the building. Many of the 25 condo developments downtown are newly renovated. In the exceptional case of the Voke Lofts, the building was a former vocational school constructed in 1910 but was completely renovated by a developer for \$20 million in 2014.

With a very low vacancy rate among owner-occupied units in Worcester, almost all of these downtown units are filled to capacity. Adding new condos within walking distance of Main Street is a priority so that Worcester can truly foster an 18-hour downtown with a bustling main commercial corridor fueled by walkability. Adding residential density will connect the vast amount of recent commercial property investment in Worcester's urban core with the people needed to generate activity in downtown's retail, restaurants, office spaces, nightlife, and other developments.



Downtown homeownership: The Voke Lofts exterior before and after conversion in 2014. Credit: Tom Farmer - MassHousing Blog.

Achieving an 18-hour downtown in Worcester is a shared vision of the Worcester Regional Chamber of Commerce, the municipal government, and other economic development organizations. The Chamber's 2019 housing study noted the 18-hour downtown is an integral piece in building a lively and attractive urban core.⁷ Similar successful mid-sized metro areas like Nashville, Sacramento, or Portland, Oregon have centered their economic development strategies around an active downtown area that is not only considered a commercial corridor, but a neighborhood. A crucial distinction is that these cities are also generally more affordable to live in than large

⁷ Ramachandran, M., & Howard, A. (2019, September). *Worcester for Everyone: A Regional Housing and Economic Study Outlining Local Opportunity*. Worcester Regional Chamber of Commerce. Retrieved from <https://www.worcesterchamber.org/wp-content/uploads/2019/10/Worcester-Housing-Study-Phase-I-final-low-resolution.pdf>.

metro areas, similar to Worcester’s relative affordability compared to Boston.⁸ Condos fit well with this strategy in Worcester, as they can provide both the population density and relative affordability to the homeowner needed to power an 18-hour downtown.

Worcester’s Surge in Population and Economy Driving Need for Condos

There is a strong need to add new housing in Worcester, with demand far outstripping supply. The tension in the local housing market is receiving national attention, with Worcester being ranked one of the hottest mid-size metro housing markets in the country twice last year by Realtor.com,⁹ and the third-most competitive housing market in the country in 2021 by Redfin.¹⁰

The increase in demand has been fueled by Worcester’s skyrocketing population growth, with the city growing to 206,518 residents – a 14% increase between 2010 and 2020. This has made Worcester the fastest-growing city of over 100,000 people in New England by a large margin.¹¹

Worcester’s population growth has correlated to its economic growth. Since 2008, Worcester has seen over \$4.5 billion in public and private investment in major projects – including over \$2.6 billion in currently underway projects¹² – and the city’s economy was ranked by Bloomberg as one of the top ten in the country to recover from the pandemic. The resiliency of Worcester’s economy is mostly thanks to its largest sectors, health care and higher education. These two industries have relatively inelastic demand. The city’s high-tech life sciences sector also continues to grow to become one of the largest in the region.¹³ These industries have helped create a

⁸ Jones Lang LaSalle Inc. (JLL). (2019, February 5). *Why 18-hour cities are attracting commercial real estate interest*. *Commercial real estate*. Retrieved from <https://www.us.jll.com/en/trends-and-insights/cities/why-18-hour-cities-are-attracting-commercial-real-estate-interest>.

⁹ McGrath, C. (2021, December 10). *Worcester among hottest real estate markets in the US in 2022, study says*. MassLive. Retrieved from <https://www.masslive.com/worcester/2021/12/worcester-will-be-among-the-most-competitive-real-estate-markets-in-the-us-in-2022-according-to-realtorcom.html#:~:text=Worcester%20was%20named%20among%20the,the%20100%20largest%20metropolitan%20areas>.

¹⁰ Ellis, T. (2021, August 3). *Home sales dipped 1.2% from May to June, the largest late-spring decline since at least 2012*. Redfin Real Estate News. Retrieved from <https://www.redfin.com/news/june-housing-market-home-sales-decline/>.

¹¹ Hanson, M. (2021, August 13). *Census shows Worcester County's multicultural population increased 276% in 10 years*. MassLive. Retrieved from <https://www.masslive.com/worcester/2021/08/worcesters-population-increases-to-206000-while-countys-multicultural-population-increases-276-new-census-figures-show.html>.

¹² Sullivan, D. (2022). *Projects Proposed, Underway, and Completed*. Worcester Regional Chamber of Commerce. Retrieved February 7, 2022, from <https://www.worcesterchamber.org/economic-development/projects-underway/>.

¹³ Rockeman, O., & Lu, W. (2020, June 22). *These U.S. cities are likely to recover faster from lockdown*. Retrieved from <https://www.bloombergquint.com/global-economics/these-u-s-cities-are-likely-to-recover-faster-from-lockdown>.

plethora of well-paying and secure job opportunities in a city with lower costs of living than the biggest neighboring metro area.

With quick growth in the city, housing production has been unable to keep up. In 2020, Worcester's housing vacancy rate was just 6%, down from 8.8% in 2010 despite an additional 10,000 units of housing being added to the market in the same timeframe.¹⁴ With rapid population growth, the need for new housing of all types is more crucial now than ever before. On top of that, the populations of demographics that are more likely to rent than own homes, particularly people of color, grew dramatically.¹⁵ Since homeownership can provide financial, economic, and social benefits to residents and the city, adding to the condo stock will be an important catalyst of Worcester's future growth.

Why Condos? The Benefits of Homeownership for the Resident and the Community

The main advantage of owning a condo is that it allows homeseekers from a wide variety of backgrounds the opportunity to own property at a price that is more affordable than buying a traditional single-family home. Condos provide an important gateway into homeownership, which can create short- and long-term financial stability and bring a collection of other benefits to the homeowner.¹⁶

The financial benefits of owning a home can be a difference-maker for many individuals and families. In the short run, owning a home creates the potential for owners to benefit from tax breaks and helps them accumulate wealth not spent on monthly rent payments. In the long run, condo owners benefit from the equity they produce from their homes. Since property is an asset, paying a mortgage and making improvements to the property increases the owner's equity in the asset.¹⁷

The financial benefits of owning a home can create opportunities for families and individuals. For disadvantaged communities, homeownership is an opportunity to build wealth for their families and pass on assets from one generation to the next.

¹⁴ U.S. Census Bureau. (2021). *Decennial Census - Housing*. Explore census data. Retrieved from <https://data.census.gov/cedsci/table?q=1600000US2582000&y=2020&d=DEC+Redistricting+Data+%28PL+94-171%29&tid=DECENNIALPL2020.H1>.

¹⁵ Hanson, M. (2021, August 13). *Census shows Worcester County's multicultural population increased 276% in 10 years*. MassLive. Retrieved from <https://www.masslive.com/worcester/2021/08/worcesters-population-increases-to-206000-while-countys-multicultural-population-increases-276-new-census-figures-show.html>.

¹⁶ Chen, J. (2021, June 29). *Condominium*. Investopedia. Retrieved from <https://www.investopedia.com/terms/c/condominium.asp>.

¹⁷ Mission Fed Credit Union. (2016, April 28). *Why Owning a Home Is Important*. Mission Federal Credit Union, San Diego. Retrieved from <https://www.missionfed.com/blog/why-owning-home-important#gref>.

Developers can help bring the opportunity of homeownership to families which normally would not have it by finding creative solutions and incentives such as new government programs and rent-to-own agreements.

The Benefits of Homeownership to the Community and the Homeowner

As Worcester grows, an important driver of its development as a community will be homeowners. Worcester's homeownership rate is just 41.3%, much lower than the national average of 64.5%.¹⁸ In 2020, Worcester had the 14th lowest homeownership rate for a mid-sized city in America.¹⁹ The homeownership rate has not changed significantly since then.

Increased homeownership brings a myriad of benefits to both homeowners and the communities they live in. Increased homeownership rates are directly correlated to increased educational achievement, increased civic participation, better public health outcomes, reduced crime rates, and increased property maintenance and improvement. In sum, the more homeowners there are in a community, the greater the investment in the community by almost every metric.²⁰

Since traditional homeownership – that is, buying and owning a single-family home – can be out of the financial reach for many Worcester families, adding new condos to the housing stock is essential to improving the homeownership rate. Condos can provide a much-needed alternative to traditional homeownership by providing many of its benefits at a lower cost. The market for single-family homes, especially for the past couple of years, has been highly competitive and expensive. Potential first-time homebuyers with less cash on hand find themselves boxed out of the opportunity to own property.

In Worcester, the median price of the 440 condos sold in 2021 was \$206,000, up 9.6% from a median price of \$188,000 in 2020.²¹

¹⁸ United States Census Bureau. (2021, November). *Quarterly Residential Vacancies and Homeownership, Third Quarter 2021* (No. CB21-166). U.S. Department of Commerce - U.S. Census Bureau. Retrieved from <https://www.census.gov/housing/hvs/files/currenthvspress.pdf>.

¹⁹ Roofstock. (2020, November 17). *Cities with the lowest homeownership rates (& the most renters)*. Learn Real Estate Investing. Retrieved from <https://learn.roofstock.com/blog/lowest-homeownership-rates>.

²⁰ Yun, L., & Evangelou, N. (2016, December). *Social Benefits of Homeownership and Stable Housing*. National Association of Realtors. Retrieved from https://www.gmar.com/data/resources_files/Social%20Benefits%20of%20Homeownership%20%20Stable%20Housing.pdf.

²¹ Breed, M. (2022, February 1). *Massachusetts Median Single-Family Home Price Tops \$500,000 in 2021*. The Warren Group. Retrieved from <https://www.thewarrengroup.com/2022/02/01/massachusetts-median-single-family-home-price-tops-500000-in-2021/>.

Despite the small price increase, condos in Worcester remain more affordable than traditional single-family homes and far more affordable than other condos in the state. Single-family homes sold in Worcester in 2021 had a median price of \$335,700, up 17.8% from \$285,000 the year before. Meanwhile, the statewide median price for condos sold was a whopping \$454,000.²²

Other factors besides sale price makes condos more affordable. Since condo owners do not own the land around their unit, maintenance is typically cheaper, and a condo board or homeowners' association will take care of much of the upkeep associated with the property outside the condo, including common amenities like parking, greenspaces, a gym, or a pool, depending on the development.²³

Homeownership as an Issue of Socioeconomic Equity and Racial Justice

Through wealth-building opportunities, homeownership can help cost-burdened families own a home that they otherwise might not be able to afford. A more equal opportunity at homeownership is especially important for people of color, who comprise about half of the population of Worcester but are much less likely to own property than their white counterparts.^{24 25} In this regard, homeownership is an issue of socioeconomic equity and racial justice.

A 2019 Worcester Regional Research Bureau (WRRB) report utilized U.S. Census data to demonstrate the racial gap in homeownership in Worcester. The report highlighted how homeownership can provide socioeconomic opportunities for people in historically disadvantaged communities and alleviate housing costs that place a high burden on low-income households.²⁶

The WRRB report found that people of color are more likely to be renters than homeowners, and therefore are more likely to spend more of their household income on housing costs. According to U.S. Census data, 44% of the city's renters spend 35% or more of their household income on rent, while just 25% of owners spend 35% or

²² Breed, M. (2022, February 1). *Massachusetts Median Single-Family Home Price Tops \$500,000 in 2021*. The Warren Group. Retrieved from <https://www.thewarrengroup.com/2022/02/01/massachusetts-median-single-family-home-price-tops-500000-in-2021/>.

²³ Ramsey Solutions, R. S. (2021, September 24). *Condo vs. House: What's the difference?* Ramsey Solutions. Retrieved from <https://www.ramseysolutions.com/real-estate/condo-vs-house>.

²⁴ Sullivan, D. (2021, November). *Worcester's Population Surpasses 200,000: Now New England's Fastest-Growing City*. Chamber Exchange. Retrieved from https://www.worcesterchamber.org/wp-content/uploads/2021/11/WRCC_ChamberExchange_Nov21_v02.pdf.

²⁵ Goodman, L. S., & Mayer, C. (2018). *Homeownership and the American Dream*. *Journal of Economic Perspectives*, 32(1), 31-58. <https://doi.org/10.1257/jep.32.1.31>.

²⁶ Worcester Regional Research Bureau. (2021, May). *Achieving the American Dream: Disparities in Worcester Homeownership*. Worcester Regional Research Bureau. Retrieved from <https://www.wrrb.org/wp-content/uploads/2021/05/WRRB-Homeownership-Report-Final.pdf>.

more.²⁷ Since Worcester’s housing stock is about 60% renter-occupied a majority of the city is spending disproportionate amounts of their income on housing costs and not building long-term wealth.²⁸

Regardless of income level, homeowners in Worcester generally pay lower monthly costs on housing as a percentage of their income than renters.²⁹

In Worcester, much like in the rest of the country, a range of social and economic issues are connected to a shortage of affordable housing. Developing new condominiums in partnership with government programs such as the state’s new Commonwealth Builder program can help create the affordable homeownership opportunities needed to mitigate housing insecurity for low- and moderate-income renters. Affordable homeownership can give disadvantaged communities an opportunity to gain generational wealth and more secure housing.

Rent-to-Own as a Beneficial Model for Residents and Developers

Rent-to-own agreements, also called lease-to-purchase agreements, are a proven strategy to increase homeownership rates that benefits residents, landlords, homesellers, and developers.

Since a major barrier to homeownership is being approved for a mortgage, rent-to-own agreements help the tenant gradually get to the financial situation necessary to be approved for a loan.³⁰ Rent-to-own provides homebuyers with a chance to rent their space for period of time – typically three years but typically longer for lower-income tenants – before buying out their property from the landlord. During that time, if rent payments are punctual, the tenant can build the necessary financial history and credit score to be approved for a bank loan.³¹

In such an agreement, a portion of each rent payment is put towards an eventual down payment for the property. However, if a tenant wants to rent the space without

²⁷Worcester Regional Research Bureau. (2021, May). *Achieving the American Dream: Disparities in Worcester Homeownership*. Worcester Regional Research Bureau. Retrieved from <https://www.wrrb.org/wp-content/uploads/2021/05/WRRB-Homeownership-Report-Final.pdf>.

²⁸ American Community Survey. (2019). *ACS Selected Housing Characteristics*. Explore census data. Retrieved from <https://data.census.gov/cedsci/table?t=Owner%2FRenter+%28Householder%29+Characteristics&pg=1600000US2582000&y=2019&tid=ACSDP1Y2019.DP04>.

²⁹ Worcester Regional Research Bureau. (2021, May). *Achieving the American Dream: Disparities in Worcester Homeownership*. Worcester Regional Research Bureau. <https://www.wrrb.org/wp-content/uploads/2021/05/WRRB-Homeownership-Report-Final.pdf>.

³⁰ *Ibid*.

³¹ Zillow. (2020, September 3). *How does renting-to-own work?* Mortgage Learning Center. Retrieved from <https://www.zillow.com/mortgage-learning/rent-to-own/>.

opting into the rent-to-own agreement, they can typically do that as well, depending on what the landlord or homeseller wants.³²

These agreements can be beneficial for the landlord, homeseller, or developer as well as the resident. Entering into a rent-to-own agreement can lock in the future sale price of the property, thereby circumventing potential market changes that depreciate its value over time. The agreements also attract responsible tenants who are invested in upkeeping the unit, as it will be their future property.³³

Rent-to-own models were promoted by the Chamber's housing study as an effective means of bringing more affordable homeownership opportunities to Worcester. The Voke Lofts, developed by WinnDevelopment is an example of such a project in the city. Leveraging financing from MassHousing, Voke Lofts brought 84 units of housing to downtown Worcester in 2014 at the former site of Worcester Vocational Technical High School. Initially, all the units were rented, and half were income-restricted for low-income tenants. After a few years, tenants were offered an opportunity to own their unit, and now 43 of the building's units are owner-occupied condos.^{34 35}

Case studies from around the country prove that rent-to-own is a long-term success in adding new homeowners to a community. The Cleveland Housing Network first provided a rent-to-own program in 1987, offering the agreements to homebuyers earning 60% or less of the area median income (AMI). Since then, the program has created well over 2,000 homes in Cleveland, with about 900 families benefiting from homeownership. Ninety percent of the program participants successfully transitioned from renting to owning, and 99% still live in their homes today.³⁶

Increasing the number of affordable homes, especially through rent-to-own agreements with apartment- or loft-style condos in dense developments, could help curb issues like homelessness and high eviction rates, and provide attainable housing solutions for people of color, young people, low-income households, and first-time homebuyers.

³² Zillow. (2020, September 3). *How does renting-to-own work?* Mortgage Learning Center. Retrieved from <https://www.zillow.com/mortgage-learning/rent-to-own/>.

³³ *Ibid.*

³⁴ City of Worcester Assessor's Office.

³⁵ Farmer, T. (2014, July 22). *Voke Lofts completed in Worcester*. MassHousing Blog. Retrieved from https://masshousing.typepad.com/my_weblog/2014/07/voke-lofts-completed-in-worcester.html.

³⁶ Ramachandran, M., & Howard, A. (2019, September). *Worcester for Everyone: A Regional Housing and Economic Study Outlining Local Opportunity*. Worcester Regional Chamber of Commerce. Retrieved from <https://www.worcesterchamber.org/wp-content/uploads/2019/10/Worcester-Housing-Study-Phase-I-final-low-resolution.pdf>.

The Strengths and Weaknesses of Apartments Compared to Condos

Apartments are a crucial part of the housing stock as they provide short- and intermediate-term living spaces for residents in every occupation at every stage of life. The market for major rental housing developments in Worcester is red-hot, with more than 2,700 units in the pipeline, under construction, or being completed in the last 12 months as of early 2022. This represents well over \$660 million in private investment, not including the undisclosed costs for many of the planned projects. This rate of production is a dramatic increase from the past 10 years, when Worcester only brought online a combined 1,800 rental units in major projects between 2011 and 2021.³⁷

There is no doubt that adding to the stock of rental housing is crucial for any urban area's growth and economic development prospects, and that these developments are much needed in Worcester. However, while rental housing has its strengths, homeownership has its strengths as well. An approach to filling the housing gap in Worcester must be balanced with both renter-occupied and owner-occupied units, especially in the downtown area.

While renting can prove efficient in the short- and intermediate-term for households at different stages of life, it lacks many of the benefits provided by home ownership to both the resident and the community.³⁸ Renting does not provide households with significant financial advantages or wealth-building opportunities the way owning property does, as rent payments ultimately do not build equity for the tenant. The rental market can also be volatile, with market rates potentially rising outside the budget of a potential tenant when it is time to sign a lease. Especially for the most cost-burdened households in Worcester, the volatile nature of the rental housing market can create affordability issues in short periods of time.³⁹ In this respect, owning a condo can help cost-burdened families own a home they otherwise might not be able to afford.

Contrary to some popular beliefs, studies show that across the country, homeownership expenses consume a smaller portion of a household's wages on a

³⁷ Sullivan, D. (2022, February). *Worcester to Add 2,300 New Housing Units: Several Major Housing Projects Responding to Widespread Demand*. Chamber Exchange. Retrieved from <https://www.worcesterchamber.org/wp-content/uploads/2022/02/Feb-2022-Chamber-Exchange-FINAL.pdf>.

³⁸ Ramachandran, M., & Howard, A. (2019, September). *Worcester for Everyone: A Regional Housing and Economic Study Outlining Local Opportunity*. Worcester Regional Chamber of Commerce. Retrieved from <https://www.worcesterchamber.org/wp-content/uploads/2019/10/Worcester-Housing-Study-Phase-I-final-low-resolution.pdf>.

³⁹ Mission Fed Credit Union. (2016, April 28). *Why Owning a Home Is Important*. Mission Federal Credit Union, San Diego. Retrieved from <https://www.missionfed.com/blog/why-owning-home-important#gref>.

monthly basis than renting.⁴⁰ WRRB's 2019 study on cost-burdened renters confirms that Worcester is consistent with these findings.

Still, misconceptions surround rental housing's affordability when compared to homeownership. Without seemingly complicated down payments, mortgages, maintenance, and other costs associated with homeownership, signing a lease can appear to be less expensive than buying property. However, the money spent on mortgages contributes to a home's value over time, and homeowners can opt to sell their homes when the time is right for them. In this sense, homeowners can have more flexibility and financial security than renters.⁴¹

The year-to-year nature of rental housing, with the most common lease period being one year, adds a level of volatility in terms of affordability. Landlords have the option to raise rents on tenants every time a lease expires, meaning housing costs can suddenly rise to an unaffordable level for tenants. Homeowners have the financial security of not needing to renew a lease annually and then potentially deal with an unaffordable increase in housing costs.⁴² Due to this, homeowners have more flexibility to make life decisions in the long-term and can decide when to list their home for sale or purchase a new home without having to wait for a lease to expire.

Meanwhile, rents across the nation continue to rise and show no signs of getting any more affordable, absent significant new housing investments.⁴³ Worcester is seeing the same trends in increased housing costs as the rest of the country, with a growing population and economy driving even more demand for housing.

From December 2021 to January 2022, the average monthly rent for a studio in Worcester increased by 9% to \$1,225, a one-bedroom increased by 7% to \$1,450, and a two-bedroom increased by 3% to \$1,550. Rent for a three-bedroom remained relatively stable at \$1,700, while a four-bedroom stayed at \$2,200.⁴⁴

Worcester's rental housing costs may be inflating but they are still much lower than the state's median rent, which is about \$2,500 for a two-bedroom. For the average

⁴⁰ ATTOM. (2022, January 7). *Home ownership more affordable than renting in majority of U.S. Housing Markets*. ATTOM. Retrieved from <https://www.attomdata.com/news/market-trends/home-sales-prices/attom-2022-rental-affordability-report/#:~:text=That%20means%20major%20home%20ownership,average%20local%20wages%20than%20renting.&text=Yet%20home%20ownership%20still%20remains,chief%20product%20office%20with%20ATTOM>.

⁴¹ *Ibid.*

⁴² Goodman, L. S., & Mayer, C. (2018). *Homeownership and the American Dream*. *Journal of Economic Perspectives*, 32(1), 31-58. <https://doi.org/10.1257/jep.32.1.31>.

⁴³ Fettke, R. (2021, November 10). *Why are rents rising so fast & will it stop?* RealWealth. Retrieved from <https://realwealth.com/learn/why-are-rents-rising-so-fast/>.

⁴⁴ Zumper. (2022). *Average rent in Worcester, MA and cost information*. Zumper. Retrieved from <https://www.zumper.com/rent-research/worcester-ma>.

studio apartment in Massachusetts, for example, renters pay \$22,200 a year in housing costs before accounting for utility costs like energy, internet, and water.⁴⁵ While not as severely inflated as elsewhere in the state, Worcester's rental costs have begun to place more of a cost burden on low-to-moderate-income households.

With a steep growth in population in recent years, especially among demographic groups that are statistically more likely to rent and more likely to have lower household income, there is significant demand for affordable rental housing in Worcester. Rising market rates affect income-restricted affordable housing units as well, as private developers of income-restricted housing still need to turn a profit in order to build and maintain their units.⁴⁶

Despite government subsidies typically leveraged by affordable housing developers, such as Low-Income Housing Tax Credits, affordable housing can still have a smaller profit margin since the tenant is paying far less than market-rate or luxury apartment tenants are able to. Rising construction costs have only exacerbated the problem. This return-on-investment conundrum has resulted in a relatively small amount of affordable housing rental units being built in Worcester and around the country.

Condos as a Solution for Workforce Housing and Large Employers

The term "affordable housing" can refer to subsidized housing restricted to several different low-to-moderate income brackets which are classified by what percentage of AMI the household earns. The shortage of affordable housing is especially acute in the bracket of households earning between 60% and 120% of AMI, or about \$34,000 to \$68,500 per year in Worcester.⁴⁷ There are more than 18,000 households in Worcester in this income bracket, which is commonly eligible for what's known as "workforce housing."⁴⁸ Residents in workforce housing households are in moderate-income professions such as department of public works employees, health care assistants, retail clerks, teachers, and other occupations essential to the economy and society.

⁴⁵ Kolmar, C. (2020, December 7). *Average Rent In Massachusetts For December 2020*. HomeSnacks. Retrieved from <https://www.homesnacks.com/cities/average-rent-in-massachusetts/>.

⁴⁶ Cartolano, M. (2021, September 2). *More Apartments coming to Worcester, but some tenants want more affordable housing*. Telegram & Gazette. Retrieved from <https://www.telegram.com/story/news/2021/09/02/worcester-apartment-boom-tenants-want-more-affordable-housing/8178688002/>.

⁴⁷ MassHousing. (2022). *Workforce housing initiative*. Multifamily Borrowers - Workforce Housing Initiative. Retrieved from <https://www.masshousing.com/en/developers/workforce-housing>.

⁴⁸ American Community Survey. (2019). *Household Income In the Past 12 Months (in 2019 Inflation-Adjusted Dollars)*. Explore census data. Retrieved from <https://data.census.gov/cedsci/table?t=Income%20%28Households,%20Families,%20Individuals%29&g=1600000US2582000&y=2019>.

Part of attracting new businesses to the city to create new jobs involves having housing opportunities that workers can afford and want to live in. Newly constructed housing is in high demand, with new, quality developments becoming fully occupied within months of coming online. This was the case recently with the Courthouse Lofts mixed-income apartments in 2021 and the 145 Front Street high-end apartments in 2019, just two cases out of many in the city which were both fully leased shortly after their grand openings.^{49 50}

When looking to expand or relocate, large employers analyze a community's housing market to help inform a decision.⁵¹ Communities with more affordable and workforce housing options can be much more attractive to employers who bring large numbers of employees with them into a new city, and Worcester already has value in terms of general cost of living and other fundamentals. What is missing is a wide selection of housing available for moderate-income, workforce professionals – especially homeownership opportunities.

If a household is considered low-income or extremely low-income, they may qualify for Section 8 housing, public housing, or other income-restricted subsidized rental housing. While there are shortages in Worcester in the stock of low-income and extremely low-income housing as well, workforce housing shortages are not as widely recognized. Workforce housing households often fall in between being able to qualify for low-income housing units and being able to afford market-rate units, sometimes leaving them in a no man's land. Finding affordable homeownership options for these households through condos is a critical gap to close for Worcester's continued economic growth.

Absent significant investments and policy changes, the affordability of rental housing will continue to be in flux for tens of thousands of Worcester families. However, especially for workforce housing, new initiatives like the state's CommonWealth Builder program can help introduce low-to-moderate income households to homeownership through assisting them with condo purchases.

⁴⁹ Conti, M. (2019, August 8). *145 front apartments 99% leased*. Telegram & Gazette. Retrieved from <https://www.telegram.com/story/news/local/worcester/2019/08/08/99-of-worcesters-145-front-downtown-apartments-leased/4509061007/>.

⁵⁰ Bonner, M. (2021, October 30). *From Game Rooms To Pet Spas: Courthouse lofts now fully leased*. MassLive. Retrieved from <https://www.masslive.com/worcester/2021/10/a-worcester-story-this-old-courthouse-has-been-transformed-into-lofts-with-a-museum-and-pet-spa-and-every-unit-is-now-leased.html>.

⁵¹ Community Builders, Sonoran Institute, GP RED, & RRC Associates. (2019). *Place Value - How Communities Attract, Grow, and Keep Jobs and Talent*. Retrieved from https://communitybuilders.org/wp-content/uploads/2019/11/PlaceValue_11lowresa.pdf.

CommonWealth Builder and Other Government Programs for Condo Development and Homeownership

Government programs are starting to respond effectively to the need for new affordable homeownership opportunities by partnering with private developers. CommonWealth Builder, as an example, is an important new program that is the first of its kind in Massachusetts in incentivizing the production of income-restricted condos.

CommonWealth Builder

Massachusetts initiated the CommonWealth Builder Program in 2021 and it is already proving to be a successful program in incentivizing the construction of new homes that are affordable for low-to-moderate income homebuyers.

The \$60 million fund administered by MassHousing incentivizes developers to construct single-family homes or condos that are affordable to households which would typically qualify for workforce housing rental rates. The program focuses on providing people of color with first-time homebuyer opportunities.⁵²

CommonWealth Builder provides subsidies of up to \$150,000 per unit up to a maximum of \$5 million per development. The development must add new units to the housing stock through new construction or adaptive reuse and must have a minimum of 20 units and at least 10 units designated for workforce housing affordability. The program defines workforce housing affordability as 70%-120% of AMI. These affordability restrictions must be in place for at least 15 years.⁵³

The program funds developments in Boston, qualified low-income U.S. Census tracts, and Gateway Cities, primarily looking to fund developments which end up benefiting people of color.⁵⁴ The term "Gateway City" is a designation used in Massachusetts to identify the 26 mid-size or small cities outside Boston which face social and economic challenges but have a high potential for growth. Worcester is the largest Gateway City in the Commonwealth.

In June 2021, Massachusetts Governor Charlie Baker and MassHousing announced the first four housing projects to receive \$3.35 million in funding from the CommonWealth Builder Program. They included 2147 Washington St., a mixed-income and mixed-use condo building in Boston's Nubian Square; Call Carolina, a townhouse development in Boston's Jamaica Plains neighborhood; the Saint Therese

⁵² MassHousing. (2022). *Multifamily Borrowers - CommonWealth Builder Program*. MassHousing.com. Retrieved from <https://www.masshousing.com/en/developers/commonwealth-builder>.

⁵³ *Ibid.*

⁵⁴ *Ibid.*

Townhomes in Everett; and Mount Washington, a formerly blighted church property turned into affordable townhouses in Haverhill.⁵⁵ CommonWealth Builder funded a significant portion of each project and helped the developers leverage other financing.

The developers and funding for each of these projects include New Atlantic Development and DREAM Development for 2147 Washington St., receiving \$1.2 million from CommonWealth Builder; the nonprofit Jamaica Plain Neighborhood Development Corporation for Call Carolina, receiving \$300,000 from CommonWealth Builder, \$1.3 million from the City of Boston, and \$120,000 in brownfields funding; nonprofit The Neighborhood Developers, Inc. for Saint Therese Townhomes, receiving \$900,000 from CommonWealth Builder, \$400,000 in HOME funds from the City of Everett, and \$250,000 from the Massachusetts Department of Housing and Community Development Housing Choice Grant; and nonprofit Bread and Roses for Mount Washington, receiving \$950,000 from CommonWealth Builder.⁵⁶

Massachusetts Programs for Disadvantaged Homebuyers

Other than CommonWealth Builder, the Massachusetts Department of Housing and Community Development (DHCD) and MassHousing provide a variety of loan programs to assist homebuyers looking to purchase a home. My Mass Mortgage, a website run by DHCD, helps low-income and first-time homebuyers by listing affordably priced homes across the state, offering courses and counseling, and providing state-sponsored mortgage products.⁵⁷ MassHousing also provides a variety of products and services as well as COVID-19 relief programs. Importantly, MassHousing can help first-time homebuyers and people of color with common economic barriers by providing down payment assistance and affordable mortgages to homebuyers.⁵⁸

Local, state, and federal governments also provide their own forms of homeownership assistance with housing costs using the American Rescue Plan Act stimulus funding that was passed in 2021.

⁵⁵ Verseckes, M. (2021, June 17). *Baker-Polito Administration Announces First Commitments Under CommonWealth Builder Program*. Mass.Gov. Retrieved from <https://www.mass.gov/news/baker-polito-administration-announces-first-commitments-under-commonwealth-builder-program>.

⁵⁶ *Ibid.*

⁵⁷ Massachusetts Department of Housing and Community Development. (2022, February). *My Mass Mortgage*. Retrieved from <https://www.mymassmortgage.org/>.

⁵⁸ MassHousing. (2022). *First-time Homebuyers in Massachusetts*. MassHousing. Retrieved from <https://www.masshousing.com/home-ownership/homebuyers>.

Housing Choice Community Grant Program

DHCD also administers the Housing Choice Community Grant Program, which is a grant of up to \$250,000 awarded to municipalities. Cities and towns are the only entities that can apply, and the awards go toward the planning, engineering, or infrastructure projects necessary to complement new housing developments.⁵⁹ With Commonwealth Builder directly helping developers, and MassHousing and other DHCD housing cost programs directly assisting homeowners, the Housing Choice program gives municipalities the tools to incentivize new condo development.

Using these programs, developers, policymakers, and homebuyers can bridge the gap for condo development and homeownership in Worcester.

Conclusion

Worcester is at a pivotal moment in its storied history. For the first time since 1950, the city's population has surpassed 200,000. More than \$4.5 billion in economic development projects has injected new life into the city. Thousands of new housing units have been constructed in an unprecedented, concerted effort to overcome the housing shortage. Throughout the city, community organizations, entertainment venues, nightlife, well-paying employers, greenspaces, institutions of education, and other factors continue to make Worcester a desirable place to live.

However, the need for creating new homeownership opportunities has been laid bare. People of color, young individuals, low-to-moderate income households, and in general first-time homebuyers are all looking for a chance to own a home but face significant barriers. The demand for new housing is evident, and the need for dense residential development is clear. Developers constructing condos in Worcester will accommodate the city's rapid growth, providing important opportunities for people of all backgrounds to contribute to the community by owning a home and investing in the city. Condos are key to unlocking Worcester's full potential.

⁵⁹ Massachusetts Department of Housing and Community Development. (2022). *Housing Choice Communities Grant Program*. Mass.gov. Retrieved from <https://www.mass.gov/doc/fy23-guidelines-for-housing-choice-community-grants/download>.

The Authors

David Sullivan, MPA

Economic Development and Business Recruitment Associate, Worcester Regional Chamber of Commerce

Bradford Thornburgh, MPA

Economic Development Fellow, Worcester Regional Chamber of Commerce

References

- American Community Survey. (2019). *ACS Selected Housing Characteristics*. Explore census data. Retrieved from <https://data.census.gov/cedsci/table?t=Owner%2FRenter+%28Householder%29+Characteristics&g=1600000US2582000&y=2019&tid=ACSDP1Y2019.DP04>.
- American Community Survey. (2019). *Household Income In the Past 12 Months (in 2019 Inflation-Adjusted Dollars)*. Explore census data. Retrieved from <https://data.census.gov/cedsci/table?t=Income%20%28Households,%20Families,%20Individuals%29&g=1600000US2582000&y=2019>.
- ATTOM. (2022, January 7). *Home ownership more affordable than renting in majority of U.S. Housing Markets*. ATTOM. Retrieved from <https://www.attomdata.com/news/market-trends/home-sales-prices/attom-2022-rental-affordability-report/#:~:text=That%20means%20major%20home%20ownership,average%20local%20wage%20than%20renting.&text=Yet%20home%20ownership%20still%20remains,chief%20product%20officer%20with%20ATTOM>.
- Bonner, M. (2021, October 30). *From Game Rooms To Pet Spas: Courthouse lofts now fully leased*. MassLive. Retrieved from <https://www.masslive.com/worcester/2021/10/a-worcester-story-this-old-courthouse-has-been-transformed-into-lofts-with-a-museum-and-pet-spa-and-every-unit-is-now-leased.html>.
- Breed, M. (2022, February 1). *Massachusetts Median Single-Family Home Price Tops \$500,000 in 2021*. The Warren Group. Retrieved from <https://www.thewarrengroup.com/2022/02/01/massachusetts-median-single-family-home-price-tops-500000-in-2021/>.
- Cartolano, M. (2021, September 2). *More Apartments coming to Worcester, but some tenants want more affordable housing*. Telegram & Gazette. Retrieved from <https://www.telegram.com/story/news/2021/09/02/worcester-apartment-boom-tenants-want-more-affordable-housing/8178688002/>.
- Chen, J. (2021, June 29). *Condominium*. Investopedia. Retrieved November 8, 2021, retrieved from <https://www.investopedia.com/terms/c/condominium.asp>.
- City of Worcester Assessor's Office.
- Community Builders, Sonoran Institute, GP RED, & RRC Associates. (2019). *Place Value - How Communities Attract, Grow, and Keep Jobs and Talent*. Retrieved from https://communitybuilders.org/wp-content/uploads/2019/11/PlaceValue_11lowresa.pdf.
- Compass Listings. (2022). *65 Lake Avenue, unit 818, Worcester, MA 01604*. Compass. Retrieved from <https://www.compass.com/listing/65-lake-avenue-unit-818-worcester-ma-01604/562515737296967017/>.
- Conti, M. (2019, August 8). *145 front apartments 99% leased*. Telegram & Gazette. Retrieved from

<https://www.telegram.com/story/news/local/worcester/2019/08/08/99-of-worcesters-145-front-downtown-apartments-leased/4509061007/>.

Ellis, T. (2021, August 3). *Home sales dipped 1.2% from May to June, the largest late-spring decline since at least 2012*. Redfin Real Estate News. Retrieved from <https://www.redfin.com/news/june-housing-market-home-sales-decline/>.

Farmer, T. (2014, July 22). *Voke Lofts completed in Worcester*. MassHousing Blog. Retrieved from https://masshousing.typepad.com/my_weblog/2014/07/voke-lofts-completed-in-worcester.html.

Fettke, R. (2021, November 10). *Why are rents rising so fast & will it stop?* RealWealth. Retrieved from <https://realwealth.com/learn/why-are-rents-rising-so-fast/>.

Goodman, L. S., & Mayer, C. (2018). *Homeownership and the American Dream*. Journal of Economic Perspectives, 32(1), 31-58. <https://doi.org/10.1257/jep.32.1.31>.

Hanson, M. (2021, August 13). *Census shows Worcester County's multicultural population increased 276% in 10 years*. MassLive. Retrieved from <https://www.masslive.com/worcester/2021/08/worcesters-population-increases-to-206000-while-countys-multicultural-population-increases-276-new-census-figures-show.html>.

Jones Lang LaSalle Inc. (JLL). (2019, February 5). *Why 18-hour cities are attracting commercial real estate interest*. Commercial real estate. Retrieved from <https://www.us.jll.com/en/trends-and-insights/cities/why-18-hour-cities-are-attracting-commercial-real-estate-interest>.

Kolmar, C. (2020, December 7). *Average Rent In Massachusetts For December 2020*. HomeSnacks. Retrieved from <https://www.homesnacks.com/cities/average-rent-in-massachusetts/>.

Massachusetts Department of Housing and Community Development. (2022). *Housing Choice Communities Grant Program*. Mass.gov. Retrieved from <https://www.mass.gov/doc/fy23-guidelines-for-housing-choice-community-grants/download>.

Massachusetts Department of Housing and Community Development. (2022, February). *My Mass Mortgage*. Retrieved from <https://www.mymassmortgage.org/>.

MassHousing. (2022). *First-time Homebuyers in Massachusetts*. MassHousing. Retrieved from <https://www.masshousing.com/home-ownership/homebuyers>.

MassHousing. (2022). *Multifamily Borrowers - Commonwealth Builder Program*. MassHousing.com. Retrieved from <https://www.masshousing.com/en/developers/commonwealth-builder>.

MassHousing. (2022). *Workforce housing initiative*. Multifamily Borrowers - Workforce Housing Initiative. Retrieved from <https://www.masshousing.com/en/developers/workforce-housing>.

McGrath, C. (2021, December 10). *Worcester among hottest real estate markets in the US in 2022, study says*. MassLive. Retrieved from <https://www.masslive.com/worcester/2021/12/worcester-will-be-among-the-most-competitive-real-estate-markets-in-the-us-in-2022-according-to->

[realtor.com.html#:~:text=Worcester%20was%20named%20among%20the.the%20100%20largest%20metropolitan%20areas.](#)

Mission Fed Credit Union. (2016, April 28). *Why Owning a Home Is Important*. Mission Federal Credit Union, San Diego. Retrieved from <https://www.missionfed.com/blog/why-owning-home-important#gref>

Ramachandran, M., & Howard, A. (2019, September). *Worcester for Everyone: A Regional Housing and Economic Study Outlining Local Opportunity*. Worcester Regional Chamber of Commerce. Retrieved from <https://www.worcesterchamber.org/wp-content/uploads/2019/10/Worcester-Housing-Study-Phase-I-final-low-resolution.pdf>.

Ramsey Solutions, R. S. (2021, September 24). *Condo vs. House: What's the difference?* Ramsey Solutions. Retrieved from <https://www.ramseysolutions.com/real-estate/condo-vs-house>.

Realtor.com. (2022). *36 Gibbs St Apt A8, Worcester, MA 01607*. realtor.com. Retrieved from <https://www.realtor.com/realstateandhomes-detail/36-Gibbs-St-Apt-A8-Worcester-MA-01607-M96280-33199>.

Redfin. (2022). *11 Olga Ave Unit A, Worcester, MA 01605 | MLS# 71122305*. Redfin. Retrieved from <https://www.redfin.com/MA/Worcester/11-Olga-Ave-01605/unit-A/home/16679060>.

Rockeman, O., & Lu, W. (2020, June 22). *These U.S. cities are likely to recover faster from lockdown*. Retrieved from <https://www.bloomberqqint.com/global-economics/these-u-s-cities-are-likely-to-recover-faster-from-lockdown>.

Roofstock. (2020, November 17). *Cities with the lowest homeownership rates (& the most renters)*. Learn Real Estate Investing. Retrieved from <https://learn.roofstock.com/blog/lowest-homeownership-rates>.

Sami, I. (2021, November 22). *Worcester County real estate report: Fewer sales, higher prices in October*. Yahoo!Finance. Retrieved from <https://finance.yahoo.com/news/fewer-sales-higher-prices-sales-212120754.html>

Sullivan, D. (2022). *Projects Proposed, Underway, and Completed*. Worcester Regional Chamber of Commerce. Retrieved February 7, 2022, from <https://www.worcesterchamber.org/economic-development/projects-underway/>.

Sullivan, D. (2021, November). *Worcester's Population Surpasses 200,000: Now New England's Fastest-Growing City*. Chamber Exchange. Retrieved from https://www.worcesterchamber.org/wp-content/uploads/2021/11/WRCC_ChamberExchange_Nov21_v02.pdf.

Sullivan, D. (2022, February). *Worcester to Add 2,300 New Housing Units: Several Major Housing Projects Responding to Widespread Demand*. Chamber Exchange. Retrieved from <https://www.worcesterchamber.org/wp-content/uploads/2022/02/Feb-2022-Chamber-Exchange-FINAL.pdf>.

U.S. Census Bureau. (2021). *Decennial Census - Housing*. Explore census data.

Retrieved from

<https://data.census.gov/cedsci/table?q=1600000US2582000&y=2020&d=DEC+Redistricting+Data+%28PL+94-171%29&tid=DECENNIALPL2020.H1>.

U.S. Department of Housing and Urban Development. (2021). *FACT SHEET: Housing Provisions in the American Rescue Act of 2021*. HUD. Retrieved from https://www.hud.gov/sites/dfiles/Main/documents/Factsheet_Housing_Provisions_American_Rescue_Plan_Act-2021.pdf.

Verseckes, M. (2021, June 17). *Baker-Polito Administration Announces First Commitments Under Commonwealth Builder Program*. Mass.Gov. Retrieved from <https://www.mass.gov/news/baker-polito-administration-announces-first-commitments-under-commonwealth-builder-program>.

Worcester Regional Research Bureau. (2021, May). *Achieving the American Dream: Disparities in Worcester Homeownership*. Worcester Regional Research Bureau. <https://www.wrrb.org/wp-content/uploads/2021/05/WRRB-Homeownership-Report-Final.pdf>

Yun, L., & Evangelou, N. (2016, December). *Social Benefits of Homeownership and Stable Housing*. National Association of Realtors. Retrieved from https://www.gmar.com/data/resources_files/Social%20Benefits%20of%20Homeownership%20%20Stable%20Housing.pdf.

Zillow. (2020, September 3). *How does renting-to-own work?* Mortgage Learning Center. Retrieved from <https://www.zillow.com/mortgage-learning/rent-to-own/>.

Zumper. (2022). *Average rent in Worcester, MA and cost information*. Zumper. Retrieved from <https://www.zumper.com/rent-research/worcester-ma>.

Cover Image

Keith Brokerage. (2022). *Canal Lofts*. Retrieved from <http://owncanallofts.com/photos/ctydms18wfb32nnt7y6q124kntpzg8>.