

Housing & Neighborhoods—Trends

Where do we stand in 2017

At A Glance:

Indicator	Trend	Comparison to State
Financial		
Housing Burden	↓	↓
Tax Burden	↑	↓
Assessed Value	↑	↓
Housing Units	↔	↓
Housing Cost as a Percentage of Income	↓	NA
First Time Home Buyers Affordability Index	↑	↑
Demographics		
Homeownership Rate	↓	↓
Teen Pregnancy	↓	↔
Births and Deaths	↔	↓
Migration	↓	↔
Population Change	↓	↓
Age Distribution	↔	↑







To Note:

In 2017, there were a number of Housing & Neighborhood indicators where the Berkshire's performed well and a number where the region did not perform as well.

The region saw improvements in assessed value and first time home buyers affordability index, but also saw increases in the tax burden and the age distribution.

Meanwhile, the region saw decreases in housing burden, housing cost as a percentage of income and teen pregnancy, but also decreases in the birth to death ration, migration and population change.

Key:

	Trend	Compared to State
	Increasing	Higher than State
	No Change	Same as State
	Decreasing	Lower than State
	Positive	
	Neutral	
	Negative	

Housing & Neighborhoods—Financial

Indicator: Housing Burden

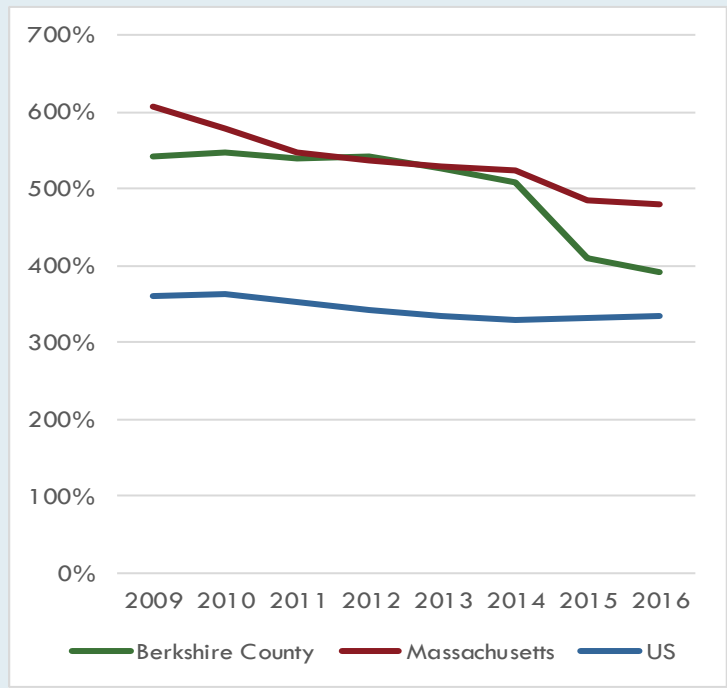
Overview

Housing burden is defined by the ratio of income to home value. The higher the value indicates that a household will be paying more for homes than their income supports. A rate of 100% means that a household income is the same as the home value.

What is the Trend?

Berkshire County saw a decrease the last two years due to an increase in income and decrease in housing value. The county is now below the state and closer to the US, which is more affordable.

Ratio of income to home value



Indicator: Tax Burden

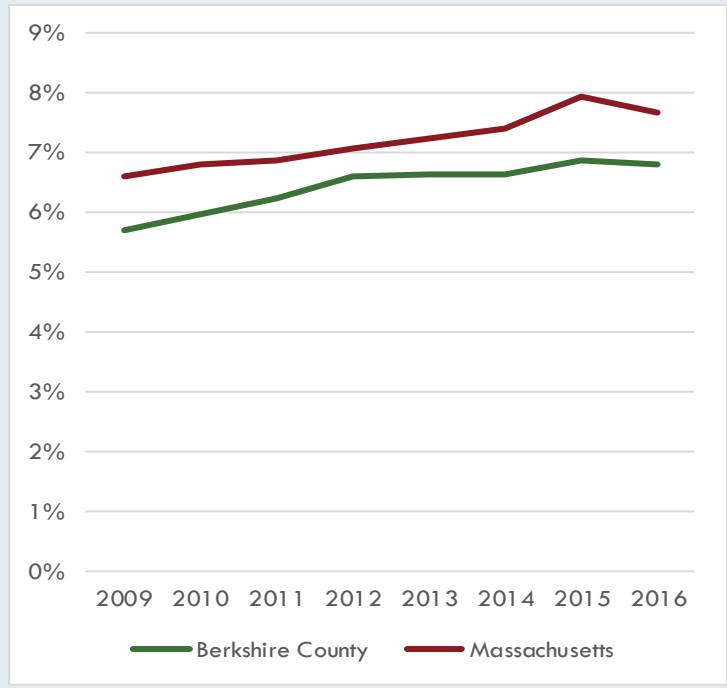
Overview

The tax burden is defined as the ratio of local property tax to household income. Tax burden can show an imbalance between what people make and what they pay between different geographies.

What is the Trend?

The tax burden in Berkshire County is lower than the state tax burden, however both have been increasing.

Ratio of local property tax to income



Housing & Neighborhoods—Financial

Indicator: Assessed Value

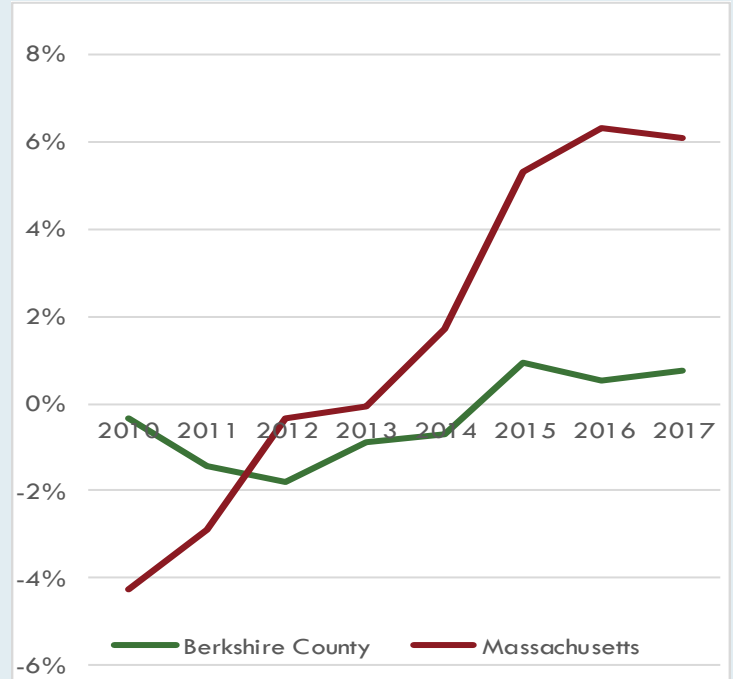
Overview

Assessed value is the median value of a home in the region. Change in assessed value can indicate the health of a region. A region that is growing and has demands for new housing will likely see an increase in assessed value, while a region that is not growing will tend to see a stagnant or declining value.

What is the Trend?

The trend for Berkshire County has been slightly increasing, but not nearly as rapidly as Massachusetts. This indicates that Berkshire County has lower demand for housing than the state, thus the assessed values are not growing as rapidly.

Change in assessed value



Indicator: Housing Units

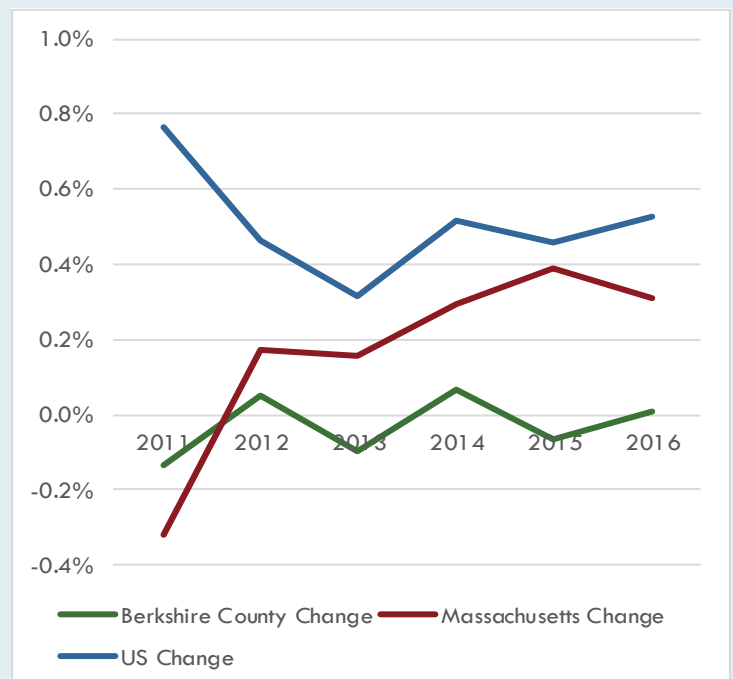
Overview

The number of housing units is the total housing units in the region, including owner, rental, vacant and seasonal. The change in the number of housing units indicates how much a community is growing. An increasing number of housing units indicates a higher demand for housing units and a growing community.

What is the Trend?

The change in the number of housing units for the county has been relatively stable at 0, meaning no change. Both Massachusetts and the US have shown an increase in the number of housing units.

Change in number of housing units



Housing & Neighborhoods—Financial

Indicator: Housing Cost as a Percentage of Income

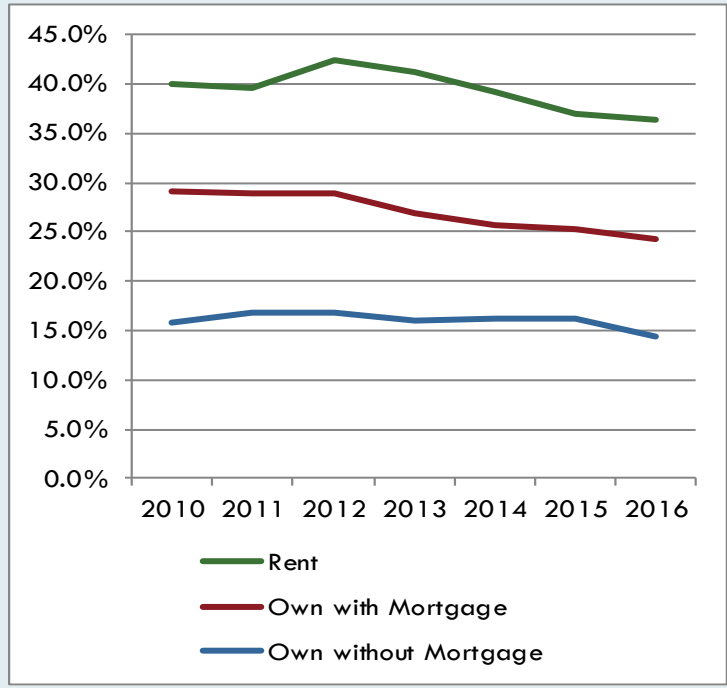
Overview

The amount a household pays for housing has an impact on their financial well-being. Households should not be paying more than 35% of their income to housing, otherwise they will be struggling to pay other bills.

What is the Trend?

The percent of renters who pay more than 35% has been relatively stable to decreasing, but is the highest among the three residency options. Those who own a home and have a mortgage have seen a decline over the last few years. Those without a mortgage, which is the smallest group, has been relatively stable.

Households paying > 35% of income to housing



Indicator: First Time Home Buyers Affordability Index

Overview

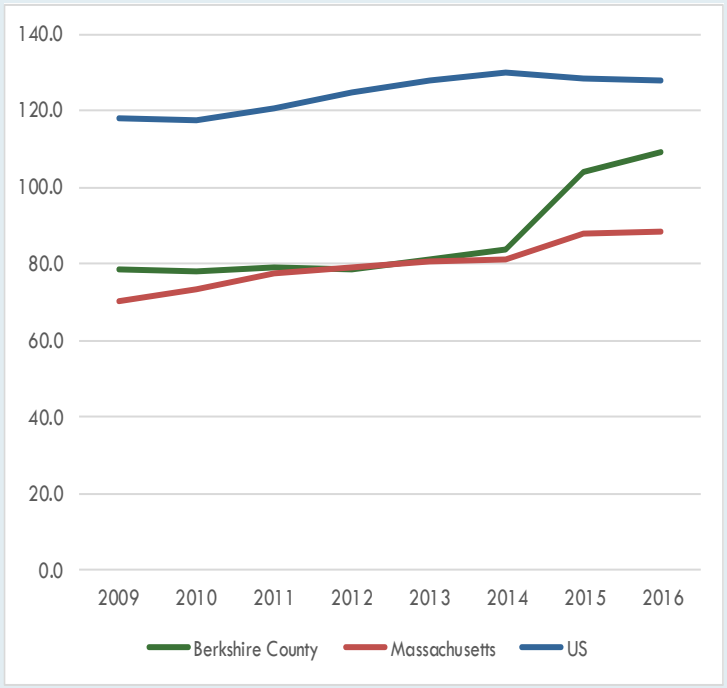
The First-Time HAI measures the ability of a typical family, as measured by household income at 70% of the median, to purchase their first home. The home price is assumed to be 85% of the area's median price. Transaction assumptions of the First-Time Buyers HAI are: 10% down payment, a 30-year fixed mortgage, and mortgage costs that are less than 25% of household income.

A central assumption of the Index is that the household not spend more than 25% of its income on principal and interest payments. When the index lies at 100, the household pays exactly this share of its income to principal and interest. When the index lies above 100 it pays less, and when it is below 100, the household pays more.

What is the Trend?

The first-time home buyers affordability index shows that Berkshire County is similar to Massachusetts and is less affordable than the US. The county saw an increase the last two years over 100, indicating that first time home buyers are now paying less than 25% of their income to housing.

First Time Buyers Affordability Index



Housing & Neighborhoods—Demographics

Indicator: Homeownership Rate

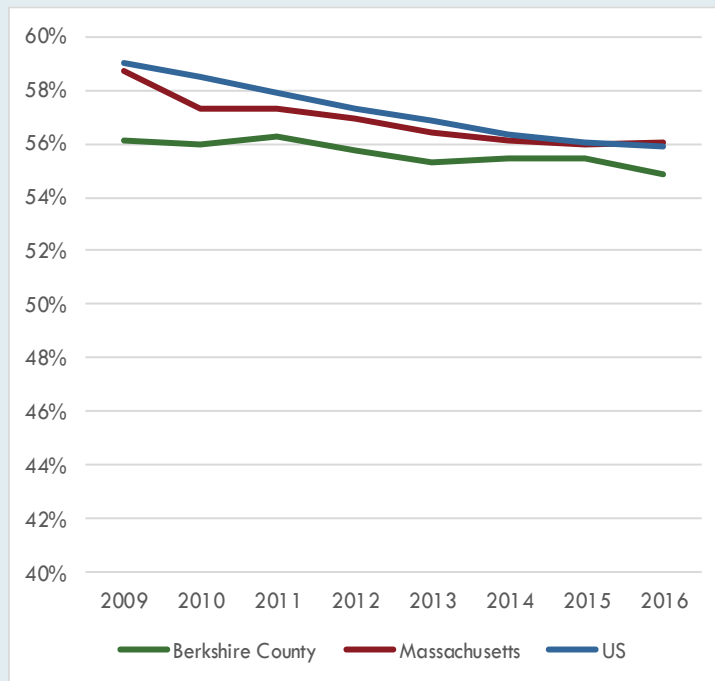
Overview

The percentage of units that are owner occupied indicates the health of a neighborhood. A higher percentage tends to indicate a more stable neighborhood with less turnover of residents. It also indicates a better financial situation for its residents as they are able to afford home ownership.

What is the Trend?

The county as well as Massachusetts and the US have all been experiencing a decline in home ownership, however the county average has seen a slower decline and is more stable. Overall, Berkshire County has the lowest percentage of units that are owner occupied, but is relatively close to the state and nation. The US had a significantly higher percentage of owner occupied units, however that declined significantly over the last few years.

Percentage of units that are owner occupied



Indicator: Teen Pregnancy

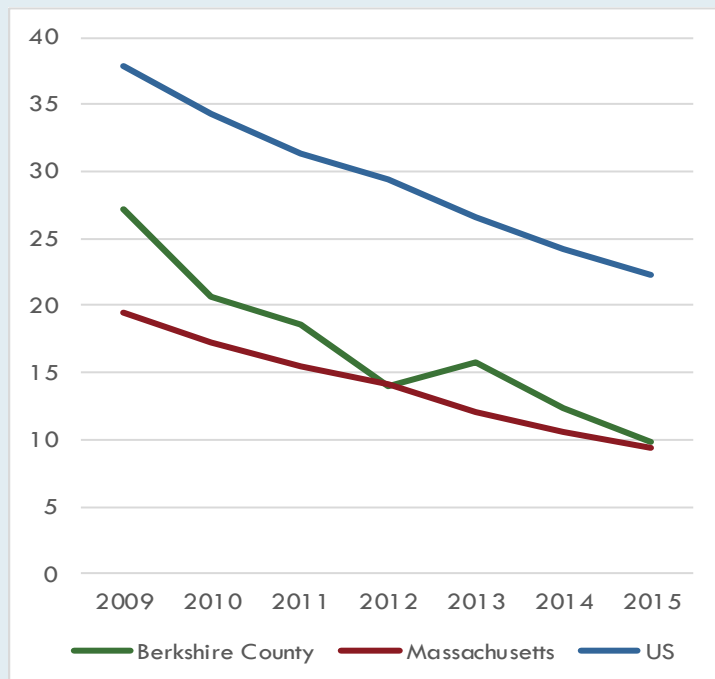
Overview

Teen pregnancy is measured by the number of teen births per 1,000 teen females (age 15-19). When teens have children, it often leads to a life in poverty due to the lack of financial stability of the parents. The parents also tend not to get a college degree, due to the cost and time commitment, which can lead to diminished wages.

What is the Trend?

The trend for Berkshire County, along with Massachusetts and the US, has been one of significant decline. Berkshire County is just above Massachusetts, but is significantly below the US rate.

Teen birth rate (births/1,000)



Housing & Neighborhoods—Demographics

Indicator: Births and Deaths

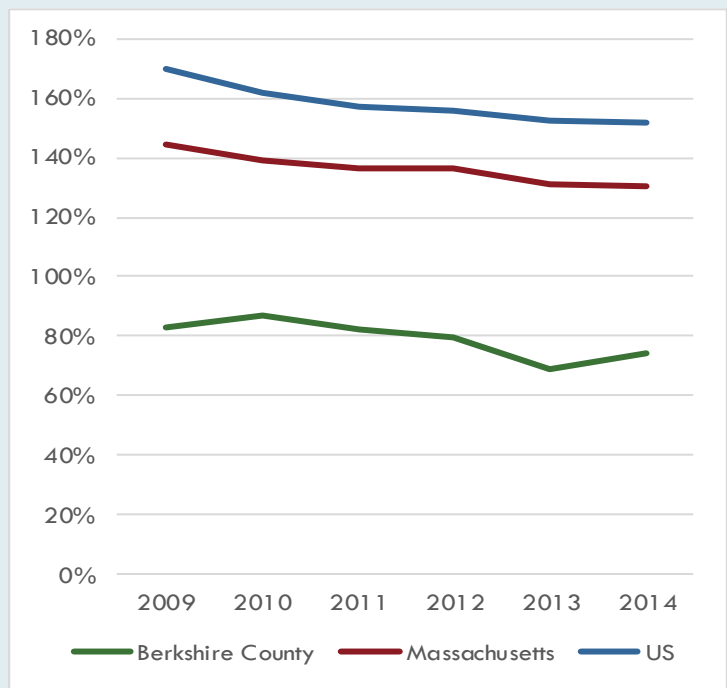
Overview

The ability for a community to grow is based on several factors, of which one is the number of births and deaths. A healthy region has a diversity of ages and is growing, which means that the region should have more births than deaths.

What is the Trend?

The percentage of births as compared to deaths in the county is below 100%, which means there are more deaths than births. The trend for the county is relatively stable to declining. The state and US are significantly above the county. Both the state and US have been seeing declines over the last few years, but are still significantly above the county and above 100%.

Births as a percentage of deaths



Indicator: Migration

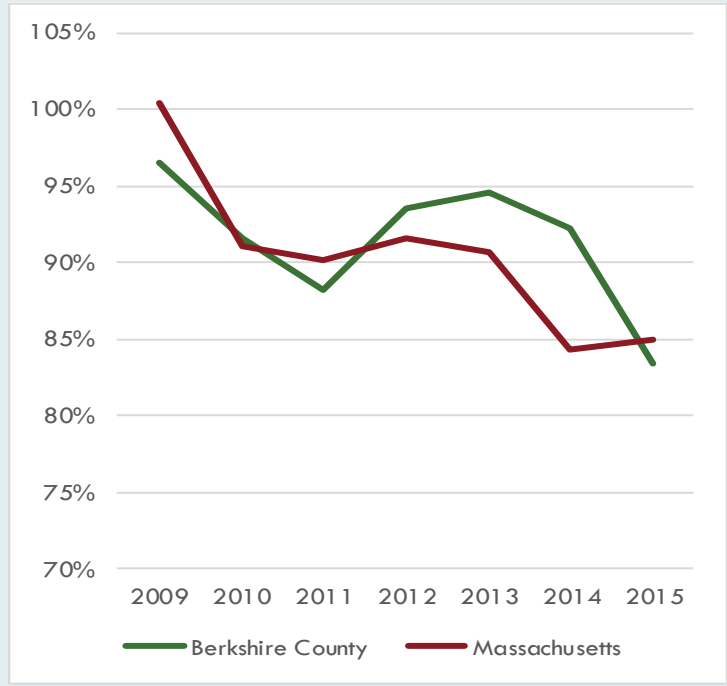
Overview

Another factor impacting the health of a region is migration. A region should aim to have more in-migration than out-migration. This would indicate that the area is a good place to live as people don't want to leave and outsiders want to move in.

What is the Trend?

The county and the state have been seeing decreasing percentages of in-migration compared to out-migration. This means we are seeing less people moving in than those moving out.

In-migration as a percent of out-migration



Housing & Neighborhoods—Demographics

Indicator: Population Change

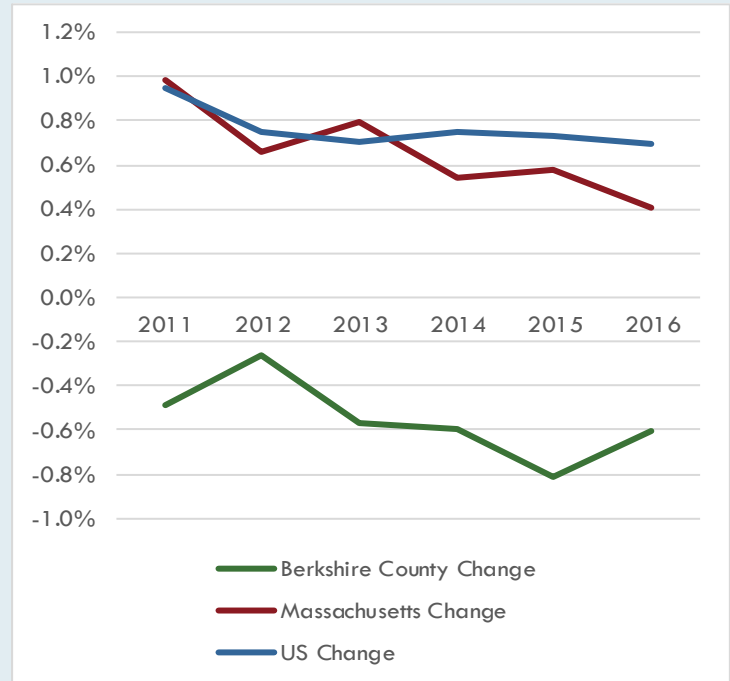
Overview

One of the leading indicators of a region's health is its population change. A region that is growing tends to have more opportunities, both economic and housing. Population change occurs due to births, deaths, in-migration and out-migration.

What is the Trend?

The trend for Berkshire County is one of continued loss. The state and US show increases in population, however the state is at a slower rate than it was a few years earlier.

Percent population change



Indicator: Age Distribution

Overview

Age distribution compares the ages of one region to that of another. A healthy region would have a balanced age distribution, ensuring that each age cohort had a equal percentages.

What is the Trend?

The county's age distribution is slightly imbalanced as compared to the state, however it is significantly imbalanced when compared to the US. The county has an older population and a lack of young adults, which results in the imbalance.

Age Distribution

