

# Nahant Housing Needs Assessment

The housing needs assessment documents Nahant's community demographics, housing stock, and housing affordability, and shows the relationship between these elements. By looking at the range of housing needs that exist in Nahant we can measure how well the existing supply and cost of housing aligns with these needs. For example, does the size of homes match the size of households in town? Are local incomes high enough to afford Nahant home prices? These are the types of questions we aim to answer. While focusing on local housing dynamics, the assessment also gives an idea of how much opportunity there is for people to settle in Nahant.

The assessment includes the most recent data available from when it was collected in November 2022.<sup>1</sup> "Context communities" are used throughout the assessment to demonstrate the significance of data observations in Nahant by providing a varied set of reference points to compare from. These communities were selected after a rigorous quantitative analysis to identify towns that have similar characteristics to Nahant and through consultation with Town staff.<sup>2</sup> Context communities are also helpful for exploring strategies to meet housing need that have worked in similar contexts to Nahant.

Trends and key findings that pinpoint Nahant's housing needs are summarized below and described in more detail throughout the assessment.

## Preview of Key Takeaways

1. **Address the aging population.** Nahant's population is aging, and the share of young adults and children is declining. Housing development and strategies must address these changes.
2. **Create greater housing choice.** Nahant has a modest supply of mostly small multifamily housing and needs more of these alternatives to single-family homes.
3. **Lower high housing costs:** Many struggle to afford housing in Nahant. More attainable market-rate housing and significantly more Affordable Housing is needed in addition to strategies and programs that reduce housing costs for Nahanters.
4. **Advance Equity:** Expanding housing options and advancing housing affordability is key to making Nahant a more equitable community, particularly for creating opportunities for people of color.

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<sup>1</sup> A variety data sources are used throughout this report. Unless otherwise cited, data comes from the U.S. Census Bureau's 2020 American Community Survey (ACS) five-year estimates, which was the most recent data available when the assessment started in November 2022. It is important to understand that ACS data is based on sample size and is an estimate. Using ACS data is a best practice for planning purposes because it allows for an analysis of specific community characteristics. Decennial censuses include total data counts but do not have as much detailed information. Past decennial data and 2020 decennial data is incorporated when applicable.

<sup>2</sup> To learn about the methodology used to select context communities see [Appendix ###](#).

## Introduction

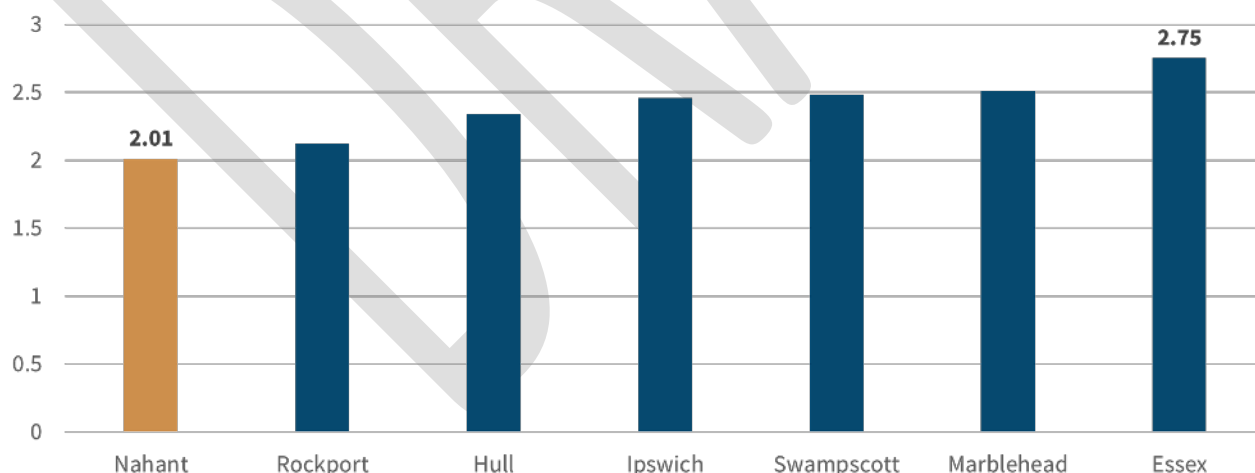
The assessment begins with an overview of community demographics and focuses on characteristics that are relevant to housing needs and preferences in Nahant. In this section you will learn about Nahant's population trends, household composition, school enrollment, racial diversity, and income distribution. It's important to think of these characteristics as they relate to Nahant's current supply of housing and what's needed in the future.

## Population and Household Characteristics

Nahant's population size has experienced a slight decline of 12% over the last three decades. In 1990, the total population was 3,828. According to the 2020 decennial census record, Nahant's population is 3,334. Population describes the total amount of people in a community whereas a household can include an individual or group of people living in a home. Some examples of households include parents with two children, a senior living alone, and a group of unrelated roommates that share a home, among many other household compositions.

There are 1,723 total households in Nahant. The average size of a Nahant household is about 2 people (2.01) approximately the same as it was in 2010 when the average household size was 2.28. Household sizes run slightly larger for owner-occupied households at 2.06 compared with renter-occupied households that average less than two people at 1.78. When looking at the context communities, Nahant's household size stands out as the smallest, although all the context communities have small average household sizes of less than three people.

**Figure 1: Average Household Size, Nahant & Context Communities (2020)**



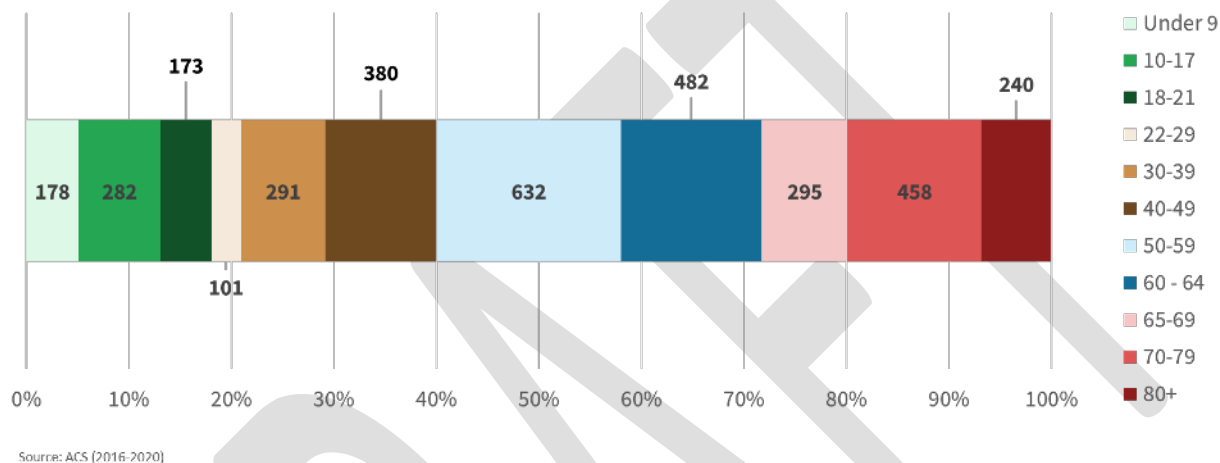
Source: ACS (2016-2020)

The age of the population is pertinent to housing planning because different age groups have different housing needs and preferences. For example, young adults are more likely to rent or purchase a smaller more affordable home, families with children and those that work from

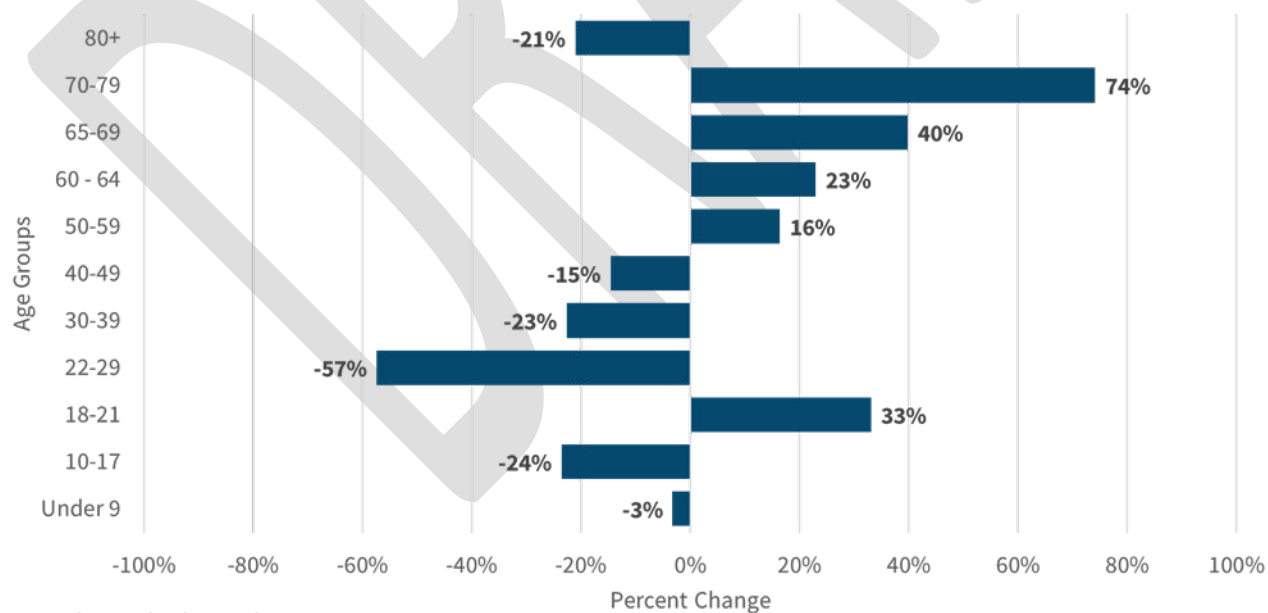
may want housing units with several bedrooms, and seniors could be looking for downsizing options.

In Nahant, children under nine years old and between 10 and 17 years old make up a small portion of the population. Younger adults also make up a relatively smaller share of the population compared with other age groups. The two most extensive age groups are adults between 50 and 64, and those 65 or older, which are classified as seniors by the census.

**Figure 2: Nahant Population by Age (2020)**



**Figure 3: Change in Age, Nahant (2015-2020)**

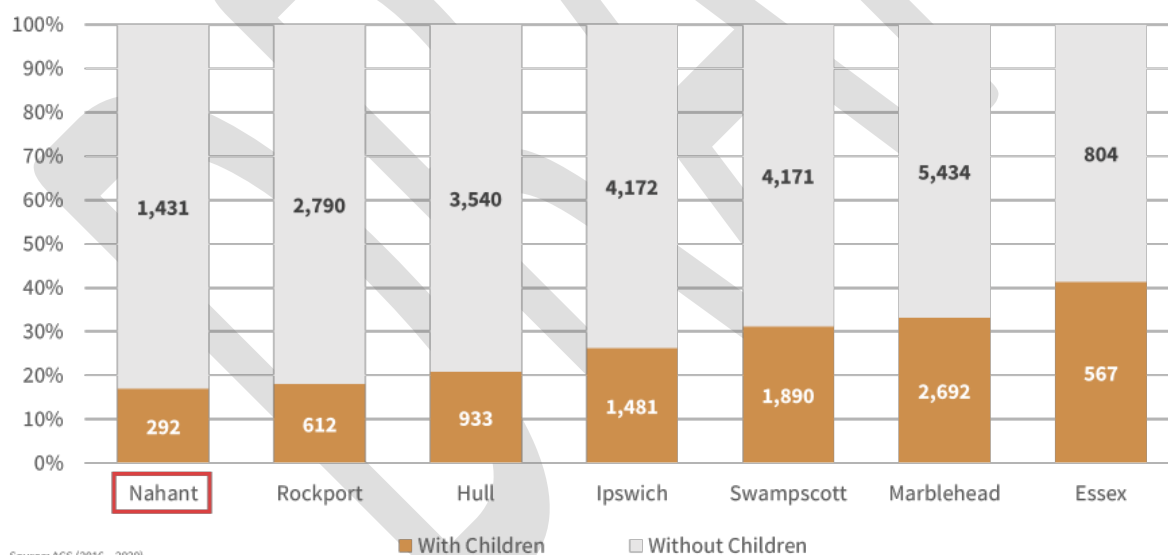


From observing changes in Nahant age groups from 2015 to 2020 a few trends stand out. Nahant's population is clearly aging. A large share of older adults has reached the age of 65,

the age the census identifies as senior. There's also been a 74% increase in residents between the ages of 70-79, indicating many existing seniors are getting older. New seniors and aging seniors are more likely to experience physical changes and develop disabilities that create needs for smaller housing types and other accessibility related needs like home modifications. Seniors are also more likely to have less income because they're working less or retired. These changes are more dramatic for older seniors, and as noted previously, there's been a large increase in this age group.

On the other side of the age spectrum, decreases in young residents aged 17 years and lower, indicates many Nahant children are entering adulthood. Notably, there was a 57% decrease in the number of residents aged 22-29. While some of these residents may be getting older the subsequent decline in the 30-39 age group suggests a different more prevalent trend. Many young adults in their twenties are searching for their first home to live independently, and the decrease in this age group could mean young adults are leaving Nahant. While this trend could be for several reasons, such as a desire to move to another community for work or preference, it could also be related to what housing options exist in Nahant. Both young adults and seniors are likely to be looking for smaller housing units that are well-suited for a young person's first home or a senior to downsize into.

**Figure 4: Households with Children, Nahant & Context Communities (2020)**



Additional data affirms the observation that Nahant has fewer young residents. Approximately 17% (292) of Nahant's households have children (2016 - 2020, ACS). This percentage has trended down slightly since 2010 when 330 out of 1,540 households (21%) included children (2010, Decennial Census). Nahant has the smallest percentage of households with children of all the context communities. Comparatively, more than 30% of households in Swampscott, Marblehead, and Essex include children. Lower average

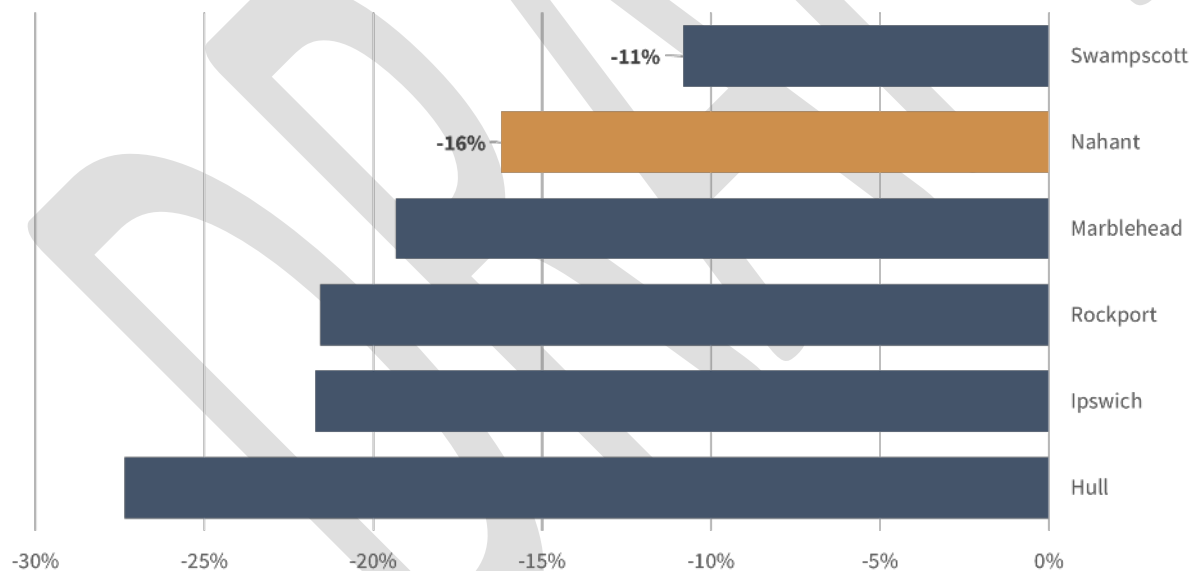
household sizes and fewer households with children indicates a need for smaller types of homes.

### School Enrollment

School enrollment trends are important to consider when planning to accommodate housing demand because increases in the housing stock might indicate a town needs to expand its school capacity. This is not a concern in Nahant. Like all context communities, public school enrollment in Nahant has declined over the last decade falling from 185 students in 2012 to 155 students in 2022, a decline of 16%.

Note that Nahant enrollment numbers in the figure below are for the Johnson Elementary School. Nahant children enrolled in middle school and high school utilize education facilities in Swampscott under a shared agreement. There are no housing related school capacity concerns in Swampscott either since enrollment there is also trending downward. Total enrollment in Swampscott declined by 11% between 2012 and 2022, going from 2,283 to 2,036 students during that span. Swampscott's enrollment in grades seven and higher (which includes children from Nahant) dropped from 1,101 in 2012 to 987 in 2022.

**Figure 4: School Enrollment Change, Nahant and Context Communities (2012 - 2022)**

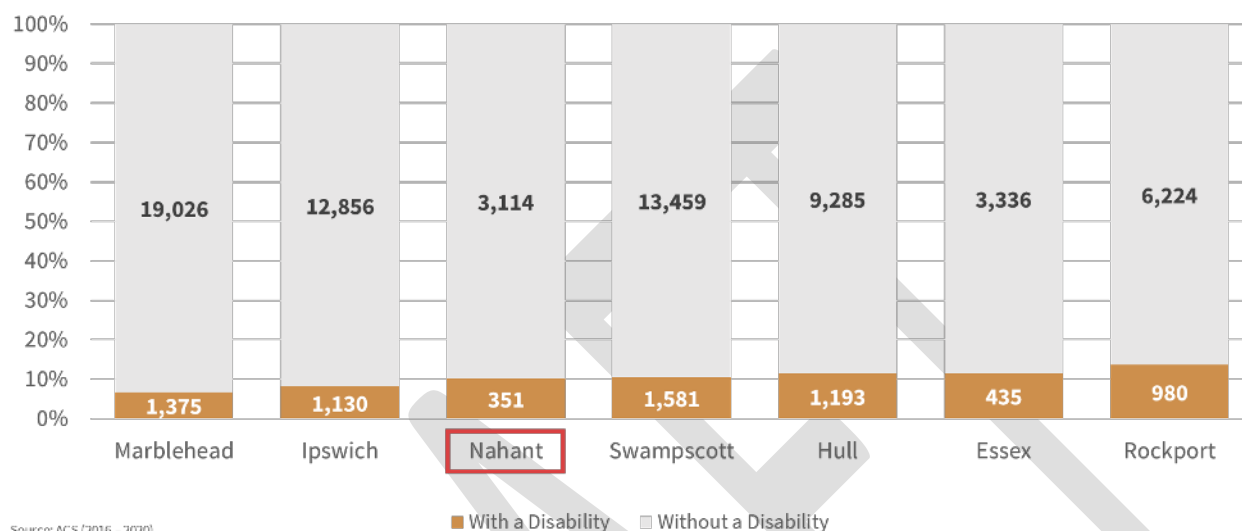


### Disability Status

The next dataset describes the percent of Nahant's population with a physical or mental disability and how this percentage compares with context communities. When preparing to meet housing needs, disability status should be considered so the Town can work to ensure housing is accessible to everyone.

Nahant doesn't have a disproportionately higher percentage of people living with a disability. None the less, at 11% of the population, the Town should be considering those living with a disability when thinking about new development, redevelopment, and home modifications.

**Figure 5: Percent of Population with a Disability**

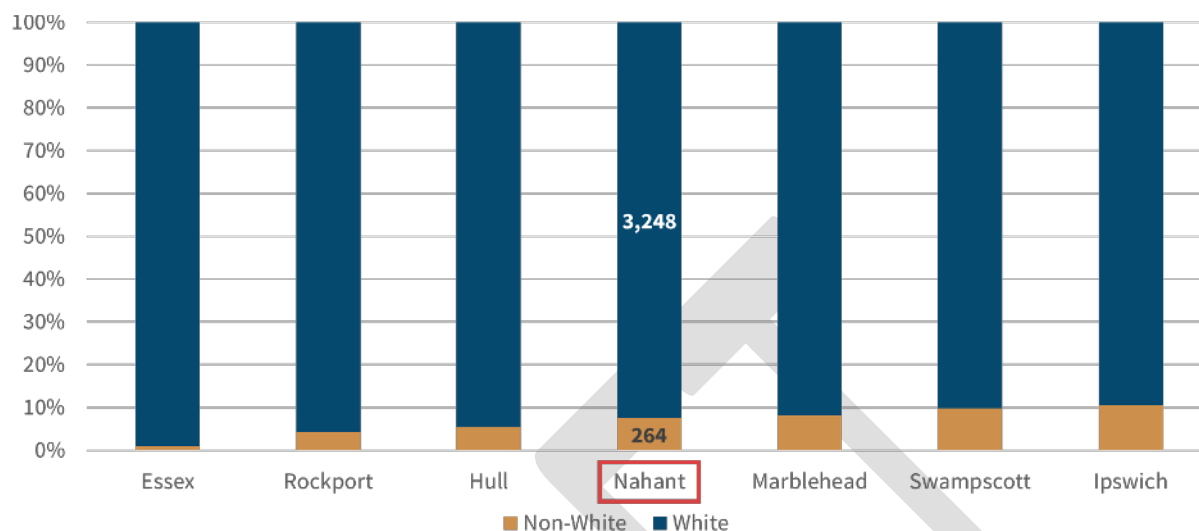


## Racial Diversity

The next figure shows the portion of non-white and white households in Nahant and the context communities. Aggregating the data in this way is necessary because there are so few Black, Latinx, Asian, and other people of color in Nahant and the context communities to accurately show non-white racial groups respectively. Nahant is more racially diverse than half the context communities but just 8% of its population is non-white. From a housing perspective, we must consider why this is the case. Consider that the adjacent community of Lynn has a majority minority population with 64% of its residents being people of color.

Lack of racial diversity is not happen-stance, it is the result of discriminatory housing policies throughout the history of the United States that have resulted in long-lasting cumulative effects passed on between generations. One of the most detrimental practices was redlining, a federal government-sponsored program that started in the 1930s and involved mortgage lenders, banks, and real estate professionals color-coding maps to direct investments to well-resourced white communities. The practice denied mortgages for people of color to live in these communities, limiting what resources they could access and their ability to accumulate wealth. The fact that every community in the chart below has such a small percentage of people of color is related to redlining which prevented generations of non-white households from purchasing homes and settling in these communities.

**Figure 6: Race and Ethnicity, Nahant & Context Communities (2020)**



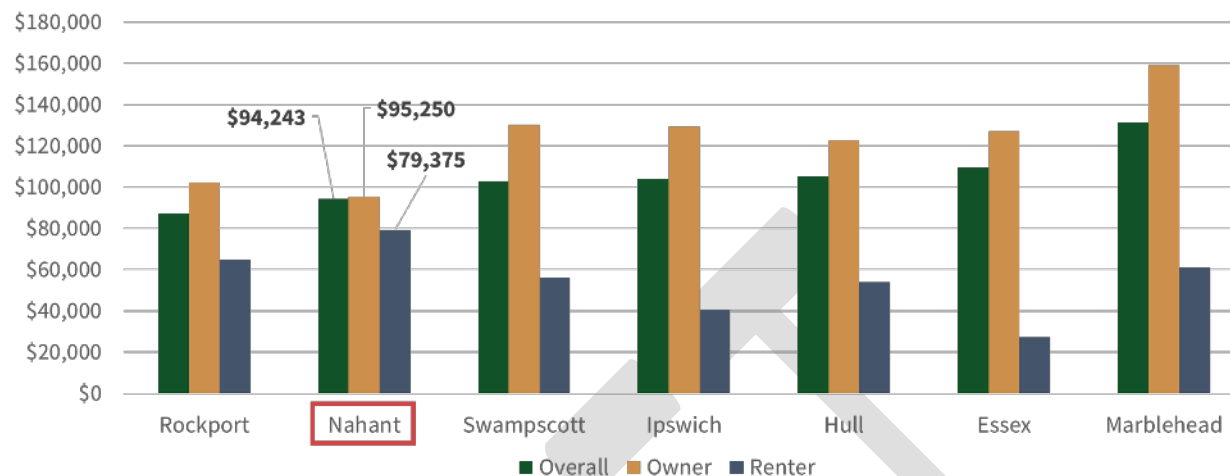
Over time, planning and zoning has intentionally and inadvertently perpetuated the segregation and inequities caused by historic discriminatory housing practices and so it is critical to think of racial diversity and housing through this lens when planning today. Creating affordable housing options can have a resounding impact in the advancement of racial equity by giving people of color more housing choices in well-resourced areas and creating equal opportunities to accumulate wealth through first-time and first-generation homeownership.

### **Income**

This section looks at incomes in Nahant through a variety of ways. First, we look at median income across Nahant's community and then we look at income in a more nuanced light. Nahant's overall median income is \$94,243, the second lowest median household income compared with the context communities. The 2022 Area Median Income (AMI) for the Greater Boston Metropolitan Area that includes Nahant is \$140,200, \$45,957 higher than the 2020 median Nahant household income (U.S. Department of Housing and Urban Development, HUD, 2022).

Interestingly, the median income of owner-occupied households (\$95,25) and renter-occupied households (\$79,375) is similar. Usually, the median income of owners is much higher than the median income of renters as is the case with most of the context communities, but this is not the case in Nahant. The HPP Advisory Committee provided local insights about possible reasons for this finding.

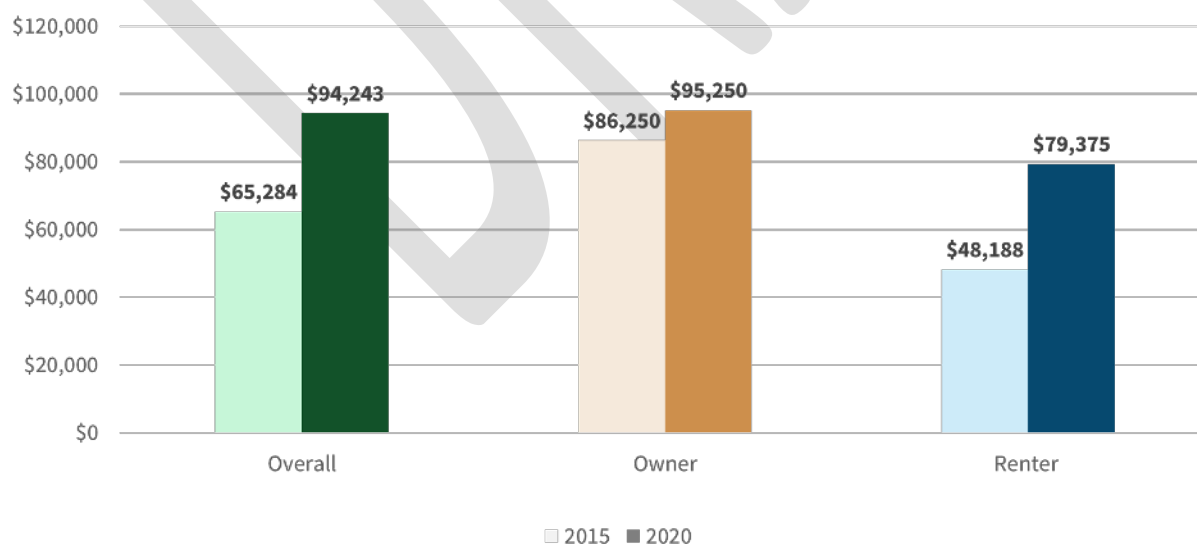
**Figure 7: Median Income by Tenure, Nahant and Context Communities (2020)**



Some committee members believe the ability to buy a home in Nahant is difficult even for higher-income households because the cost to purchase is so high (home prices are documented in the next section). Some committee members also believe Nahant is attractive for higher-income renters because of its scenic sea-side location with proximity to Boston. This theory is supported by recent changes in the median income of Nahant households.

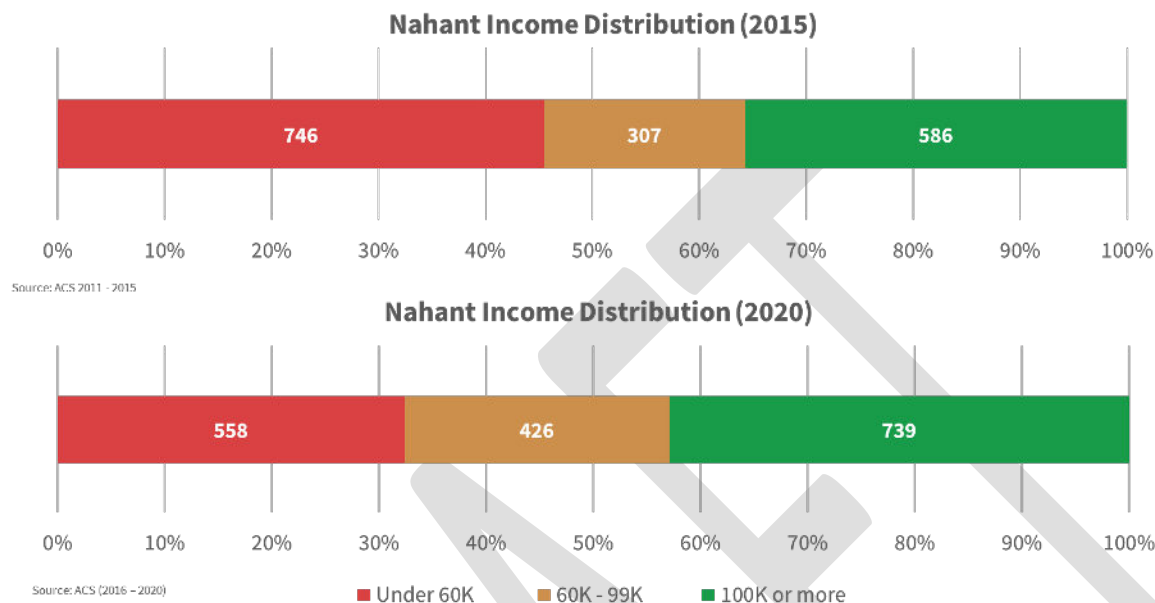
Between 2015 and 2020, Nahant's overall median household income rose from \$65,284 to \$94,243, an increase of 44% in five years. This increase is primarily driven by major changes in the median household income of renters. Over the same five-year period, the median household income of owners remained relatively the same while the median household income of renters increased by 65%, rising from \$48,188 to \$79,375.

**Figure 8: Change in Median Household Income, Nahant (2015 - 2020)**





**Figure 9 Household Income Distribution, Nahant (2015 - 2020)**



Looking at changes in income distribution from 2015 to 2020, we see more households in Nahant earning over \$100,000 and fewer households earning under \$60,000. There's also been an increase in households earning middle-incomes between \$60,000 and \$99,000.<sup>3</sup> None the less, as of 2020 ACS records, over 30% of Nahant's households earn less than \$60,000 and more than half earn less than \$100,000 demonstrating a need for lower and moderately priced housing.

### **Summary of Demographic Findings**

In summary of demographic findings, households in Nahant tend to be smaller with fewer children. Nahant's population is aging, and young adults appear to be moving elsewhere. Like all context communities, Nahant has a lack of racial diversity that can be attributed to overarching discriminatory housing practices like redlining that caused the segregation and racial inequities observed across the country today. The overall median household income in Nahant is lower than the context communities but there have been considerable increases in median household income, particularly for renter-occupied households. This is likely due to new renters moving to Nahant. In the next section, we'll look at how Nahant's demographics relate to the housing available in town.

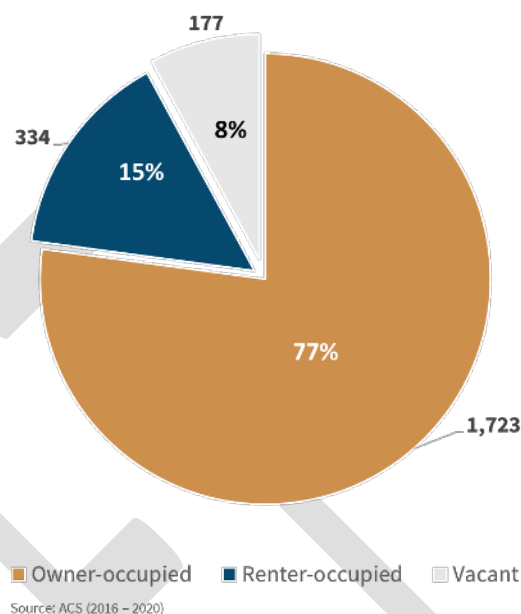
<sup>3</sup> ACS household income data comes in subsets showing six income categories. Since ACS data is based on sample size and Nahant has a small population with lower sample sizes, this data needed to be aggregated into three income categories. Aggregating the data in this way increases sample sizes and strengthens the confidence in the accuracy of ACS household income distribution estimates.

## Housing Stock

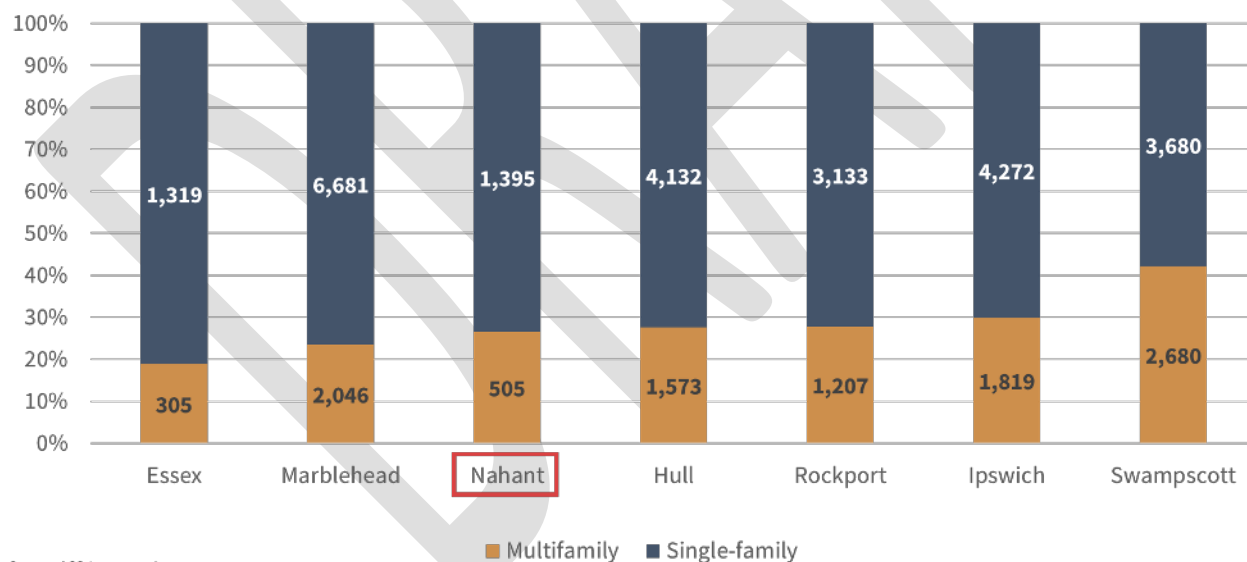
### Housing Units

This section documents the homes available in Nahant allowing us to examine how the housing stock aligns with Nahant's demographics. There are a total of 1,900 housing units in Nahant (2016 – 2020, ACS). A housing unit is defined by the census bureau as “a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied (or if vacant, is intended for occupancy) as separate living quarters.” Most housing units in Nahant are owner-occupied (77%). 15% of housing units are renter-occupied and the remaining 8% are vacant.

**Figure 10: Owner Versus Renter-occupied Housing Units, Nahant (2020)**



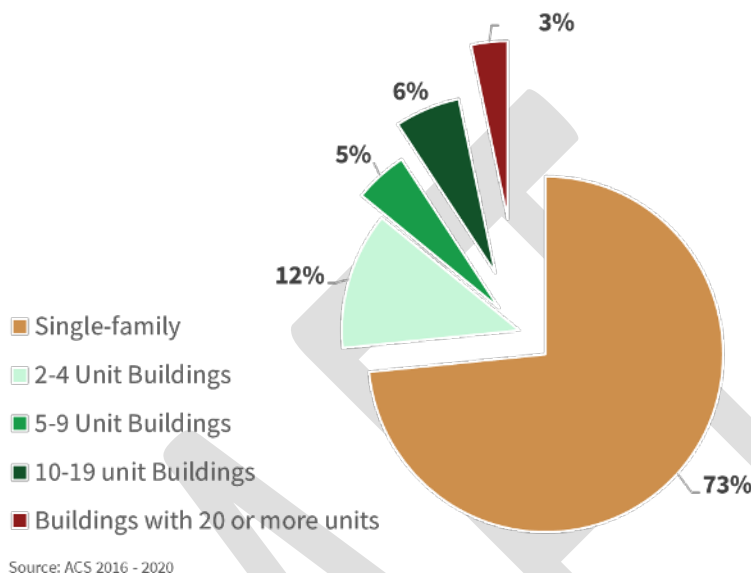
**Figure 11: Single-family Versus Multifamily Housing Units, Nahant & Context Communities (2020)**



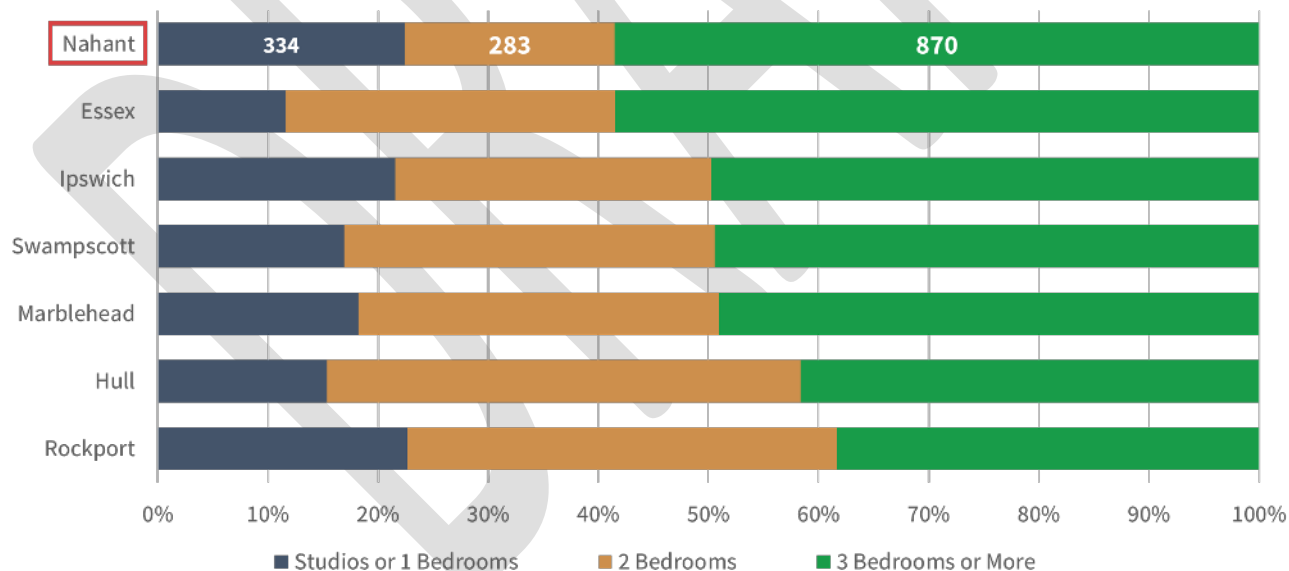
Like many of the context communities, most of Nahant's housing supply is single-family homes making up 73% of the stock, though Nahant does have a considerable supply of multifamily housing units, making up 26% of the stock, and most of these are smaller multifamily homes. Housing units located within two–four-unit buildings make up 12% of total housing units in town. Housing units within 5–9-unit buildings and 10–19-unit buildings

make up 5% and 6% respectively. 3% of the housing stock is from multifamily units within a large building of 20 or more housing units.

**Figure 12: Total Housing Units by Building Type, Nahant (2020)**



**Figure 13: Housing Units by Bedrooms, Nahant & Context Communities (2020)**



Single-family homes are relatively larger housing types with multiple bedrooms and so it makes sense that most of Nahant's housing stock consists of homes with three or more bedrooms. In comparison to the context communities, Nahant has the highest proportion of homes with three or more bedrooms, comprising 59% of the town's housing stock.

Larger single-family homes don't typically meet the needs of small households, particularly single-person households that include young professionals and seniors. The pandemic has made it much more common to work from home on a regular basis causing more people to prefer homes with multiple bedrooms to use as office space. Although this change of preferences is evident, single-person households typically have less income and aren't as likely to be able to afford higher priced single-family homes. If an individual can afford a single-family home, they're taking this housing unit off the market to the detriment of a family with children that has a greater need for a larger multi-bedroom home. This dynamic speaks to the importance of having a variety of housing options.

Members of the HPP Advisory Committee have noted anecdotally that they see homeowners converting single-family homes to two-family buildings. Because Nahant permitting data doesn't include fields confirming conversions it's not possible to provide definitive counts but from analyzing permit data, we can get a sense of conversion activity.<sup>4</sup> Between 2008 and 2022, 27 permits were applied for that mention key words indicating a conversion or addition of a dwelling unit. All but two of these permits were issued. Of the 27 total permit applications, 15 were filed between 2015 and 2022, indicating a recent acceleration of conversion activity. HPP Advisory Committee members believe conversions are likely being made under the table without permits and that many unpermitted and non-conforming accessory dwelling units exist in Nahant.<sup>5</sup> All of this information suggests that Nahant residents are looking for ways to create additional units or living space by converting, separating, or adding to existing single-family homes. This suggests the public's desire for smaller multifamily homes and other alternative housing options.

### **For-sale Housing Costs**

Single-family homes in Nahant are very expensive. At a median sale price of \$950,000, Nahant has the most expensive single-family homes compared to all context communities. Considering that 73% of Nahant's housing stock is single-family homes, a large down payment is required to live in about three quarters of the town's housing stock. This limits the ability for people to settle in Nahant and limits housing choice for existing Nahanters when their needs and preferences change. For example, children who grew up in Nahant that would like to find their own homes as young adults must have significant savings to buy a home in town and most of what's on the market are single-family houses.

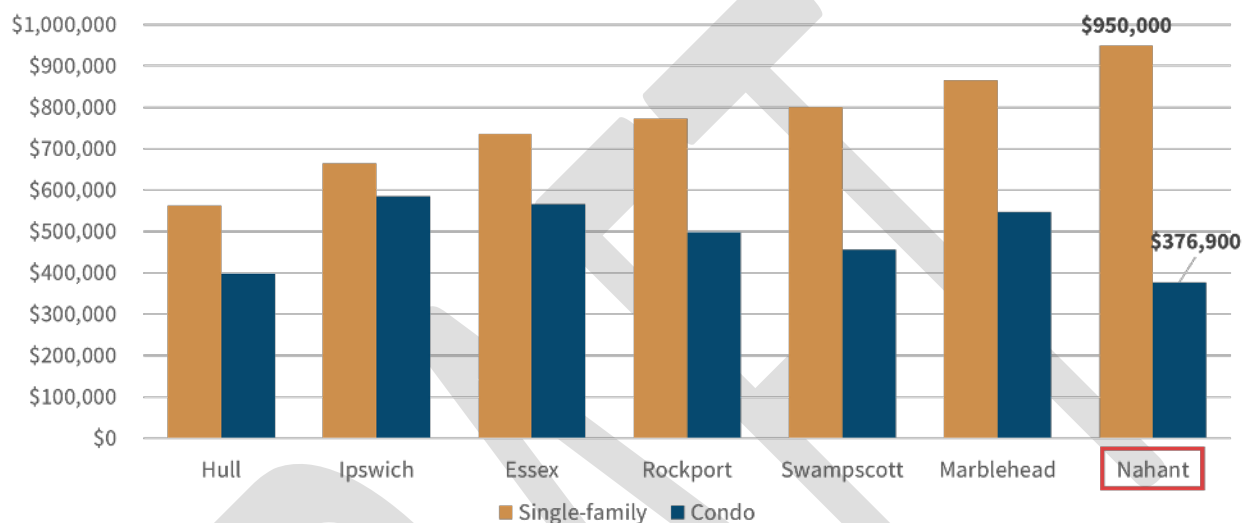
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<sup>4</sup> Permit data was filtered for residential permits with permit fees above \$500. Examination of permit data resulted in using the \$500 threshold since it was clear permits with lower fee amounts were for minor renovations. Each permit includes an open-ended field with a work description. Permits with fees above \$500 were sorted using the key words addition, bedroom, and story. Upon further review it was estimated that 27 permit applications were likely for two-family conversions. Permit data with fields confirming conversions would allow Nahant to track conversion activity definitively in the future.

<sup>5</sup> Non-conforming means a home was built before zoning regulations were enacted. Although these homes (such as an accessory dwelling unit) or dimensional aspects related to these homes (such as a smaller setback length) don't conform to current zoning regulations, the home is considered legal. Making changes or additions to non-conforming homes typically requires additional review before being permitted and current zoning standards may be applied.

A household must have a 20% downpayment to avoid paying for private mortgage insurance (PMI) that adds hundreds of dollars to monthly expenses, often making or breaking the ability to afford a home. A 20% downpayment for the median priced single-family home in Nahant is \$190,000. If a household can afford the added monthly costs of PMI and puts down 10%, they still need savings of \$95,000.

**Figure 14: Median Residential Sales Price, Nahant & Context Communities (2022)**

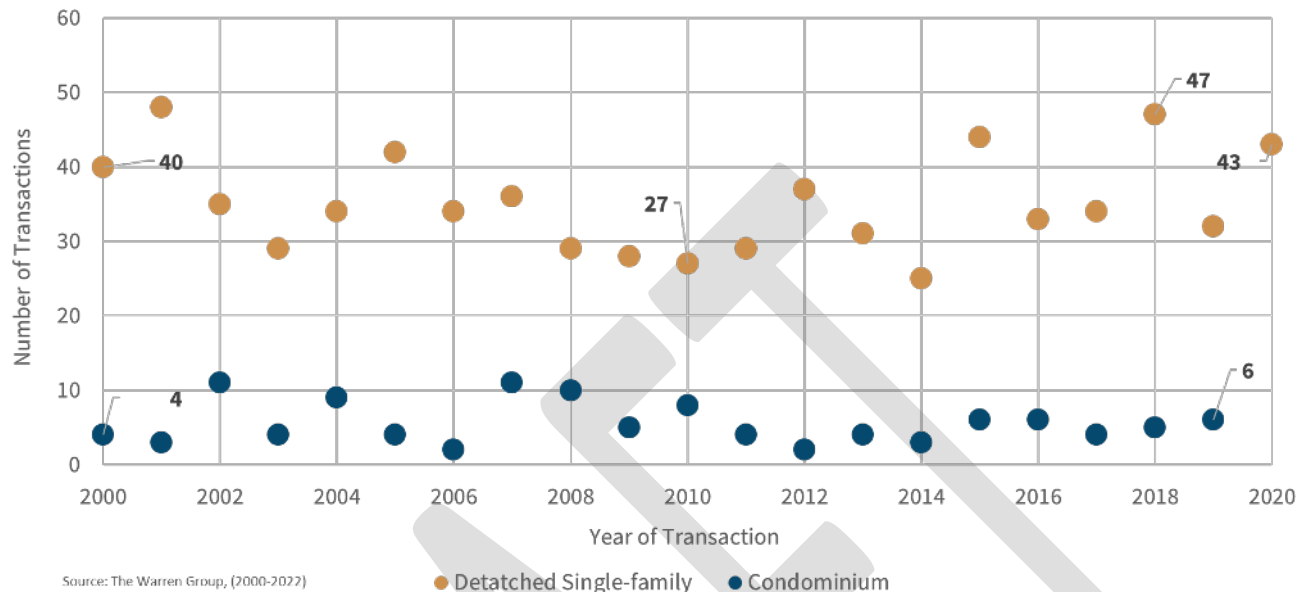


Source: The Warren Group, 2022

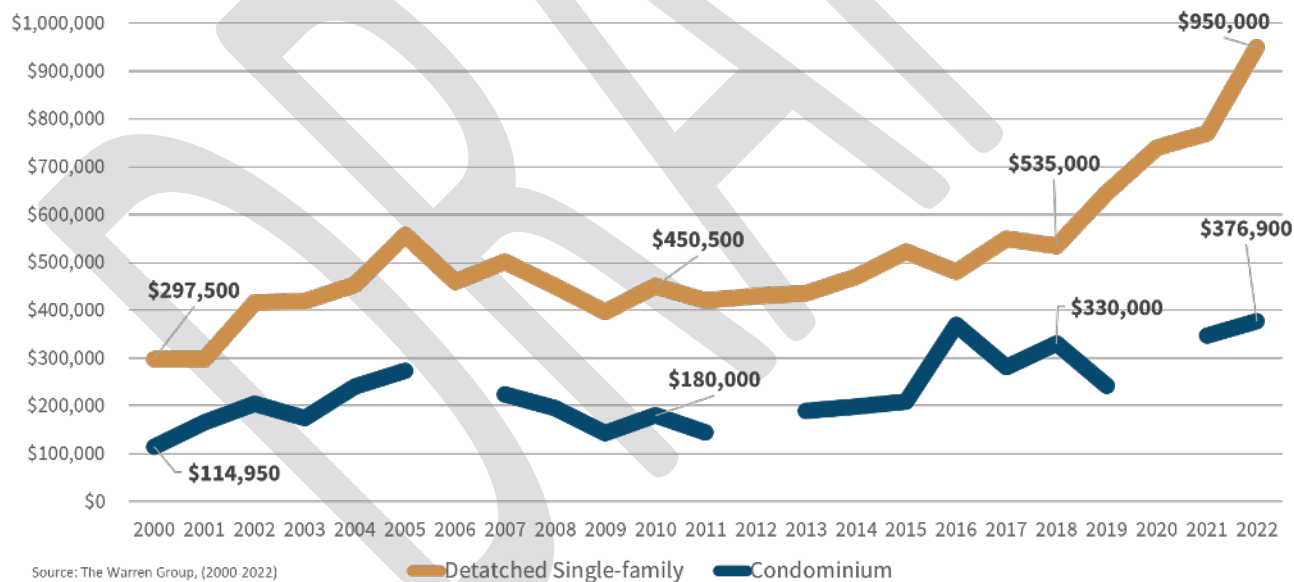
The median cost of a condominium in Nahant is considerably lower at \$376,900, the lowest median sale price for this housing type compared to the context communities. This price differential demonstrates the importance of having smaller housing types that are more attainable. But sales data shows they're much fewer opportunities to buy a condo than a single-family home in Nahant. This is consistent with the housing unit data showing the high percentage of single-family homes in town.

As Figure 15 shows, in the last twenty years, condominium transactions have consistently been in the single digits. This data demonstrates a need for more condos to facilitate first-time homeownership and downsizing. A lack of affordable homeownership options will likely only become a greater issue over time. The median price of a single-family home in Nahant increased 78% over four years, from \$535,000 in 2018 to \$950,000 in 2022 (See Figure 16). Large increases in median sale prices can be attributed to historically low interest rates during the pandemic that drove housing demand but even if the housing market adjusts to more typical interest rates, single-family homes in Nahant will still be very expensive.

**Figure 15: Frequency of Residential Sales Transactions, Nahant (2000 - 2022)**



**Figure 16: Median Home Sales Price, Nahant (2000 - 2022)**



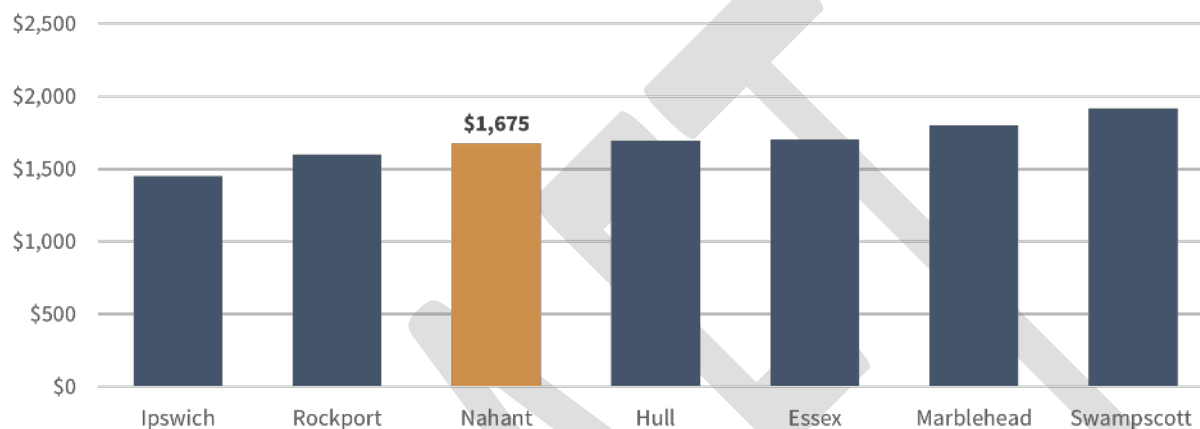
### Rental Housing Costs

For those that do not have the savings needed to buy or prefer not to, renting is an option, if rental housing units are available. Since 26% of Nahant's housing stock is multifamily housing, they're clearly fewer opportunities to rent in Nahant. Between 2021 and the fall of 2022, there were 38 online listings for one-bedroom rentals in Nahant (MAPC rental database 2021 – Q1-Q3 2022)<sup>6</sup>. No listings for studio apartments or for apartments with two or more

<sup>6</sup> MAPC's rental database pulls online listings from Craigslist, PadMapper, and Trulia.

bedrooms were found in listings during this time. To compare rental costs with context communities, we've used the median rental price of one-bedroom listings, since these were the only type of listings found recently in Nahant.

**Figure 17: Median Cost of a One-bedroom Rental, Nahant & Context Communities (2021 – 2022 Aggregate)**



MAPC Rental Database (2021 and Quarter 1 – Quarter 3 2022)

The median price of a one-bedroom apartment in Nahant is comparatively less expensive than most context communities. The HPP Advisory Committee notes that the Bass Point Apartments, are much more expensive than other rental units in Nahant that are typically in smaller multifamily buildings.<sup>7</sup> All Bass Point rentals are one-bedroom housing units. Since this is the only larger multifamily development in town and considering we were unable to find any multi-bedroom rental listings in recent years, we can conclude that multi-bedroom rentals in Nahant are scarce. This limits the ability for a family with children, that's not able to buy, to live in Nahant.

### **Summary of Housing Stock Findings**

Like many context communities, most of Nahant's housing stock is single-family homes. Observations from HPP committee members and permit data indicates there's a public interest in creating more living spaces/ multi-unit homes from existing single-family structures. Nahant's stock of single-family homes is remarkably expensive, the most of all context communities. Condominiums are the least expensive of all context communities, but fewer opportunities to purchase condos exist. Similarly, renting is relatively less expensive in Nahant but there are fewer rental options, and we cannot identify any multi-bedroom rental units that would be suitable for families. Increasing the share of multifamily buildings would expand both the stock of condos and rentals.

<sup>7</sup> The MAPC rental base data does not specify the identify of multi-family buildings. The median rental price may or may not include listings from the Bass Point Apartments.

## **Housing Affordability**

### **“Upper-case A and lower-case a housing”**

To complete our assessment of housing needs in Nahant we will look at the affordability of housing in town. Generally, housing is considered affordable when it costs less than 30% of a household's income. When housing costs exceed 30% of a household's income the household is considered housing cost burdened and when housing costs leverage more than half of a household's income this is considered severely cost burdened. Cost burden is a metric used by HUD to measure the impact of housing costs on the population and we have access to several cost burden datasets.

When thinking about affordable housing it is helpful to distinguish between housing that's affordable in the market-place; “lower-case a” attainable housing, and “upper-case A” Affordable Housing that is legally protected as affordable through a deed-restriction. “Lower-case a” housing is generally easier to attain because of lower costs associated with the smaller size, age, and other characteristics of this housing. For example, a condominium will require a smaller down payment than a large detached single-family house, an accessory dwelling unit for rent won't require a down payment at all, and smaller apartment units are generally less costly because of their size. The affordability of “lower-case a” housing is not protected and can change with market conditions.

“Upper-case A” Affordable Housing is required to cost no more than 30% of a household's income per a deed-restriction and is available for income-eligible households only. Affordable Housing is built by non-profit and for-profit developers through a variety of financial and regulatory means. For example, towns can require a portion of housing units in new developments to be Affordable Housing units through zoning or work with development partners to provide sites and financing to support Affordable Housing development.

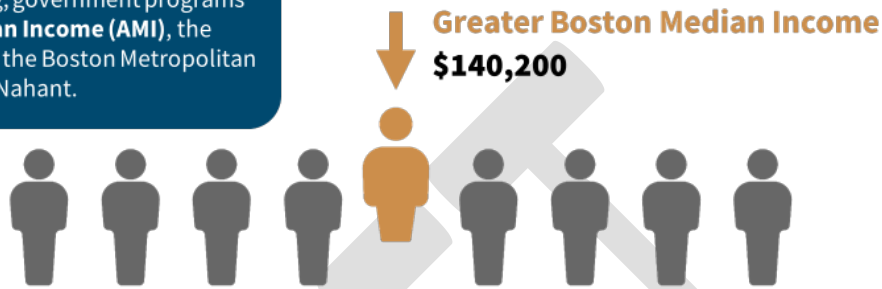
### **Affordable Housing Eligibility**

Misconceptions about Affordable Housing are common, and many are surprised by how high of an income a household can have and qualify for Affordable Housing. For instance, an individual can earn up to \$78,300 and a four-person household can earn up to \$111,850 and be income-eligible for Affordable Housing (HUD income limits, 2022). Eligibility is based on the Area Median Income (AMI) and varies by household size and income level as described in the chart on the next page. Generally, households earning 80% of the AMI or lower are eligible for Affordable Housing. Depending on a housing development's financing and other factors, some Affordable Housing units will be available to households at higher and lower AMI levels. When households earning lower levels of AMI can access Affordable Housing units, these units are considered deeply Affordable.



**Figure 18: Greater Boston Area Median Income (AMI), 2022**

To determine eligibility for “Upper-case A” Affordable Housing, government programs use the **Area Median Income (AMI)**, the median income for the Boston Metropolitan Area that includes Nahant.

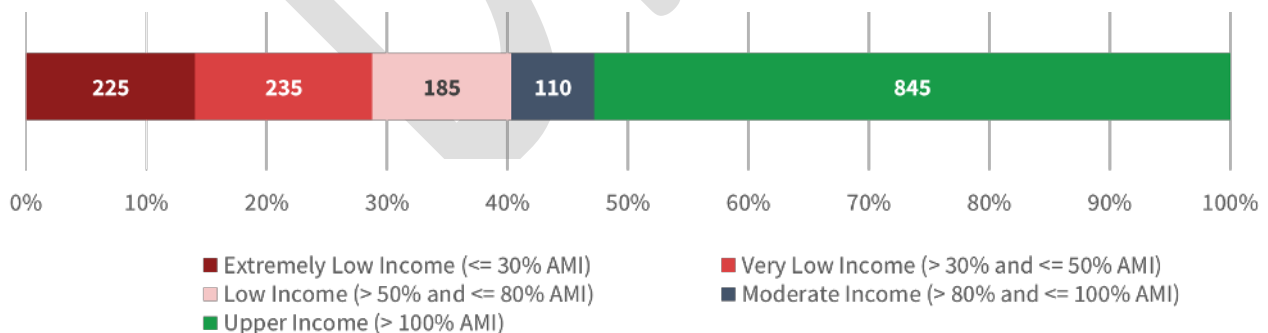


**Figure 19: Affordable Housing Eligibility by Income Level and Household Size**

Area Median Income (AMI) 2022	Income-eligible Households	Individual Household	Two-person Household	Three-person Household	Four-person Household
\$140,200	<b>80% AMI Low income</b>	\$78,300	\$89,500	\$100,700	\$111,850
	<b>50% AMI Very low income</b>	\$49,100	\$56,100	\$63,100	\$70,100
	<b>30% AMI Extremely low income</b>	\$29,450	\$33,650	\$37,850	\$42,050

Nahant’s local median income of \$94,243 is considerably lower than the AMI and so it makes sense that many households in Nahant are eligible for Affordable Housing. According to 2019 CHAS records, 645 out of 1,600 households, approximately 40% of households in town are eligible for Affordable Housing.<sup>8</sup>

**Figure 20: Households by Income Category, Nahant (2019)**



Source: ACS (2015-2019)

<sup>8</sup> This record is from the Comprehensive Housing and Affordability (CHAS) dataset compiled by HUD. HUD analyzes ACS data from the preceding year to identify affordability indicators. The total households referenced here is 1,600 because this is based on the 2015-2019 ACS collection of data. In the demographics section, 1,723 total households are listed because this is the 2016-2020 ACS figure. Disparities in total households and other figures are also related to varying sample sizes and margins of error in different ACS datasets.

These households are identified in the different shades of red in Figure 20. Since income-eligible households are evenly divided between different AMI levels, there is a need for Affordable Housing that is moderately and deeply Affordable.

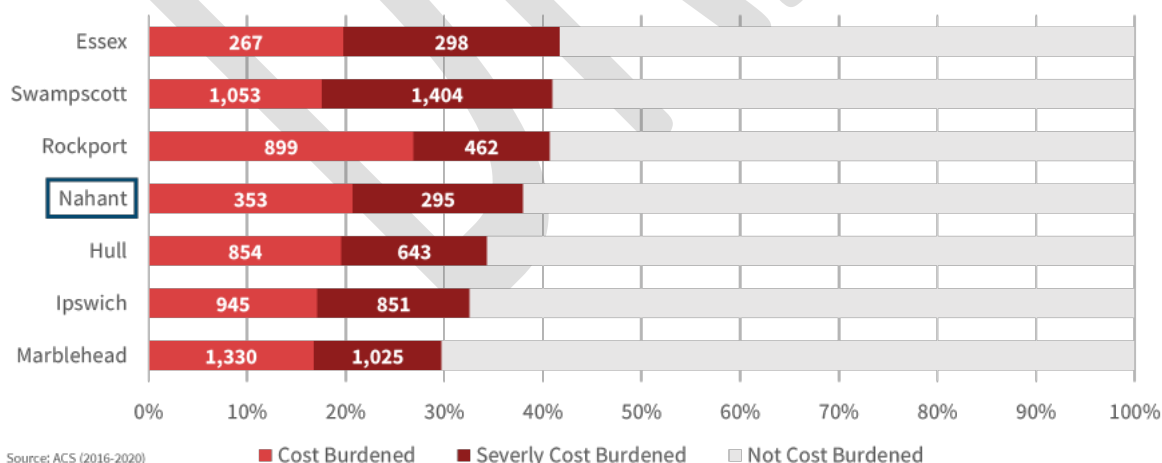
### Cost Burden

Cost burden data shows many owners and renters in Nahant struggle to afford housing. A total of 648 households in Nahant are cost burdened (2016-2020 ACS).<sup>9</sup> 295 of these households are severely cost burdened, spending 50% or more on housing costs. Out of 1,372 owner-occupied households, 497 (36%) are cost burdened. Of 334 renter-occupied households, 151 (45%) are cost burdened.<sup>10</sup> This data demonstrates cost burden is more prevalent for renters, affecting nearly half of these households, but is also affecting over a third of owner-occupied households.



The cost burden chart below shows total cost burdened households in Nahant and the context communities. 353 cost burdened households in Nahant spend between 30-50% of their income on housing costs and 295 severely cost burdened households spend more than half their income on housing costs. Considerable rates of cost burden exist across the context communities and Nahant falls in the middle of the group.

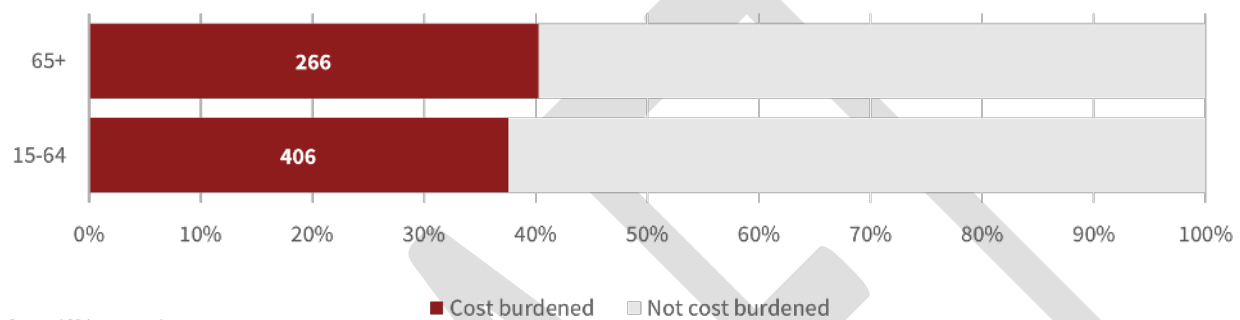
**Figure 21: Cost Burdened Households, Nahant & Context Communities (2020)**



<sup>9</sup> Data is provided for households where the census was able to determine cost burden status (most households in town).

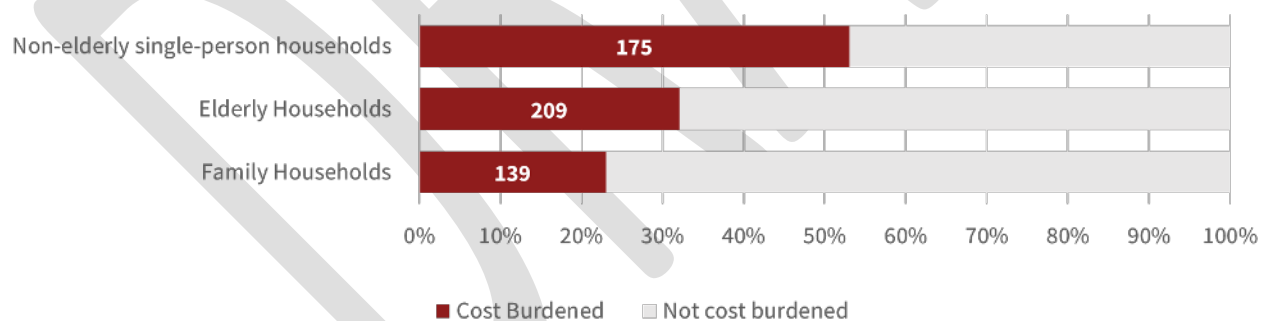
Seniors are more likely to struggle to afford housing costs because they often are transitioning to a fixed-income or retired. This is the case in Nahant but notably, a similar proportion of seniors (aged 65 or older) and non-seniors are cost burdened. This demonstrates that challenges associated with high housing costs isn't limited to older residents.

**Figure 22: Cost Burden by Age, Nahant (2020)**



Looking at household types, the highest rate of cost burden is among single-person households that aren't seniors. More than half of these households are cost burdened. Considerable rates of cost burden are also observed for elderly households (more than 1/3 are cost burdened) and family households (more than 1/4 are cost burdened).<sup>11</sup>

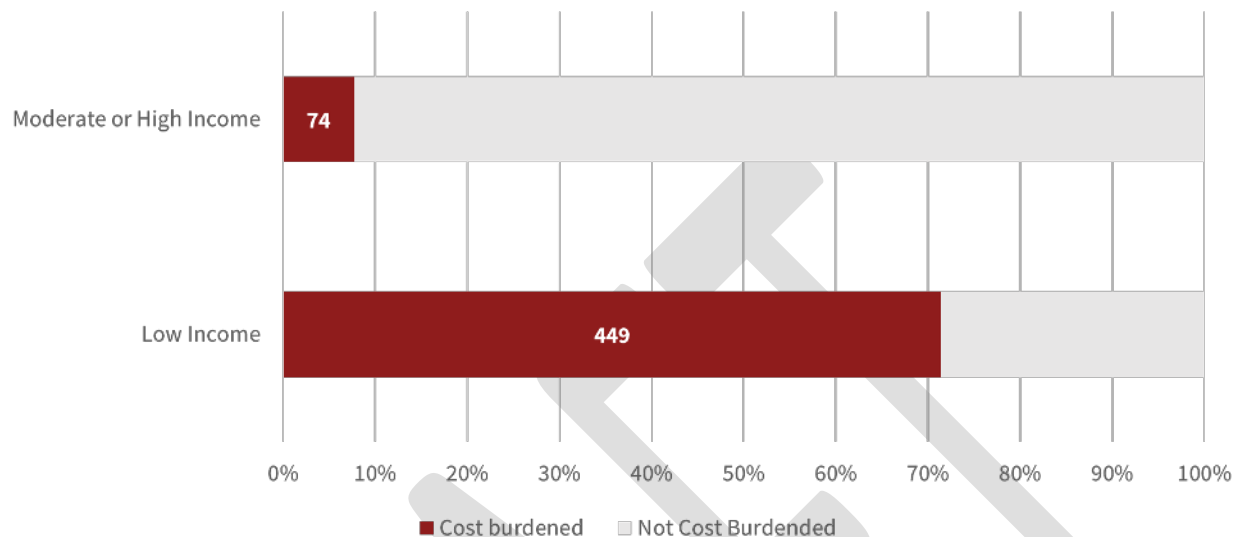
**Figure 23: Types of Cost Burdened Households, Nahant (2019)**



It's important to also look at cost burden by income because cost burden can affect everyone but it's much more likely to increase housing instability for households with less income. As Figure 25 shows, more than 70% of low-income households in Nahant (449 households) are cost burdened. These households may be at risk of needing to leave their homes because of cost burdens. This risk becomes greater as housing costs in town continue to increase.

<sup>11</sup> This data comes from CHAS and therefore uses the 2015-2019 ACS data sample. Data was aggregated to increase sample sizes and lower margins of error. Non-elderly seniors are those that live alone or with roommates. Elderly households include elderly single-person households and families led by an elderly person. Family households are households of two or more people that don't include an elderly person.

**Figure 24: Cost Burden by Income, Nahant (2019)**

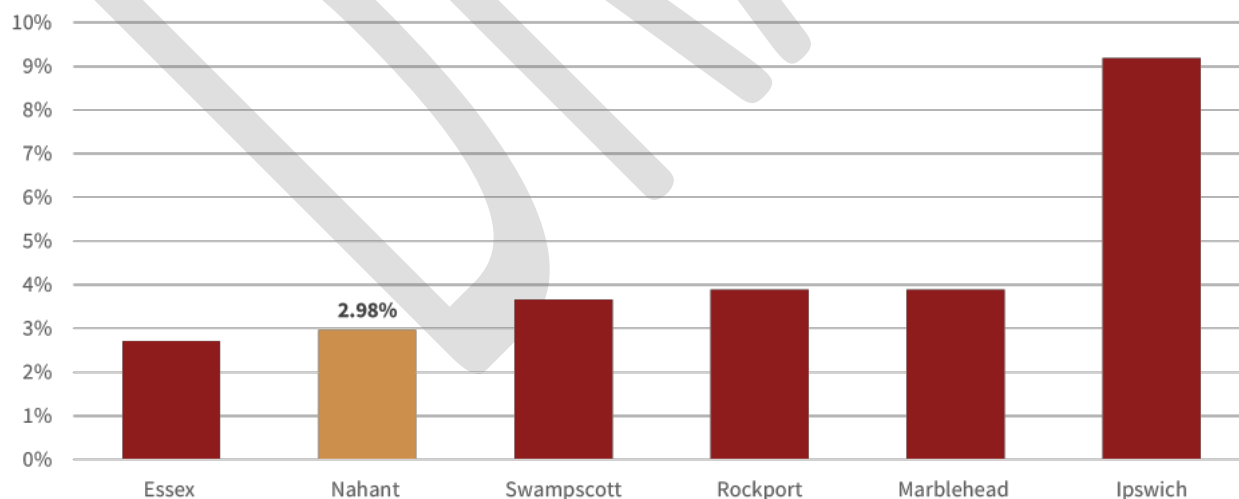


Source: HUD CHAS (2015 – 2019)

### Affordable Housing Supply

The subsidized housing inventory (SHI) is the Massachusetts Department of Housing and Community Development's (DHCD) record of every community's Affordable Housing inventory. M.G.L. Ch. 40B requires all Massachusetts municipalities to have a 10% Subsidized Housing Inventory (SHI). Nahant has 48 Affordable Housing units out of a total of 1,612 housing units making the Town's SHI percentage 2.98%.<sup>12</sup>

**Figure 25: SHI Percentage, Nahant & Context Communities (2021)**



<sup>12</sup> All of Nahant's SHI units are deed-restricted Affordable Housing for rent. DHCD is still using the 2010 Decennial record of total housing units, which is 1,612. Preliminary decennial data released to assist communities with lists Nahant's total housing units as 1,680 but this data is not complete and verified as of February 2023.

The reason for less Affordable Housing in Nahant is certainly related to the unique development constraints and limited land. None the less, there is still a great need for more Affordable Housing as 40% of households in town are income eligible. For the approximately 645 income-eligible households in town there are 48 Affordable Housing units, a ratio of 13 to 1. High rates of cost burden noted throughout this section also indicate many Nahanters struggle to afford the market-rate housing that exists in town.

### **Housing Affordability Summary**

In conclusion, many households in Nahant are eligible for Affordable Housing. Likewise, many households struggle to afford the cost of market-rate housing in town. Cost burdens affect renters more than owners, but a sizable share of owners is also cost burdened. Cost burden is not limited to seniors though it is prevalent for this group. Nahant needs more “lower-case a” attainable housing and significantly more Affordable Housing to improve housing affordability.

### **Key Takeaways**

1. **Address the aging population.** Data clearly shows Nahant’s population is aging and this has implications for the community's housing stock. From 2015 to 2020, there’s been a 40% increase in the 65 – 69 age group who are now considered senior citizens. The 74% increase in residents aged 70 – 79 indicates a significant share of seniors have become older. Downsizing options, home modifications, and ways to make housing more affordable will be needed because of Nahant’s population changes. Nahant is also losing young people with a 57% decrease of residents aged 22 – 29 and declines in public school enrollment. Housing strategies need to address both an aging population and consider how to provide more housing options to young people that grew up in Nahant as well as young families with children.
2. **Create greater housing choice.** Diversifying the types of housing available in Nahant can help address the needs of seniors, young people, and everyone in between. Nahant has a modest supply of multifamily housing (26%) and most of this housing is within small multifamily buildings. Creating additional smaller multifamily housing can expand opportunities to rent, which is comparatively cheaper in Nahant than the context communities. Medium and larger multifamily housing is also needed since most rentals in Nahant are one-bedroom housing units that aren’t suitable for families.

Because the median for-sale price of single-family homes in Nahant is \$950,000 (the highest of all context communities) and single-family homes make up 74% of the housing stock, introducing alternative housing options is critical to expanding housing choice. Permit data and local insights suggest Nahanters are interested in creating small housing units from existing single-family homes like two-family conversions and accessory dwelling units. Additional multifamily housing can also create more affordable ownership opportunities for young Nahanters and downsizing options for seniors. In contrast to the high cost of single-family homes in Nahant, condo prices are remarkably cheaper at a median price of \$376,900, but sales transaction data shows few of these opportunities exist.

3. **Lower high housing costs:** Nahanters from all walks of life are struggling to afford the high housing prices in town. The rate of cost burden for renters is considerably high (45%) but a substantial amount of owners (36%) are also cost burdened. The proportion of cost burdened seniors and non-seniors is nearly the same, demonstrating high housing costs do not just impact seniors. This again suggests that housing strategies should work toward making housing affordable for everyone and should support a vibrant integrated community. 40% of households in Nahant are eligible for Affordable Housing and similar percentages of households are eligible for moderately and deeply Affordable homes. While creating more Affordable Housing is challenging, considering Nahant's unique development constraints, there's still a significant need for Affordable Housing. For the 645 households in Nahant that are eligible for Affordable Housing, there's only 48 Affordable Housing units.
4. **Advance racial Equity:** Like all the context communities, and many Massachusetts communities, Nahant is predominantly a white community, while nearby communities like Lynn (a majority minority community) are far more diverse. This is because of historic discriminatory housing policies that have created long-lasting segregation and inequity across the country. Nahant can do its part to redress the wrongs of the past by working to advance opportunities for people to live in town, particularly people of color. Diversifying the town's housing stock and making housing more affordable benefits Nahanters and works toward making Nahant a more equitable and racially diverse place that welcomes all.