

# 2017 Housing Facts and Affordability Index for Portland-South Portland MA Housing Market



**MaineHousing**

Maine State Housing Authority

HELPING MAINERS RENT, BUY  
& HEAT THEIR HOMES SINCE 1969

## Homeownership Affordability Index

| Portland-South Portland MA<br>Housing Market | <u>Year</u> | <u>Index</u> | <u>Median<br/>Home<br/>Price<sup>1</sup></u> | <u>Median<br/>Income<sup>2</sup></u> | <u>Income Needed<br/>to Afford<br/>Median Home Price</u> | <u>Home Price<br/>Affordable to<br/>Median Income</u> |
|--|-------------|--------------|--|--------------------------------------|--|---|
|  | 2013        | 0.90         | \$222,500                                    | \$57,471                             | \$64,091   | \$199,518   |
|  | 2014        | 0.94         | \$226,200                                    | \$59,669                             | \$63,586   | \$212,265   |
|  | 2015        | 0.93         | \$232,000                                    | \$60,176                             | \$64,940   | \$214,980   |
|  | 2016        | 0.86         | \$245,000                                    | \$59,704                             | \$69,528   | \$210,382   |
|  | 2017        | 0.83         | \$270,000                                    | \$64,581                             | \$77,593   | \$224,721   |
| Kennebunkport                                |             | 0.50         | \$610,000                                    | \$79,733                             | \$159,563  | \$304,814   |
| Portland                                     |             | 0.56         | \$285,000                                    | \$49,333                             | \$87,989   | \$159,791   |
| Old Orchard Beach                            |             | 0.57         | \$267,300                                    | \$44,127                             | \$77,747   | \$151,712   |
| Frye Island                                  |             | 0.60         | \$225,000                                    | \$41,000                             | \$68,187   | \$135,290   |
| Yarmouth                                     |             | 0.62         | \$450,000                                    | \$84,950                             | \$136,867  | \$279,304   |
| Biddeford                                    |             | 0.65         | \$234,900                                    | \$46,362                             | \$71,752   | \$151,780   |
| Saco   |             | 0.70         | \$275,000                                    | \$58,438                             | \$83,249   | \$193,042   |
| Kennebunk                                    |             | 0.72         | \$347,000                                    | \$71,749                             | \$99,238   | \$250,880   |
| Scarborough                                  |             | 0.73         | \$395,000                                    | \$82,882                             | \$114,313  | \$286,392   |
| Cape Elizabeth                               |             | 0.73         | \$496,000                                    | \$106,151                            | \$146,005  | \$360,610   |
| Westbrook                                    |             | 0.73         | \$231,000                                    | \$50,479                             | \$69,044   | \$168,886   |
| Freeport                                     |             | 0.76         | \$358,750                                    | \$79,819                             | \$105,501  | \$271,420   |
| South Portland                               |             | 0.77         | \$260,000                                    | \$59,490                             | \$77,018   | \$200,829   |
| Falmouth                                     |             | 0.79         | \$477,000                                    | \$107,980                            | \$136,579  | \$377,119   |
| Arundel                                      |             | 0.81         | \$289,000                                    | \$67,595                             | \$83,079   | \$235,136   |
| Portland-South Portland MA Housing Market    |             | 0.83         | \$270,000                                    | \$64,581                             | \$77,593   | \$224,721   |
| North Yarmouth                               |             | 0.85         | \$377,500                                    | \$95,306                             | \$111,986  | \$321,274   |
| Newfield                                     |             | 0.88         | \$172,000                                    | \$41,250                             | \$46,867   | \$151,386   |
| Cornish                                      |             | 0.90         | \$160,750                                    | \$40,962                             | \$45,634   | \$144,292   |
| Pownal                                       |             | 0.90         | \$276,000                                    | \$73,921                             | \$82,225   | \$248,125   |
| Alfred                                       |             | 0.90         | \$219,950                                    | \$56,889                             | \$62,876   | \$199,007   |
| Parsonsfield                                 |             | 0.91         | \$155,000                                    | \$40,948                             | \$45,165   | \$140,528   |
| Cumberland                                   |             | 0.92         | \$410,000                                    | \$112,230                            | \$122,476  | \$375,701   |
| Casco  |             | 0.92         | \$215,450                                    | \$56,944                             | \$61,897   | \$198,209   |
| Maine  |             | 0.93         | \$197,000                                    | \$53,190                             | \$57,089   | \$183,546   |
| Durham                                       |             | 0.93         | \$268,375                                    | \$74,228                             | \$79,499   | \$250,582   |
| Buxton                                       |             | 0.94         | \$238,250                                    | \$63,002                             | \$66,788   | \$224,743   |
| Lyman  |             | 0.95         | \$242,500                                    | \$64,271                             | \$67,503   | \$230,888   |
| Gray   |             | 0.97         | \$245,000                                    | \$69,522                             | \$71,761   | \$237,357   |
| Hollis                                       |             | 0.97         | \$225,000                                    | \$60,526                             | \$62,270   | \$218,697   |
| Naples                                       |             | 0.98         | \$204,750                                    | \$56,777                             | \$57,836   | \$201,001   |
| New Gloucester                               |             | 0.99         | \$237,250                                    | \$67,305                             | \$67,949   | \$235,003   |
| Gorham                                       |             | 1.00         | \$270,000                                    | \$78,622                             | \$78,919   | \$268,983   |
| Long Island                                  |             | 1.00         | \$200,000                                    | \$52,381                             | \$52,347   | \$200,129   |

|           |      |           |          |          |           |
|-----------|------|-----------|----------|----------|-----------|
| Windham   | 1.01 | \$250,000 | \$72,803 | \$72,047 | \$252,625 |
| Hiram     | 1.02 | \$145,000 | \$42,571 | \$41,928 | \$147,222 |
| Limerick  | 1.02 | \$189,000 | \$55,403 | \$54,096 | \$193,567 |
| Dayton    | 1.04 | \$250,000 | \$78,180 | \$75,210 | \$259,873 |
| Raymond   | 1.07 | \$259,000 | \$76,563 | \$71,680 | \$276,643 |
| Porter    | 1.07 | \$142,000 | \$43,379 | \$40,538 | \$151,952 |
| Sebago    | 1.10 | \$182,250 | \$56,333 | \$51,188 | \$200,570 |
| Standish  | 1.10 | \$232,000 | \$71,561 | \$64,904 | \$255,796 |
| Limington | 1.12 | \$196,000 | \$59,685 | \$53,509 | \$218,620 |
| Baldwin   | 1.16 | \$175,000 | \$57,172 | \$49,331 | \$202,816 |
| Waterboro | 1.24 | \$183,000 | \$64,427 | \$51,954 | \$226,935 |

The Homeownership Affordability Index is the ratio of Home Price Affordable at Median Income to Median Home Price. An index of less than 1 means the area is generally unaffordable - i.e., a household earning area median income could not cover the payment on a median priced home (30 year mortgage, taxes and insurance) using no more than 28% of gross income.

## Households Unable to Afford Median Home

| <u>Location</u>                           | Households<br>Unable to Afford<br><u>Median Home</u> |               | Total<br><u>Households</u> | Median<br><u>Home Price</u> <sup>1</sup> | Income Needed<br>to Afford<br><u>Median Home</u> |               |
|---|--|---------------|----------------------------|--|--|---------------|
|   | <u>Percent</u>                                       | <u>Number</u> |                            |  | <u>Annual</u>                                    | <u>Hourly</u> |
| Old Orchard Beach                         | 75.4%  | 3,629         | 4,812                      | \$267,300                                | \$77,747   | \$37.38       |
| Portland                                  | 72.6%  | 23,212        | 31,961                     | \$285,000                                | \$87,989   | \$42.30       |
| Frye Island                               | 72.2%  | 13            | 18                         | \$225,000                                | \$68,187   | \$32.78       |
| Biddeford                                 | 71.1%  | 6,153         | 8,653                      | \$234,900                                | \$71,752   | \$34.50       |
| Saco                                      | 67.8%  | 5,487         | 8,089                      | \$275,000                                | \$83,249   | \$40.02       |
| Kennebunk                                 | 67.5%  | 3,441         | 5,097                      | \$347,000                                | \$99,238   | \$47.71       |
| Westbrook                                 | 67.2%  | 5,385         | 8,008                      | \$231,000                                | \$69,044   | \$33.19       |
| South Portland                            | 63.3%  | 7,283         | 11,499                     | \$260,000                                | \$77,018   | \$37.03       |
| Arundel                                   | 60.6%  | 977           | 1,612                      | \$289,000                                | \$83,079   | \$39.94       |
| Kennebunkport                             | 60.3%  | 975           | 1,616                      | \$610,000                                | \$159,563  | \$76.71       |
| Portland-South Portland MA Housing Market | 60.0%  | 94,753        | 157,835                    | \$270,000                                | \$77,593   | \$37.30       |
| Freeport                                  | 59.8%  | 2,044         | 3,418                      | \$358,750                                | \$105,501  | \$50.72       |
| Buxton                                    | 59.7%  | 1,914         | 3,207                      | \$238,250                                | \$66,788   | \$32.11       |
| Lyman                                     | 59.2%  | 1,036         | 1,751                      | \$242,500                                | \$67,503   | \$32.45       |
| Scarborough                               | 58.7%  | 4,698         | 8,006                      | \$395,000                                | \$114,313  | \$54.96       |
| Yarmouth                                  | 57.3%  | 2,101         | 3,665                      | \$450,000                                | \$136,867  | \$65.80       |
| Newfield                                  | 56.7%  | 380           | 670                        | \$172,000                                | \$46,867   | \$22.53       |
| New Gloucester                            | 56.2%  | 1,224         | 2,179                      | \$237,250                                | \$67,949   | \$32.67       |
| Pownal                                    | 56.0%  | 337           | 602                        | \$276,000                                | \$82,225   | \$39.53       |
| Alfred                                    | 55.8%  | 694           | 1,243                      | \$219,950                                | \$62,876   | \$30.23       |
| Maine                                     | 54.1%  | 305,534       | 565,115                    | \$197,000                                | \$57,089   | \$27.45       |
| Casco                                     | 53.9%  | 867           | 1,609                      | \$215,450                                | \$61,897   | \$29.76       |
| Gray                                      | 53.7%  | 1,811         | 3,370                      | \$245,000                                | \$71,761   | \$34.50       |
| Cornish                                   | 53.7%  | 351           | 654                        | \$160,750                                | \$45,634   | \$21.94       |
| Durham                                    | 53.4%  | 791           | 1,483                      | \$268,375                                | \$79,499   | \$38.22       |
| North Yarmouth                            | 53.2%  | 734           | 1,379                      | \$377,500                                | \$111,986  | \$53.84       |
| Parsonsfield                              | 52.9%  | 443           | 837                        | \$155,000                                | \$45,165   | \$21.71       |
| Long Island                               | 52.8%  | 59            | 112                        | \$200,000                                | \$52,347   | \$25.17       |
| Windham                                   | 51.9%  | 3,478         | 6,695                      | \$250,000                                | \$72,047   | \$34.64       |
| Hollis                                    | 51.5%  | 861           | 1,672                      | \$225,000                                | \$62,270   | \$29.94       |
| Naples                                    | 51.0%  | 834           | 1,634                      | \$204,750                                | \$57,836   | \$27.81       |
| Gorham                                    | 50.2%  | 3,073         | 6,124                      | \$270,000                                | \$78,919   | \$37.94       |
| Hiram                                     | 49.3%  | 339           | 686                        | \$145,000                                | \$41,928   | \$20.16       |
| Raymond                                   | 48.9%  | 895           | 1,829                      | \$259,000                                | \$71,680   | \$34.46       |
| Limerick                                  | 48.6%  | 560           | 1,152                      | \$189,000                                | \$54,096   | \$26.01       |
| Dayton                                    | 47.3%  | 356           | 753                        | \$250,000                                | \$75,210   | \$36.16       |
| Cape Elizabeth                            | 47.1%  | 1,757         | 3,731                      | \$496,000                                | \$146,005  | \$70.19       |
| Falmouth                                  | 46.4%  | 2,170         | 4,679                      | \$477,000                                | \$136,579  | \$65.66       |
| Porter                                    | 46.1%  | 286           | 621                        | \$142,000                                | \$40,538   | \$19.49       |
| Limington                                 | 45.0%  | 671           | 1,492                      | \$196,000                                | \$53,509   | \$25.73       |
| Cumberland                                | 44.7%  | 1,326         | 2,969                      | \$410,000                                | \$122,476  | \$58.88       |
| Sebago                                    | 44.3%  | 363           | 819                        | \$182,250                                | \$51,188   | \$24.61       |
| Standish                                  | 44.0%  | 1,624         | 3,687                      | \$232,000                                | \$64,904   | \$31.20       |
| Baldwin                                   | 43.7%  | 267           | 612                        | \$175,000                                | \$49,331   | \$23.72       |

Waterboro

37.9%

1,128

2,975

\$183,000

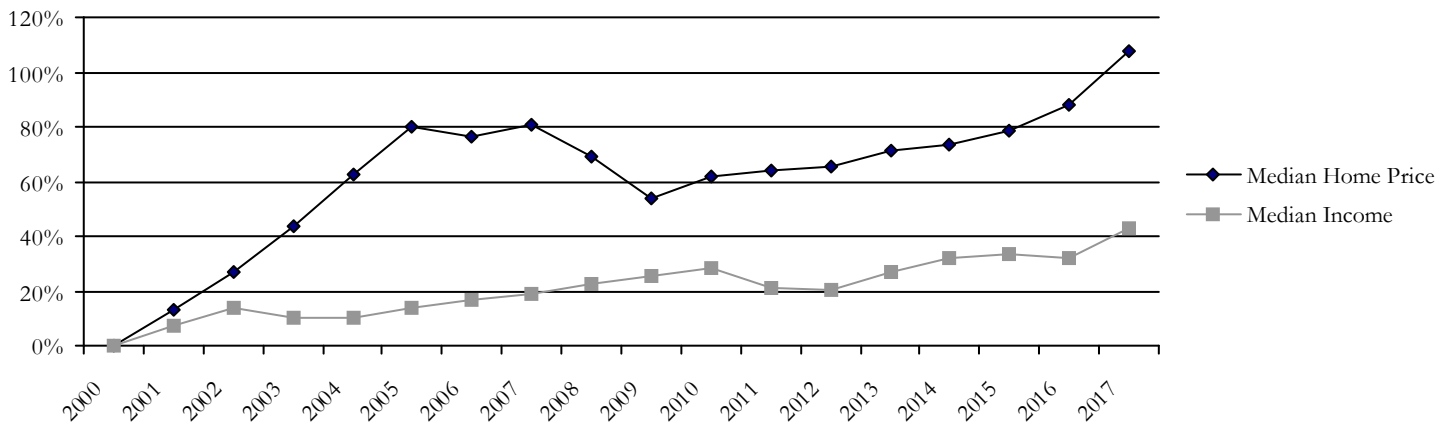
\$51,954

\$24.98

## Unattainable Homes as a Percentage of Homes Sold

| <u>Location</u>                           | <u>Percentage of Unattainable Homes</u> | <u>Affordable Homes Sold</u> | <u>Unattainable Homes Sold</u> |
|---|---|------------------------------|--------------------------------|
| Portland                                  | 97.1%                                   | 27                           | 897                            |
| Frye Island                               | 94.1%                                   | 1                            | 16                             |
| Kennebunkport                             | 88.0%                                   | 12                           | 88                             |
| Biddeford                                 | 87.6%                                   | 28                           | 198                            |
| Westbrook                                 | 84.0%                                   | 52                           | 272                            |
| Yarmouth                                  | 82.3%                                   | 25                           | 116                            |
| Old Orchard Beach                         | 81.0%                                   | 52                           | 221                            |
| Arundel                                   | 78.6%                                   | 12                           | 44                             |
| South Portland                            | 78.5%                                   | 84                           | 306                            |
| Scarborough                               | 71.7%                                   | 116                          | 294                            |
| Cape Elizabeth                            | 71.4%                                   | 54                           | 135                            |
| Saco                                      | 71.4%                                   | 95                           | 237                            |
| Falmouth                                  | 71.1%                                   | 67                           | 165                            |
| Kennebunk                                 | 69.4%                                   | 77                           | 175                            |
| Portland-South Portland MA Housing Market | 67.6%                                   | 2,133                        | 4,441                          |
| North Yarmouth                            | 66.7%                                   | 24                           | 48                             |
| Parsonsfield                              | 63.9%                                   | 13                           | 23                             |
| Alfred                                    | 60.6%                                   | 13                           | 20                             |
| Cornish                                   | 60.0%                                   | 10                           | 15                             |
| Hollis                                    | 59.8%                                   | 35                           | 52                             |
| Buxton                                    | 58.6%                                   | 46                           | 65                             |
| Gorham                                    | 58.4%                                   | 119                          | 167                            |
| Gray                                      | 58.0%                                   | 68                           | 94                             |
| Cumberland                                | 57.1%                                   | 73                           | 97                             |
| Freeport                                  | 56.5%                                   | 60                           | 78                             |
| Durham                                    | 55.6%                                   | 28                           | 35                             |
| Newfield                                  | 55.0%                                   | 18                           | 22                             |
| Maine                                     | 53.9%                                   | 9,513                        | 11,139                         |
| Pownal                                    | 53.8%                                   | 6                            | 7                              |
| Lyman                                     | 52.1%                                   | 34                           | 37                             |
| Long Island                               | 50.0%                                   | 5                            | 5                              |
| New Gloucester                            | 48.1%                                   | 42                           | 39                             |
| Naples                                    | 48.0%                                   | 65                           | 60                             |
| Casco                                     | 46.8%                                   | 50                           | 44                             |
| Limerick                                  | 46.8%                                   | 33                           | 29                             |
| Windham                                   | 44.8%                                   | 181                          | 147                            |
| Hiram                                     | 43.3%                                   | 17                           | 13                             |
| Raymond                                   | 43.0%                                   | 53                           | 40                             |
| Porter                                    | 38.1%                                   | 13                           | 8                              |
| Limington                                 | 34.2%                                   | 52                           | 27                             |
| Sebago                                    | 33.9%                                   | 39                           | 20                             |
| Dayton                                    | 33.3%                                   | 18                           | 9                              |
| Standish                                  | 29.1%                                   | 127                          | 52                             |
| Waterboro                                 | 24.0%                                   | 139                          | 44                             |
| Baldwin                                   | 23.8%                                   | 16                           | 5                              |

### Relative Increases in Income and Home Price <sup>3</sup>



### Rental Affordability Index

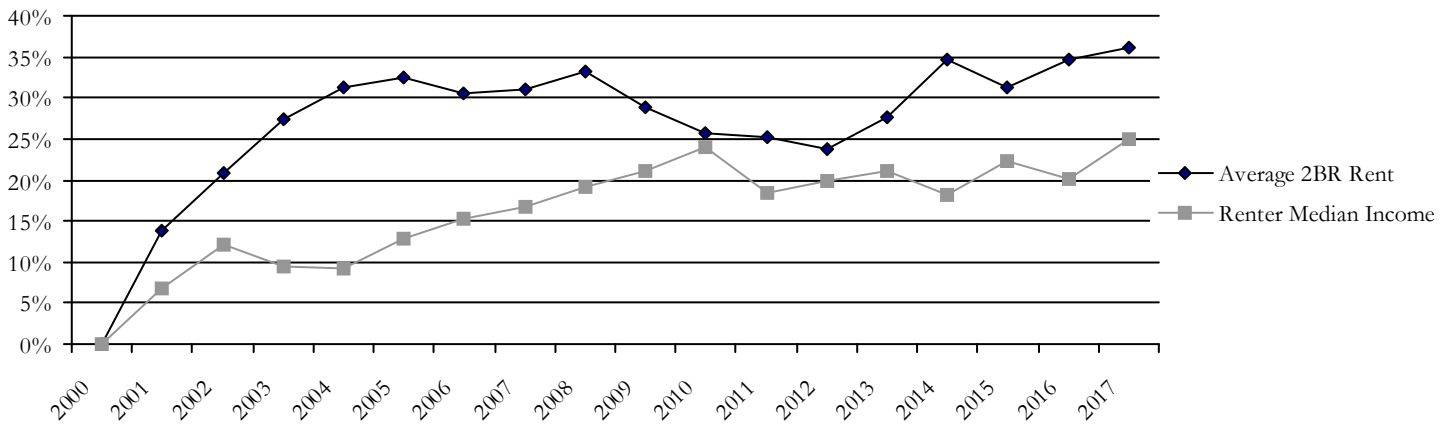
|   | Year | Index | Average 2 BR Rent (with utilities) <sup>4</sup> | Renter Household Median Income <sup>2</sup> | Income Needed to Afford Average 2 BR Rent | 2 BR Rent Affordable to Median Income |
|---|------|-------|---|---|---|---------------------------------------|
| Portland-South Portland MA Housing Market | 2013 | 0.81  | \$1,114   | \$36,234                                    | \$44,561                                  | \$906                                 |
|   | 2014 | 0.72  | \$1,238   | \$35,530                                    | \$49,507                                  | \$888                                 |
|   | 2015 | 0.72  | \$1,276   | \$36,600                                    | \$51,058                                  | \$915                                 |
|   | 2016 | 0.84  | \$1,025   | \$34,524                                    | \$41,002                                  | \$863                                 |
|   | 2017 | 0.92  | \$1,027   | \$37,824                                    | \$41,077                                  | \$946                                 |
| Biddeford                                 |      | 0.77  | \$1,009   | \$31,067                                    | \$40,350                                  | \$777                                 |
| Portland                                  |      | 0.82  | \$1,053   | \$34,681                                    | \$42,111                                  | \$867                                 |
| Gorham                                    |      | 0.83  | \$1,400   | \$46,505                                    | \$56,000                                  | \$1,163                               |
| Falmouth                                  |      | 0.86  | \$1,700   | \$58,458                                    | \$68,000                                  | \$1,461                               |
| Old Orchard Beach                         |      | 0.86  | \$972   | \$33,547                                    | \$38,898                                  | \$839                                 |
| Maine                                     |      | 0.88  | \$880   | \$30,804                                    | \$35,181                                  | \$770                                 |
| Gray                                      |      | 0.92  | \$1,150   | \$42,320                                    | \$46,000                                  | \$1,058                               |
| Portland-South Portland MA Housing Market |      | 0.92  | \$1,027   | \$37,824                                    | \$41,077                                  | \$946                                 |
| Yarmouth                                  |      | 0.96  | \$1,292   | \$49,850                                    | \$51,662                                  | \$1,246                               |
| Saco                                      |      | 1.07  | \$932   | \$39,761                                    | \$37,297                                  | \$994                                 |
| Alfred                                    |      | 1.09  | \$765   | \$33,332                                    | \$30,611                                  | \$833                                 |
| South Portland                            |      | 1.10  | \$925   | \$40,759                                    | \$36,990                                  | \$1,019                               |
| Freeport                                  |      | 1.21  | \$930   | \$44,978                                    | \$37,206                                  | \$1,124                               |
| Scarborough                               |      | 1.27  | \$1,025   | \$52,126                                    | \$41,000                                  | \$1,303                               |
| Windham                                   |      | 1.29  | \$962   | \$49,683                                    | \$38,467                                  | \$1,242                               |
| Kennebunk                                 |      | 1.39  | \$883   | \$49,055                                    | \$35,316                                  | \$1,226                               |
| Cumberland                                |      | 1.80  | \$933   | \$67,240                                    | \$37,316                                  | \$1,681                               |

The Rental Affordability Index is the ratio of 2-Bedroom Rent Affordable at Median Renter Income to Average 2-Bedroom Rent. An index of less than 1 means the area is generally unaffordable – i.e., a renter household earning area median renter income could not cover the cost of an average 2-bedroom apartment (including utilities) using no more than 30% of gross income.

## Renter Households Unable to Afford Average 2 Bedroom Rent

| <u>Location</u>                           | Households<br>Unable to Afford<br>Average 2 BR Rent |               | Total<br>Renter<br>Households | Average<br>2 BR Rent<br>(with utilities) <sup>4</sup> | Income Needed<br>to Afford<br>Average 2 BR Rent |               |
|---|---|---------------|-------------------------------|---|---|---------------|
|   | <u>Percent</u>                                      | <u>Number</u> |                               |   | <u>Annual</u>                                   | <u>Hourly</u> |
| Biddeford                                 | 61.5%   | 2,688         | 4,371                         | \$1,009   | \$40,350  | \$19.40       |
| Gorham                                    | 57.5%   | 668           | 1,161                         | \$1,400   | \$56,000  | \$26.92       |
| Old Orchard Beach                         | 57.2%   | 1,099         | 1,923                         | \$972   | \$38,898  | \$18.70       |
| Portland                                  | 57.0%   | 10,477        | 18,371                        | \$1,053   | \$42,111  | \$20.25       |
| Falmouth                                  | 56.0%   | 474           | 846                           | \$1,700   | \$68,000  | \$32.69       |
| Maine                                     | 55.9%   | 90,353        | 161,746                       | \$880   | \$35,181  | \$16.91       |
| Portland-South Portland MA Housing Market | 53.2%   | 26,747        | 50,265                        | \$1,027   | \$41,077  | \$19.75       |
| Gray                                      | 52.8%   | 393           | 744                           | \$1,150   | \$46,000  | \$22.12       |
| Yarmouth                                  | 51.5%   | 566           | 1,100                         | \$1,292   | \$51,662  | \$24.84       |
| Alfred                                    | 47.7%   | 105           | 220                           | \$765   | \$30,611  | \$14.72       |
| Saco                                      | 46.7%   | 1,214         | 2,600                         | \$932   | \$37,297  | \$17.93       |
| South Portland                            | 45.9%   | 2,082         | 4,540                         | \$925   | \$36,990  | \$17.78       |
| Freeport                                  | 42.2%   | 340           | 805                           | \$930   | \$37,206  | \$17.89       |
| Windham                                   | 40.9%   | 557           | 1,363                         | \$962   | \$38,467  | \$18.49       |
| Scarborough                               | 39.8%   | 629           | 1,581                         | \$1,025   | \$41,000  | \$19.71       |
| Kennebunk                                 | 38.9%   | 459           | 1,180                         | \$883   | \$35,316  | \$16.98       |
| Cumberland                                | 27.9%   | 76            | 272                           | \$933   | \$37,316  | \$17.94       |

## Relative Increases in Renter Income and Average 2BR Rent<sup>3</sup>



## Demographics

|            | <u>% Change<br/>1990-2017</u> | <u>1990</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> |
|------------|-------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Population | 24.1%                         | 303,649     | 366,128     | 368,819     | 370,722     | 374,503     | 376,934     |
| Households | 34.5%                         | 117,369     | 152,117     | 153,564     | 154,594     | 156,485     | 157,835     |

## Endnotes

<sup>1</sup>This data is derived from Maine Real Estate Information System ("MREIS") and MREIS reserves all rights including all proprietary rights in the data set forth herein and any use or publication of this data or any portion thereof without the express written consent of MREIS is prohibited. Any reproduction, sale or exchange of this data, in whole or in part, is likewise prohibited. All rights to the data remain the exclusive property of MREIS to the extent owned by MREIS.

<sup>2</sup>Source: Claritas

<sup>3</sup>The Y axis is an index defined as the ratio of the annual value to the year 2000 value.

<sup>4</sup>Source: MaineHousing Quarterly Rent Survey. All rent data reported adjusted to include the cost of utilities (heat, hot water, and electricity).