



40th Anniversary Stories

Story 7: The Changing Housing Market since HCA's founding

By Lucas Munson, member of HCA's Real Estate Committee

It's no secret that housing in Arlington is expensive. I know a thing or two about that. Not only did I grow up in Arlington (and have long since been priced out). I also used to work as a housing data researcher, first at the MHP Center for Housing Data and later as part of The Boston Foundation's Boston Indicators team. I've co-authored three Greater Boston Housing Report Cards and done countless data requests on housing market trends. So, let's talk numbers!

When HCA was founded 40 years ago, the housing market in Arlington was quite different than it is today.

In the mid-1980s, the Greater Boston region was going through somewhat of a [mini housing bubble](#)—with the regional median home price skyrocketing from \$82,600 in 1983 to \$182,200 in 1987! Meanwhile, the median household income in Massachusetts was about \$30,000. Which meant that the average household needed about 3-6 years of income to afford a house at the time, also known as a price:income ratio of 3:1-6:1.

Today, the median home price in Arlington is \$1,100,000 and climbing. ***That's an increase of 1,200% since 1986!*** And the median household income is about \$150,000, meaning a price:income ratio of about 7:1.

As you may have noticed, that price:income ratio is actually not that different than it was during the housing bubble of the 1980s. It's a high ratio, for sure, but there are plenty of well-to-do households who can afford all these million dollar houses. The challenge is for the rest of us.

For single-income and younger households, the path to homeownership is more daunting than ever. The data speaks to this, with the percentage of Massachusetts households aged 25-34 who own a home declining from 44% in 1980 to 34% in 2025. Those numbers are likely significantly lower in Arlington and the rest of Greater Boston, with our even higher home prices compared to most of the rest of the state. There's a lot to unpack there, but the steady rise of dual-income households and households with few to no children has

meant that single-income households, households with children, and those on fixed incomes are finding it particularly difficult to navigate today's housing market.

Arlington has also always been a town of renters, with 2 in every 5 households renting. When HCA was founded, [one report from 1987](#) estimated that more than half of Arlington renters spent more than 30% of their income on rent. Today about 1 in 3 Arlington renters spend more than 30% of their income on rent (compared to 1 in 5 homeowners). It's hard pin down the reliability of that report's claim, but there is reason to believe that a gradual influx of higher-income renters to the area has actually decreased the proportion of renters who struggle to pay rent. **This actually speaks to the difficulties of those who do struggle to rent here—they are competing in a very hot rental market with households who can afford it.**

Reliable numbers for rental data going back to the 1980s are more difficult to track down. At the regional level, rents in Greater Boston have increased by about 500% since 1985. That same report estimated median rents in Arlington to be about \$362/month. Today, Zillow estimates Arlington's monthly rents to be \$3,010, although these two numbers cannot fully be compared side-by-side due to their different methodologies.

As is apparent, comparing the housing market from the 1980s to that of today is not as straightforward as it seems. A lot of water has passed under the bridge since then.

Households have changed over the several generations of household formation, getting smaller, with fewer children, more dual-earners, different professions, and a different relationship to the housing market.

The housing market itself has changed. There was a prolonged period (1980-2020) of steady decline in construction of new housing, especially in places like Arlington that tightened its zoning bylaws in 1975 to minimize future development.

Then came an even more prolonged period of low interest rates (starting roughly in 2000 and, aside from an 8-month rate hike in 2007, lasting until 2022), which gradually drove up the price of housing as households could stretch their dollar further and put less money upfront when purchasing a home. Add in a booming “eds and meds” economy attracting talent from all over the country and the world to Arlington's neighboring cities, and you get an expensive housing market with little relief in sight.

In the simplest of terms: insufficient construction + low interest rates + a booming economy + an attractive town = high, high housing prices.

As if that all wasn't challenging enough, we're only getting started! There are dozens of variables contributing to the relentless increase in housing prices in the 40 years since HCA's founding: regional economic boom, worsening income and wealth inequality, an increasing in desirability (it's a great town!), a surge in immigration—including me 😊, an

aging-in-place population, an abundance of empty bedrooms, the list goes on and on and on. You probably have your own list!

All of which speaks to the importance of the work of the Housing Corporation of Arlington in playing its part to create affordable homes in such a challenging context.

The forces that have made the work of HCA more difficult over the decades have also made the work more important than ever. As the headwinds become ever more daunting with little respite in sight, it can be hard to know how to help. Building more housing, preserving what's affordable, and helping strangers become neighbors through secure and affordable housing, community events, and advocacy is a good place to start.