

# **TOWN OF MEREDITH, NH**

## HOUSING NEEDS ASSESSMENT





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# INTRODUCTION

## MEREDITH HOUSING NEEDS ASSESSMENT

# BACKGROUND



The Town of Meredith, New Hampshire is faced with a lack of diverse housing options and coupled with rapidly rising housing costs, have created a shortage of affordable and attainable housing in the town.

Meredith is unique in its location on Lake Winnipesaukee which has traditionally attracted a strong second home market. Housing costs particularly driven by this second home market was exacerbated by the migration patterns and market impacts of the COVID-19 pandemic.

To better understand the town's housing supply, demand, and gaps; Meredith secured a Housing Opportunity Planning Grant (HOP) to conduct a housing needs assessment and create an updated housing chapter to the Master Plan.

The following needs assessment provides a detailed analysis of the town's demographics, economic conditions, housing stock, ownership patterns, and affordability gaps. The information in the needs assessment will establish the analytical base that will guide the goals and strategies for the housing chapter of Meredith's Master Plan.



# DEMOGRAPHICS

## MEREDITH HOUSING NEEDS ASSESSMENT

# DEMOGRAPHICS

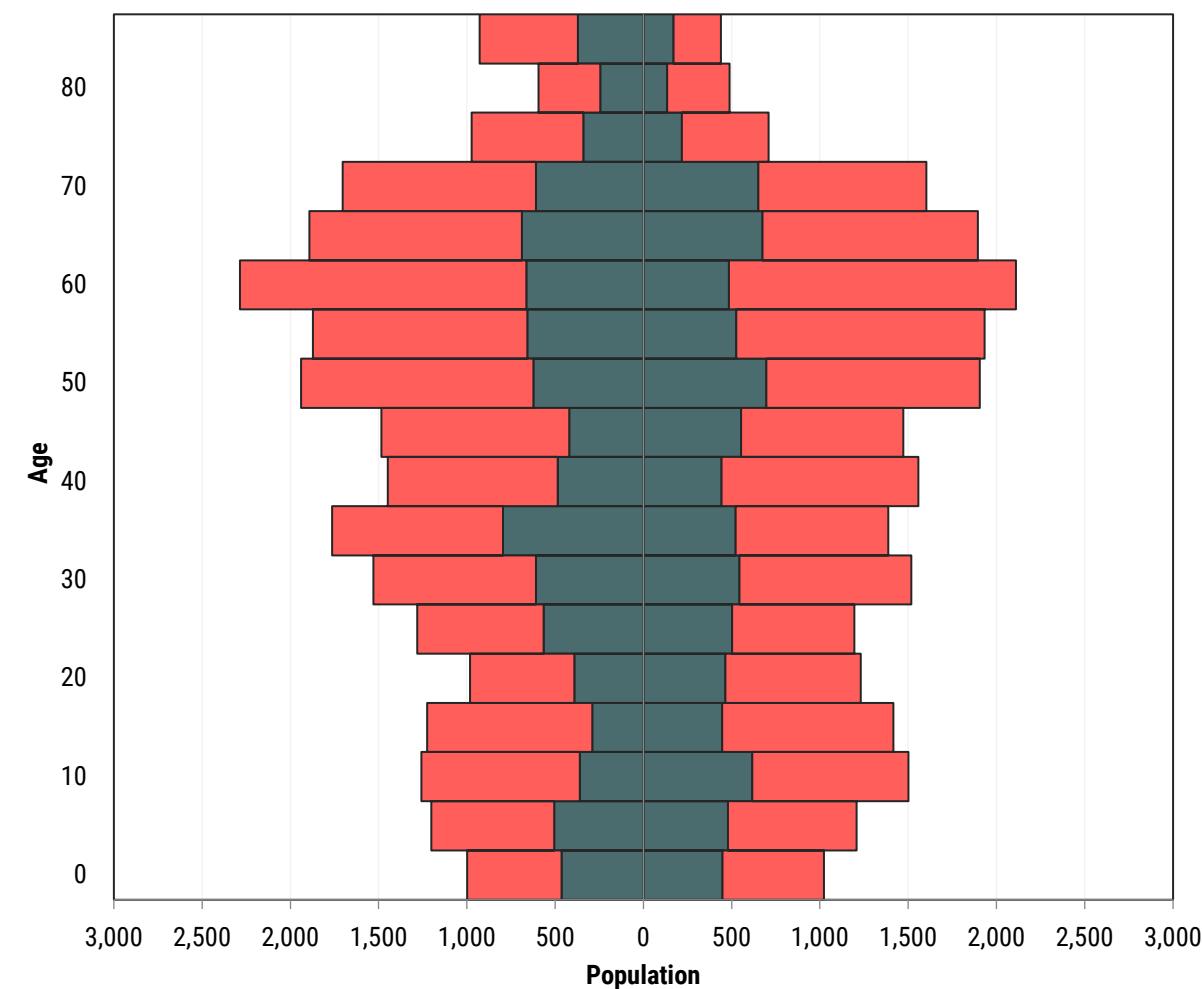
The US Census Bureau's 2021 ACS 5-year estimates put **Meredith's total population at 6,630** residents. This represents a 4.3% increase (276 residents) since 2012.

Although Meredith's total population has increased over the past ten years, that population increase is not consistent across age cohorts. The town is growing significantly older with more than 700 more residents falling into the over 65 age category compared to ten years ago.

Over this same time period, Meredith also saw declines in residents under the age of 18, falling by 30% or 420 residents. This corresponded to a drop in adults ages 25-44 indicating families with children are comprising a decreasing share of households in town. This could be the result of children aging out of the community while parents age in place, or families leaving Meredith who have younger children.

The population in both Meredith and Belknap County are aging.

Town of Meredith & Belknap County



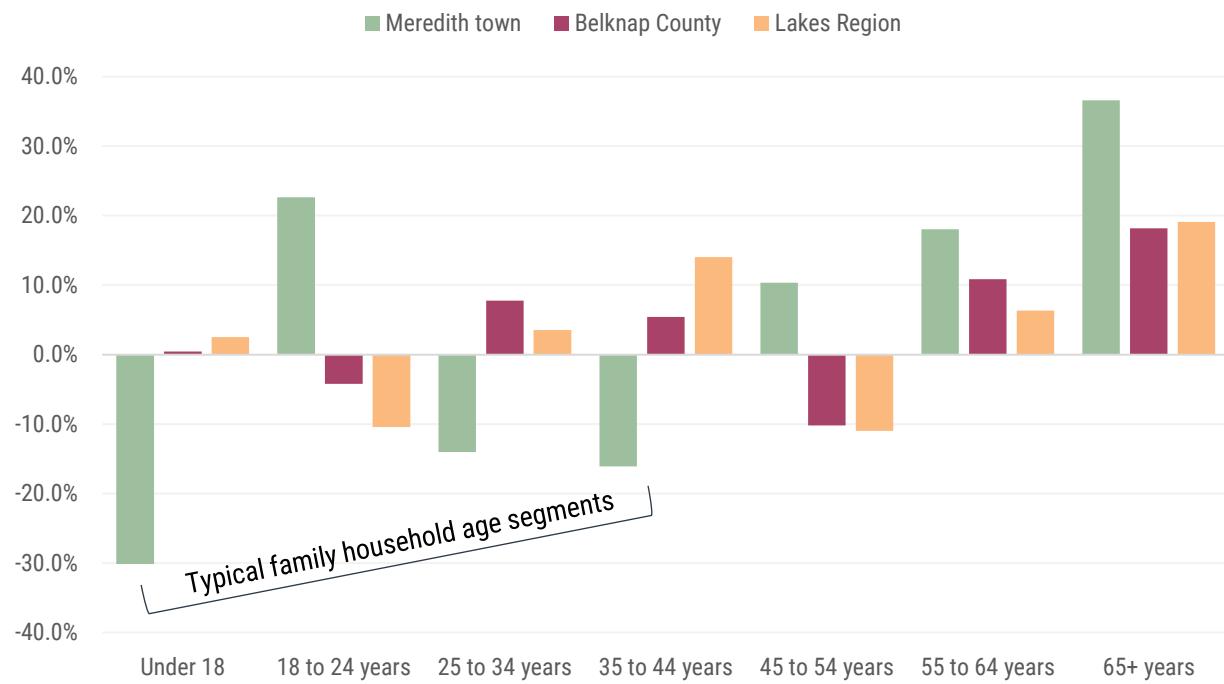
# DEMOGRAPHICS

Looking more closely at population by age cohort and comparing to the County and Lakes Region, Meredith residents over the age of 65 are increasing much faster as a share of total population while residents under 18 are decreasing much faster.

Interestingly, Meredith residents between the ages of 18 and 24 increased substantially compared to the County and Region possibly indicating older children living at home with their parents. The pandemic created unique situations where typical college-aged residents delayed going to school or opted out altogether.

This may be an indicator for housing demand related to smaller unit sizes or possibly accessory dwellings available for the younger and older adult cohorts.

Between 2012 and 2021, **Meredith** saw growth in Gen Z and Baby Boomer Age Cohorts and declines in family households.



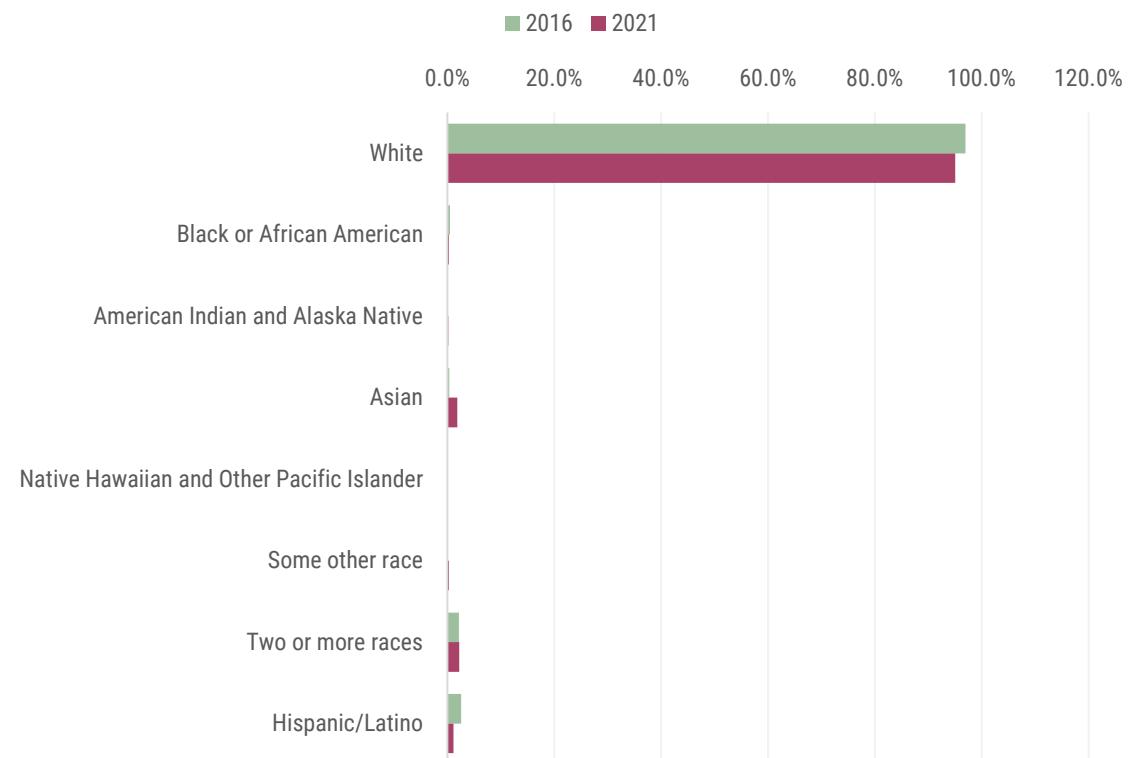
# DEMOGRAPHICS

The racial and ethnic diversity of Meredith's population mirrors that of the region and the state with 95% of town residents identifying as White. Although the percentage of residents identifying as White decreased since 2012, the percentage change fell from 97% to 95%.

The change in racial and ethnic composition was largely driven by an increase in residents identifying as Asian. Residents identifying as Asian increased from 23 to 124 since 2012.

Interestingly, Meredith saw a decrease in the number of residents identifying as Hispanic or Latino, falling 52% (86 residents) since 2012.

Meredith's population remains predominately White, although the number of residents identifying as Asian did increase.



# DEMOGRAPHICS

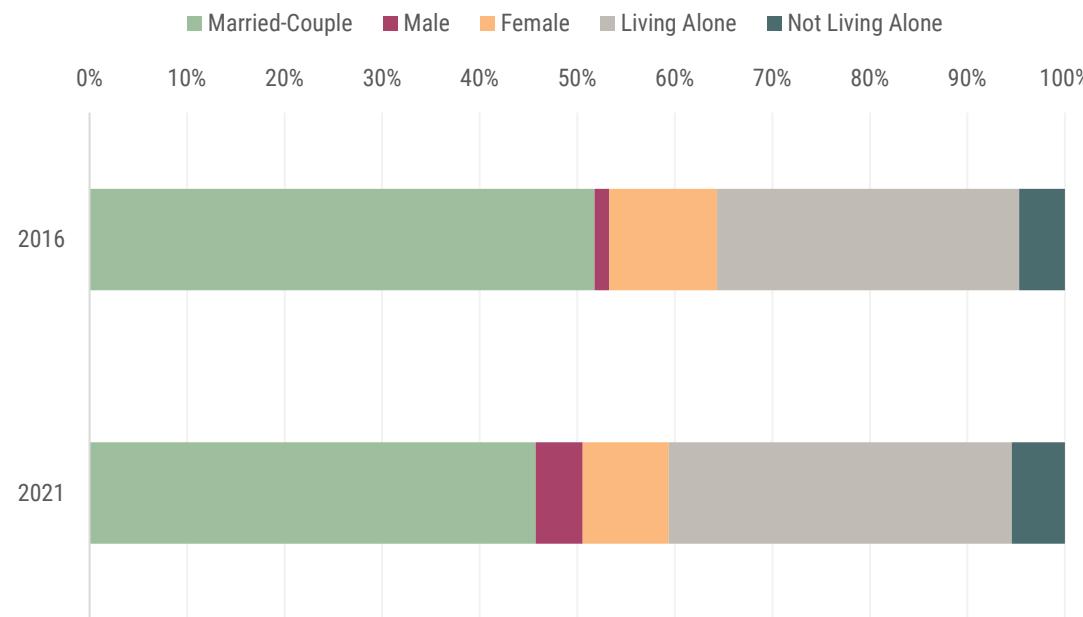
As Meredith's older adult population increased, the number of smaller households with 1 or 2 people increased substantially. As families and children have left the community, smaller households remain in place. Between 2012 and 2021, the average size of an owner-occupied household in Meredith shrank by 0.09 while renter households declined by 0.69. The drop in average household size correlates to the breakdown of households by size below. The graphic on the right shows the steep declines in households with 3 or more residents, while 2 person households increased substantially. Most of the decline in 3+ person households were seen in renter-occupied units while much of the increase in small 1 and 2 person households were seen in owner-occupied households.



## Average Household Size

Owner-Occupied - 2.24  
Renter-Occupied - 1.73

An aging population often signals shrinking household size.



Source: US Census Bureau ACS 5-Year Estimates

## Meredith's Housing Tenure



Meredith's average household size is shrinking due to a decline in households with 3 or more people.



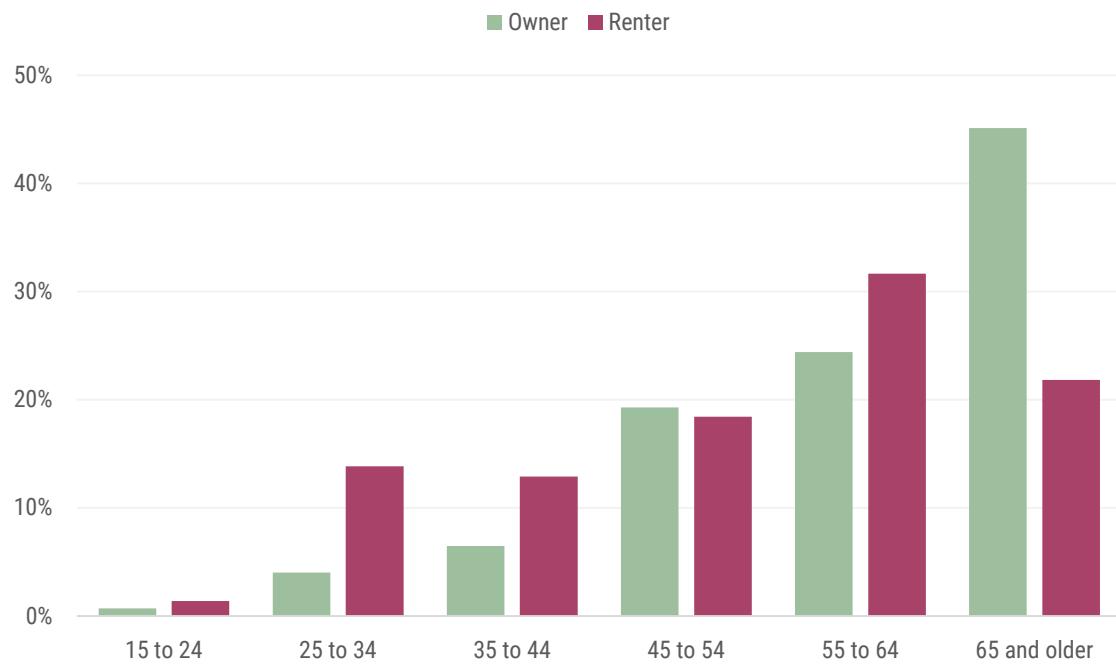
# DEMOGRAPHICS

Meredith's age by tenure metrics follow typical patterns where most older adult households tend to be homeowners and more younger adult households tend to be renters. This is particularly true in high-cost markets like Meredith and the Lakes Region where barriers to entry to the ownership market are high.

What is interesting, and sets Meredith apart from the County and State, is the share of renter households headed by those over the age of 55. Those renter households account for over 53% of all renter households in Meredith. This compares to 40% for the County and 28% for the State.

This may again point to a need for smaller housing units, particularly on the rental side considering Meredith's continued aging population, shrinking household sizes, and lack of diversity in housing typologies.

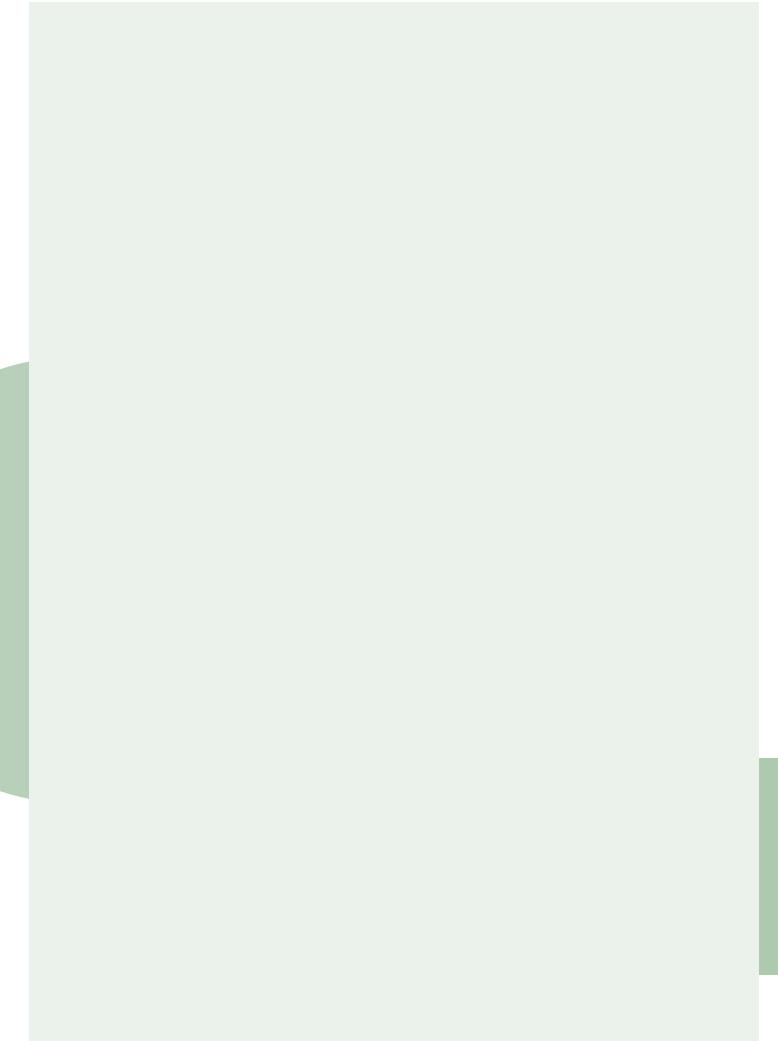
**Renter households** are increasingly younger while **owner households** continue to age in place.



# IN SUMMARY

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- Meredith's population is increasing, but it is largely driven by older adults.
- Over the past ten years the town has seen a decrease in family households and a large decline in children under the age of 18.
- The number of people per household in Meredith continues to decline, particularly for renter households.
- A higher percentage of older adults live in rental housing in Meredith compared to the county and the state.





# **ECONOMICS**

## MEREDITH HOUSING NEEDS ASSESSMENT

# ECONOMICS

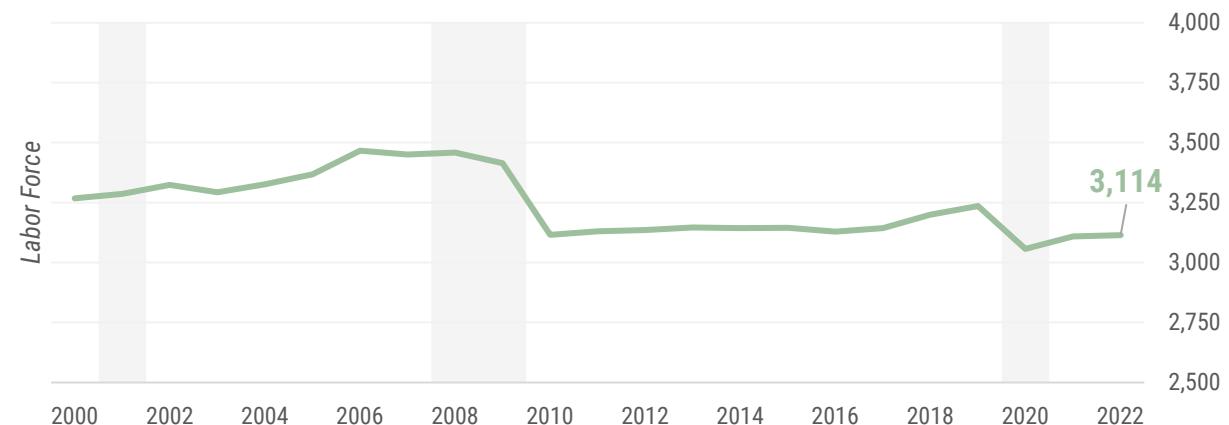
Meredith's local economy is highly dependent on just a few key industry sectors, some of which were greatly impacted by the COVID-19 pandemic. These include Accommodations and Food Services, Retail, and Health Care. We know nationally these industry sectors were impacted as well by early retirements, workers retraining for other sectors, and employees leaving the workforce altogether.

Filling jobs in these sectors has been challenging, particularly in high-cost tourism-based locales where workers must commute longer distances due to a lack of attainable and available housing.

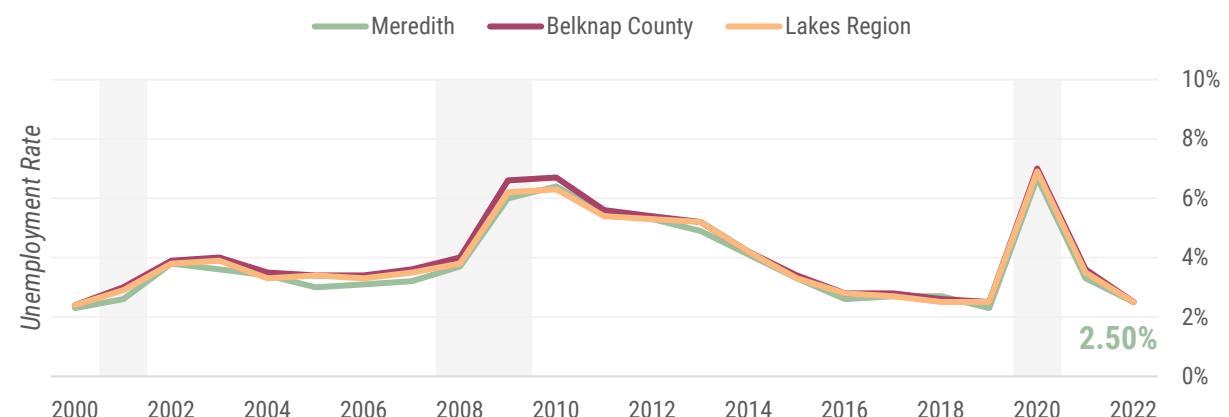
In Meredith, the story is the same. Since the 2008 recession the town's overall labor force has declined and has yet to recover from the dip during the 2020 pandemic.

This is occurring at the same time as the town, region, and state experience record low unemployment levels. With fewer people in the labor force and fewer people looking for work, filling vacancies in lower paying industry sectors is very challenging.

Following the last two recessions the Town of Meredith's labor force shrunk and has not returned to previous levels.



Despite reductions in overall labor force, Meredith's unemployment rate recovered sharply from the COVID-19 pandemic.



# ECONOMICS

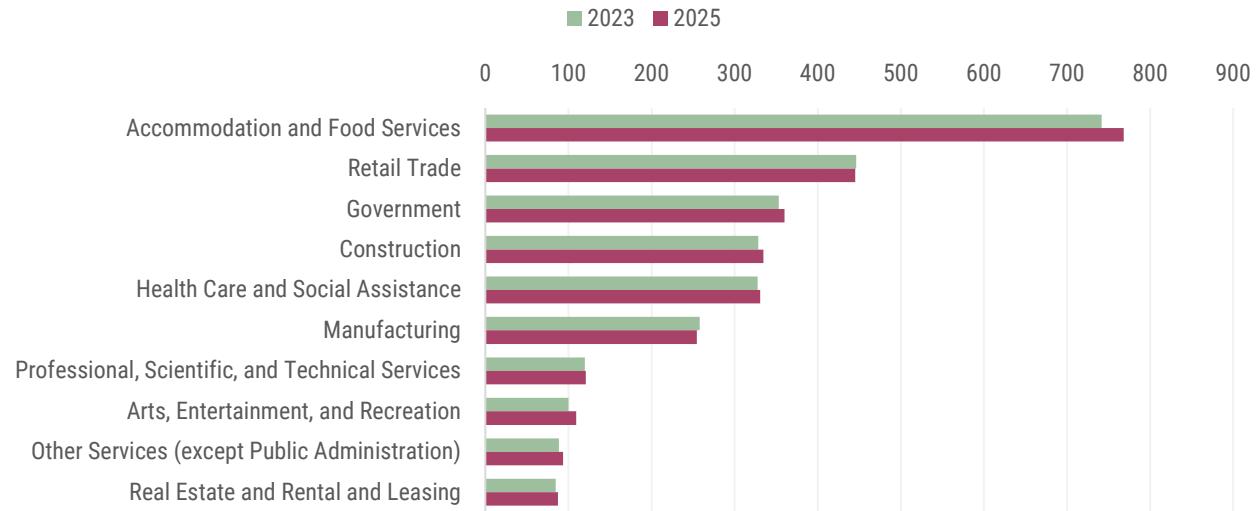
Of Meredith's estimated 3,200 jobs, 37% are in industry sectors that pay far less than the average earnings across all jobs. Over 740 individuals are employed in Accommodations and Food Service with an average earning of \$34,000 per year while another 450 are employed in Retail with an average earning of \$46,500 per year.

With a median gross rent of \$1,205 per month, an employee in the hotel, restaurant, retail, arts, or recreation industries would not be able to afford to rent a unit in Meredith.

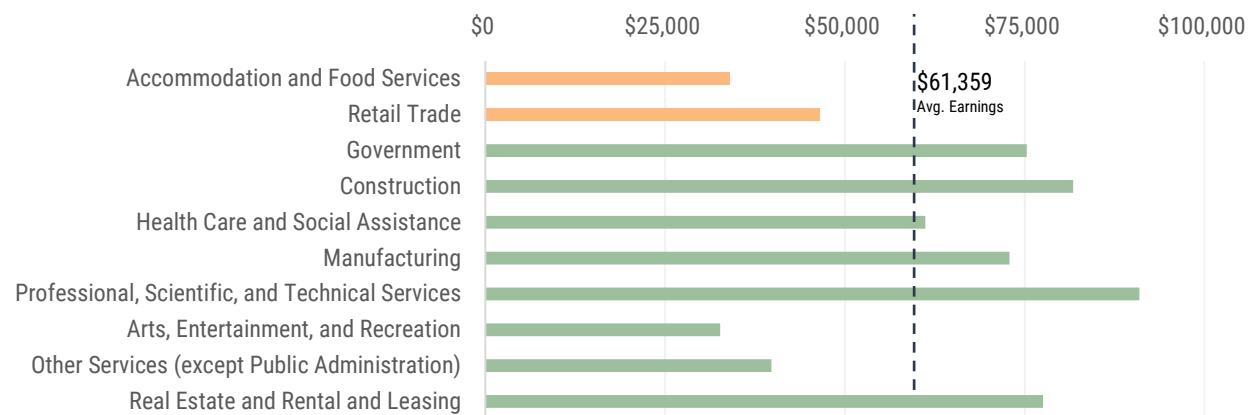
Given how reliant Meredith is on tourism-based industries and employment, housing affordability can be a deciding factor for employees who can conduct similar work in communities with lower cost housing options.

Interviews conducted with local businesses supporting the tourism and service-based economy indicated they are already purchasing housing for their employees to ensure they can continue to keep their businesses open and operating.

Meredith's employment is driven by the accommodation and food services industry, which **are projected to continue to grow.**



Average earnings by industry show that some of Meredith's **top sectors** pay some of the lowest annual wages.

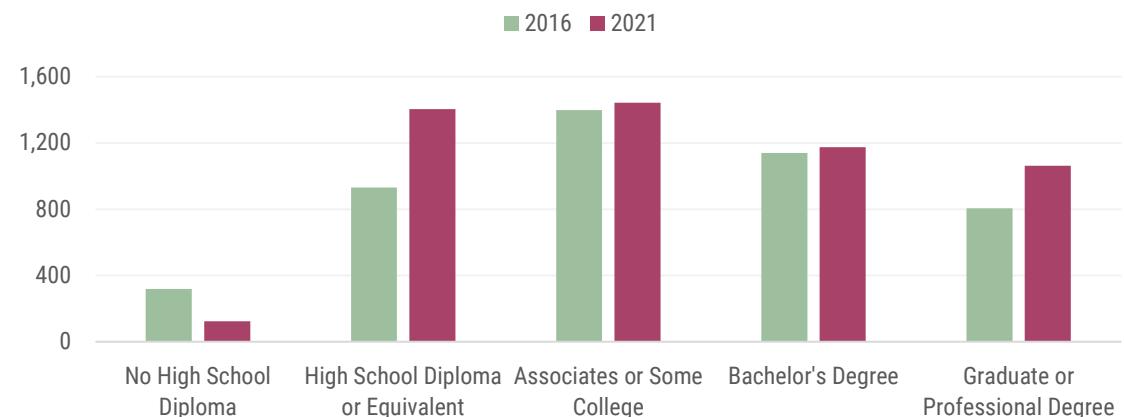


# ECONOMICS

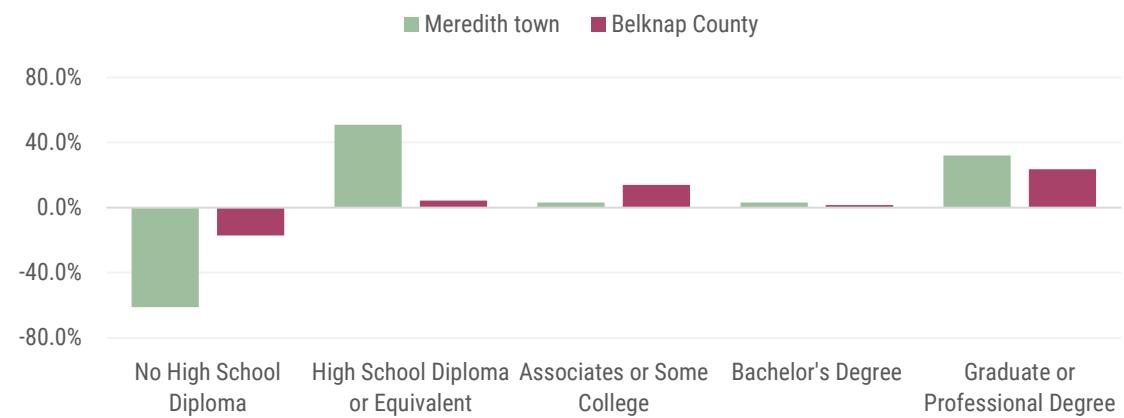
With the influx of higher income households and the return of 18-24-year-olds to the community, the educational attainment of Meredith residents has also changed. Between 2012 and 2021, the number of residents with a graduate or professional degree increased 32% or just under 260 people. This percentage increase was greater than both the county and the state.

These changing patterns in educational attainment do mirror both the county and the state with increases in those graduating from high school and those achieving a bachelors, graduate, or professional degree.

Meredith experienced growth in residents with a high school diploma and graduate degrees.



Changes in educational attainment for the [Town of Meredith](#) follow **county level trends**.



# ECONOMICS

The rise in educational attainment of Meredith residents is also consistent with increases in households across the highest income brackets.

Although Meredith's median household income declined between 2012 and 2021, wealth in the community remains high.

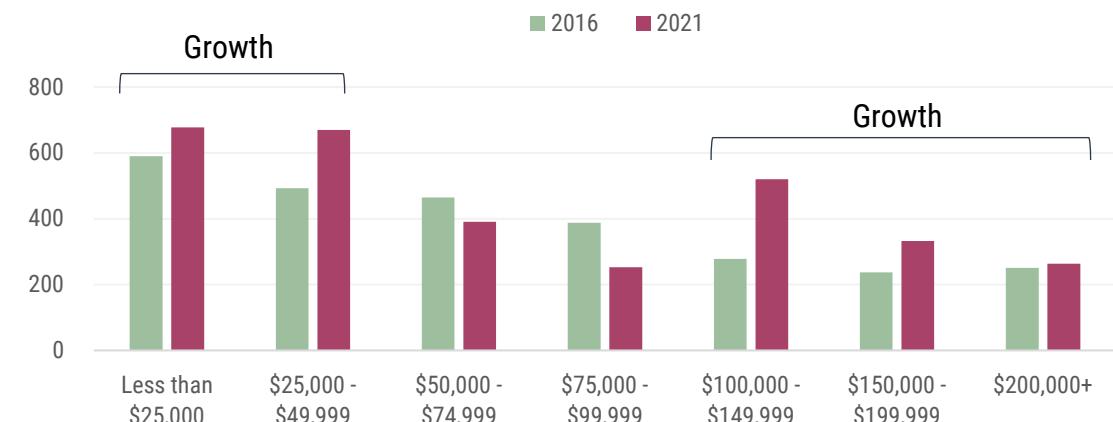
The decrease in median household income in a community like Meredith is likely linked to older adults who lived in Meredith and retired and those that were retired and moved to Meredith no longer reporting income from employment.

While these households are likely coming with significant assets, they are not reporting income from employment.

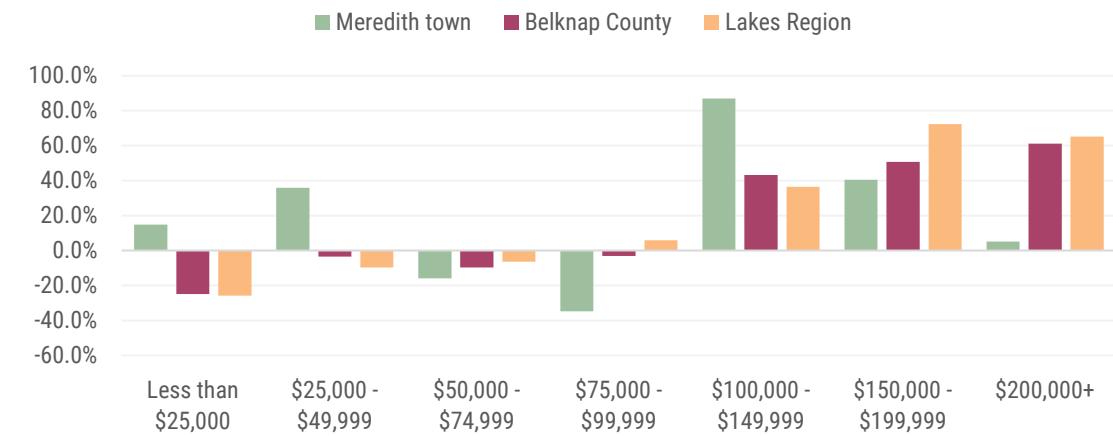
We do however see real growth in the number and share of households earning \$100,000 or more per year. There are 350 more households in these income categories today compared to 2012.

These changes in household income are also consistent with patterns seen in the county and region, with the exception of the increase in households earning less than \$50,000 per year.

Meredith saw growth in lower income brackets and higher income brackets.



While the entire **Lakes Region** saw growth driven by higher income households, **Meredith** saw divergent income growth.

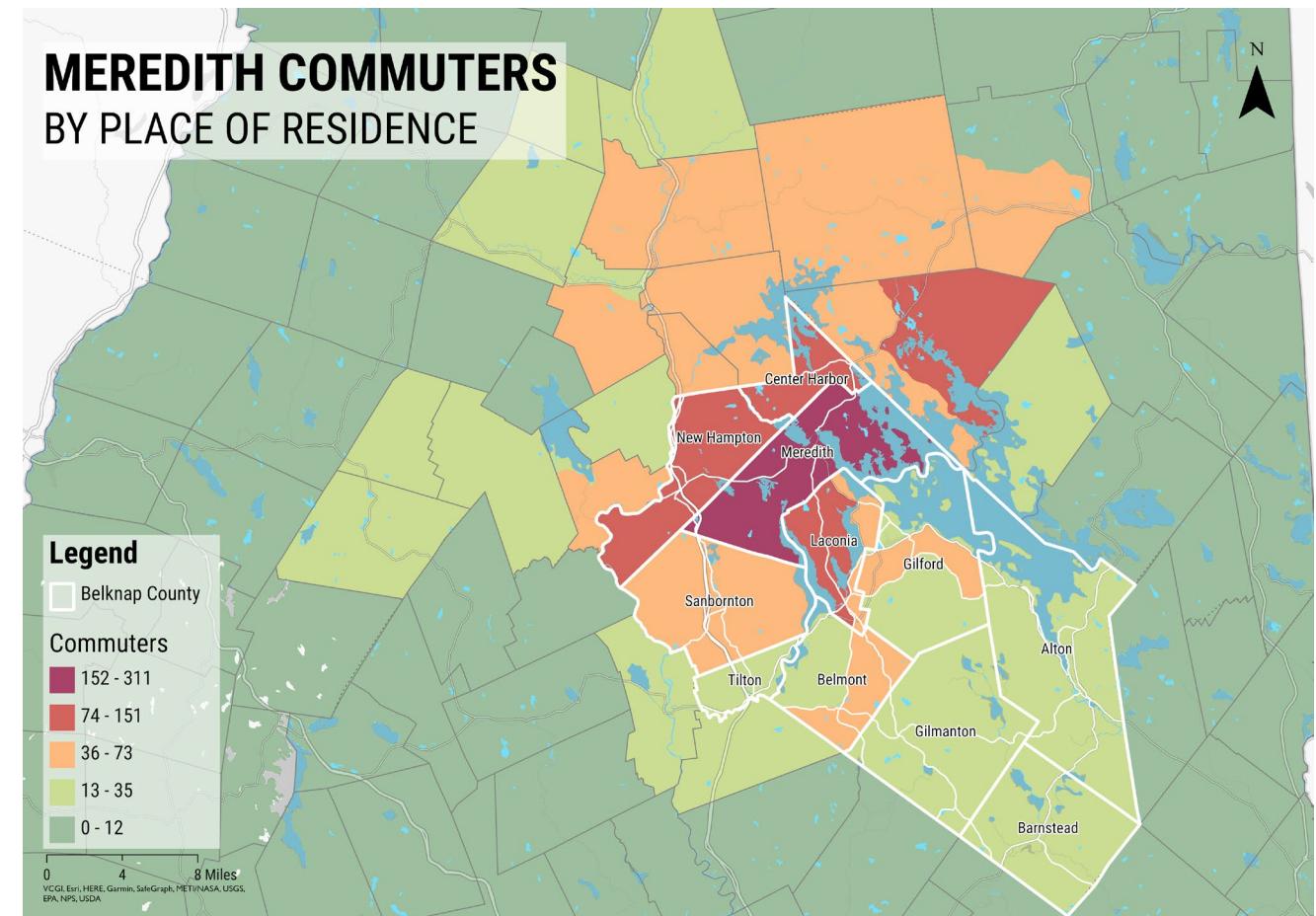
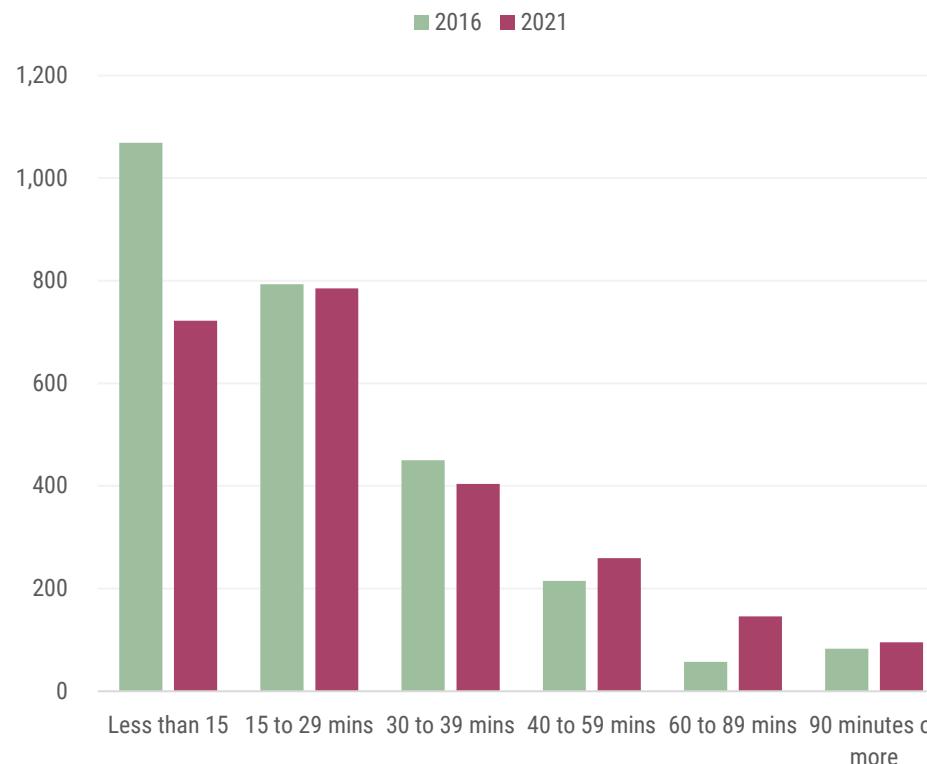


# ECONOMICS

For working residents in Meredith, commute times have increased meaning more working residents are traveling longer distances to their place of employment. Since 2012, 145 more Meredith residents are traveling over 40 minutes to get to work. This is consistent with county and regional commute patterns, but not with the state.

The shift in commuting may be related to remote and hybrid workers moving to Meredith and the Lakes Region during the pandemic with flexibility on work location and in-office days. Conversely, workers employed in Meredith are traveling from further away for jobs in town. About 80% of employees in Meredith live outside the town, adding the cost of longer commutes to rising unaffordability of housing.

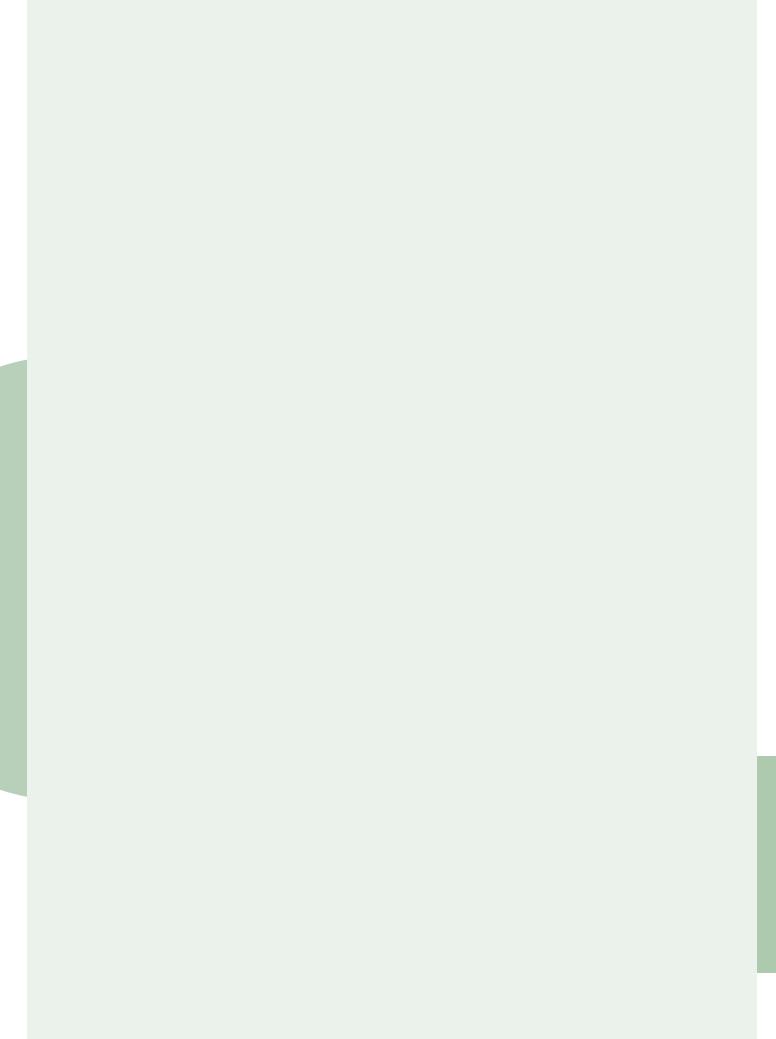
Meredith residents are traveling farther for work suggesting less local commuting.



# IN SUMMARY

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- Meredith's local economy is driven by tourism and service-based industry sectors that include accommodations, restaurants, retail, arts and entertainment.
- These sectors were particularly hard-hit by the pandemic, placing additional stress on the local economy and businesses looking to hire workers.
- The majority of jobs in Meredith do not pay above the average earnings in town and in many cases are not high enough to afford the median rent or sale price for a home.
- This has led to employers having to purchase homes for their employees to live in charging rents that are affordable. As more workers are forced to live further from Meredith, they may encounter other similar jobs in other communities where housing is more affordable and available.





# HOUSING

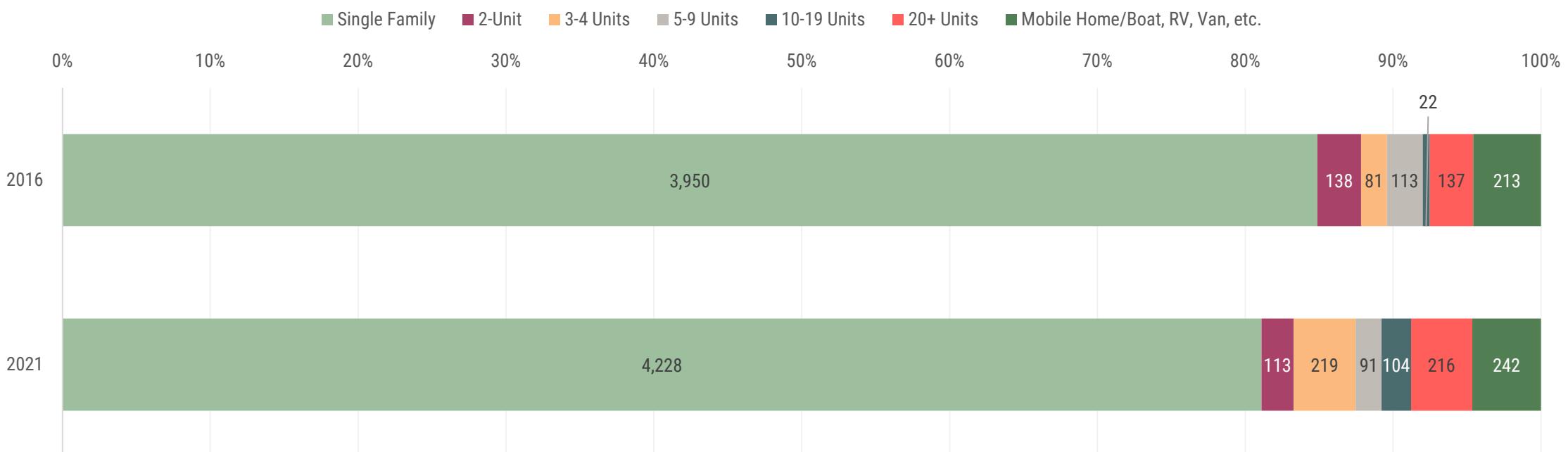
## MEREDITH HOUSING NEEDS ASSESSMENT

# HOUSING

Meredith's housing stock is comprised of mostly single-family homes with just over 4,200 units in 2021. This equates to 81% of the town's total housing stock. Interestingly, although the town saw an increase in single family housing units between 2012 and 2021, the percentage of the total housing stock dropped from 85% to 81% due to new growth in other types of residential structures.

Over this period, Meredith saw increases in the number of residential units in 3-4-unit buildings, buildings with more than 10 units, and additional mobile homes. While the town's housing stock appears to increasing in its diversity, it is still dominated by single-family homes.

Meredith's housing stock is dominated by **single-family** homes followed by **mobile homes/other** and **3-4-unit housing**.

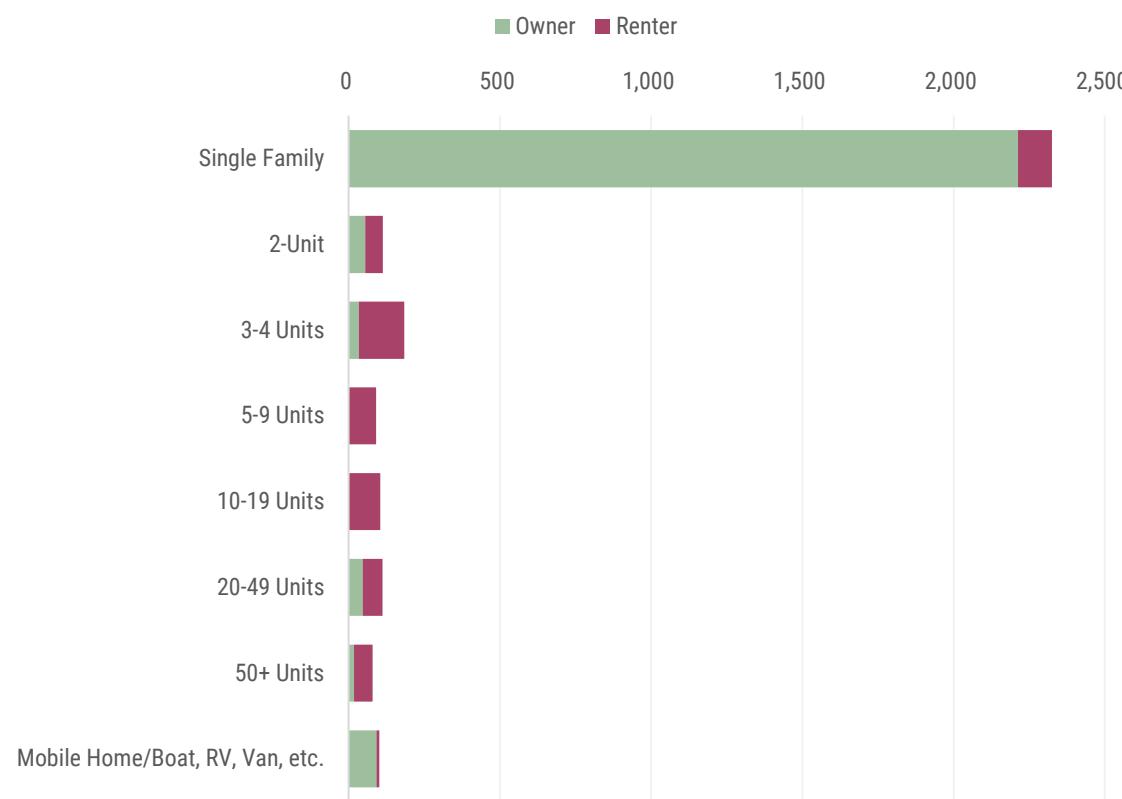


# HOUSING

The vast majority of owner-occupied housing in Meredith is single-family, while the majority of rental units can be found in buildings with 3 or more units. This breakdown is very typical in most communities where rental housing is found in multi-unit buildings while most ownership units are in single unit structures.

The table on the bottom right shows residential structures in Meredith broken down by year built and tenure (ownership vs. rental). The data shows a fairly even split amongst time periods and a similar breakdown between owner and rental housing. Over 20% of Meredith's housing stock was built after the year 2000, which is unique for New England communities that tend to have more older residential structures.

Meredith's Year-Round Occupied Housing by Type



Residential Buildings by Year Built and Tenure

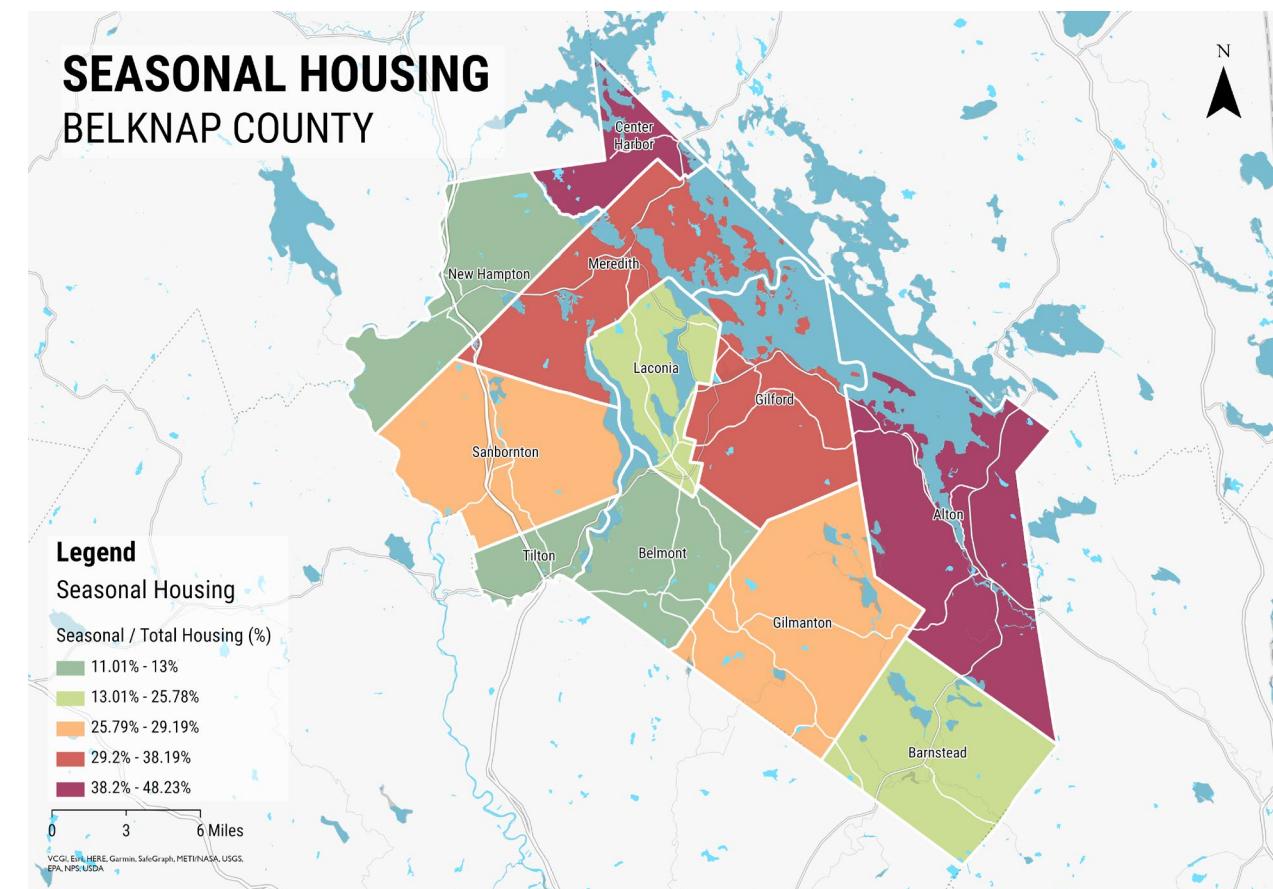
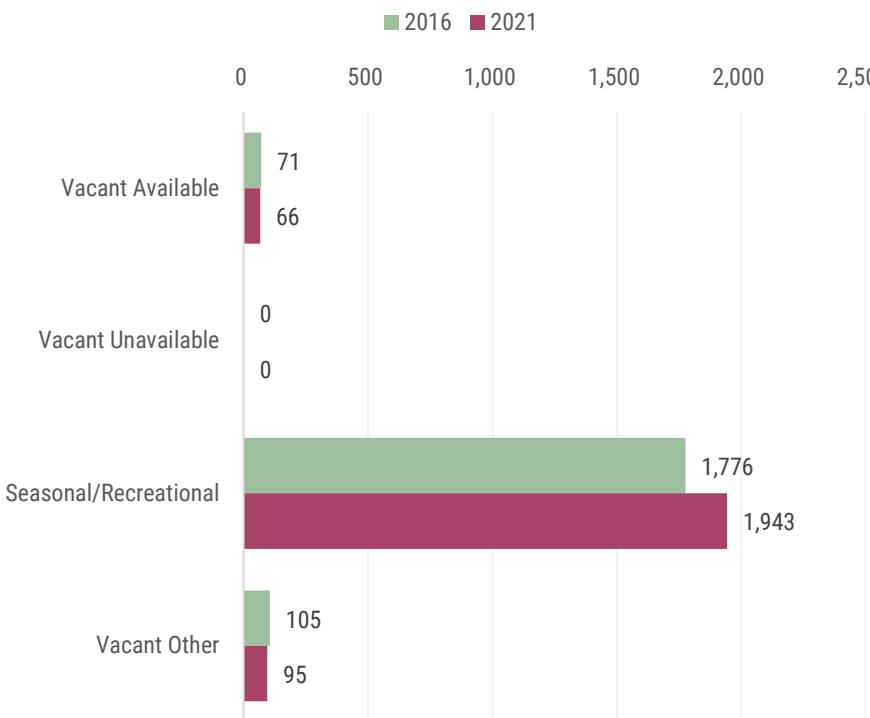
Year Built	#	%
<b>Owner</b>		
Built 2000 or later	590	24.0%
Built Between 1980 and 1999	604	24.6%
Built Between 1960 and 1979	753	30.6%
Built 1959 or earlier	511	20.8%
<b>Renter</b>		
Built 2000 or later	135	20.7%
Built Between 1980 and 1999	146	22.4%
Built Between 1960 and 1979	239	36.7%
Built 1959 or earlier	131	20.1%

# HOUSING

Vacancy data from the Census provides a good snapshot of how many units are unoccupied in a community for either part of the year (seasonally) or completely unoccupied for any number of reasons. In Meredith, it is estimated a total of 2,100 housing units are vacant for at least 6 months of the year or more with 92% of those vacant units being for seasonal or recreational use. That equates to 1,943 total units in town, which has increased 9.4% since 2012 or 167 additional housing units. Meredith ranks fourth highest in the number of seasonal units in Belknap County behind Center Harbor, Alton, and Gilford.

What is more striking is the extremely low number of residential units that are listed as vacant and available (for sale or for rent) in Meredith. These units comprise only 1.3% of Meredith's total housing stock, which is extremely low. A healthy vacancy rate for available units is typically in the 5% - 7% range.

An estimated 1,943 units of vacant housing in Meredith are seasonal and recreational homes.

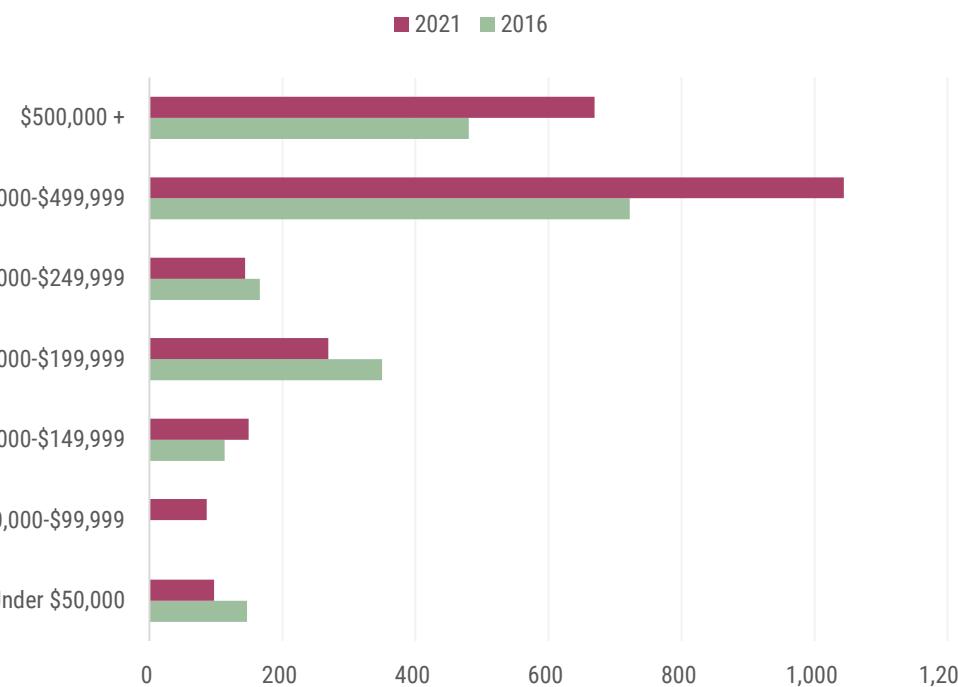


# HOUSING

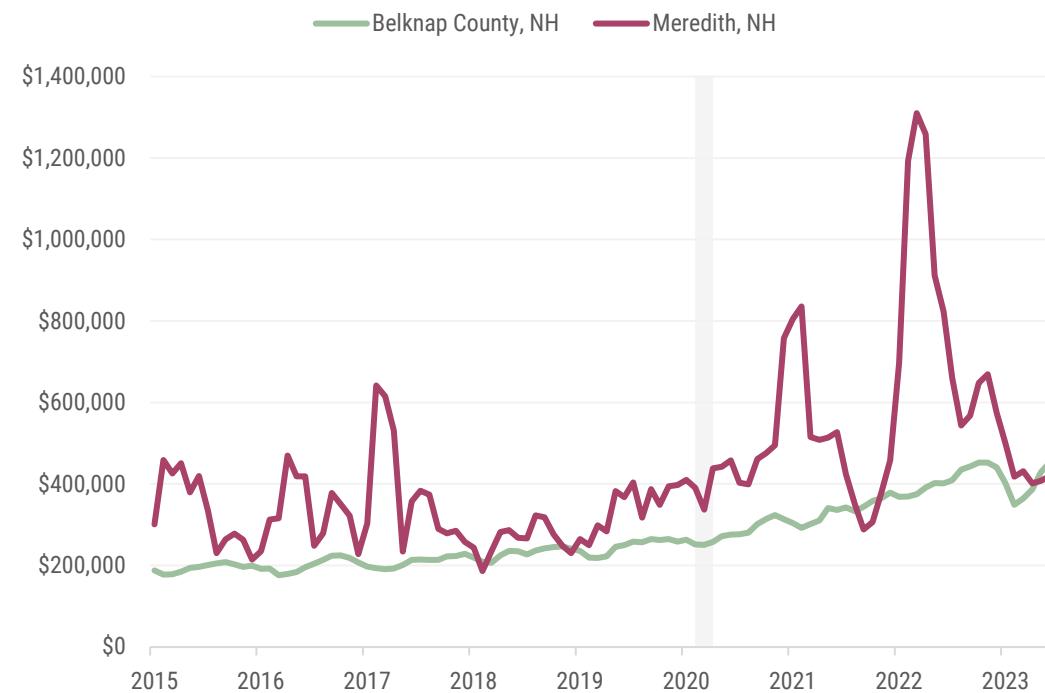
**Compounding the extremely low vacancy rates are rapidly rising home values and sale prices in Meredith.** Since 2012, the average home value in Meredith increased from \$283,700 to \$341,900, or a 20.5% increase in ten years. This shift in pricing is also reflected in actual sales data between 2015 and mid-2023 where sales prices for homes in Meredith have also been steadily increasing. This trend was consistent across Belknap County as well, although average sale prices were lower than Meredith overall due to the size of the inventory and diversity of ownership units.

Of note is the dip in the sales price data in 2023, likely reflecting the rapid increase in mortgage interest rates. It will be interesting to see how high interest rates impact Meredith's homeownership market, particularly the second home and investor markets as high interest rates may constrain purchasing power if asking sales prices remain high.

Homes values in Meredith have been increasing driven by growth in homes values of \$250,000 or more.



Median Sale Price in Meredith & Belknap County  
3-Month Moving Average

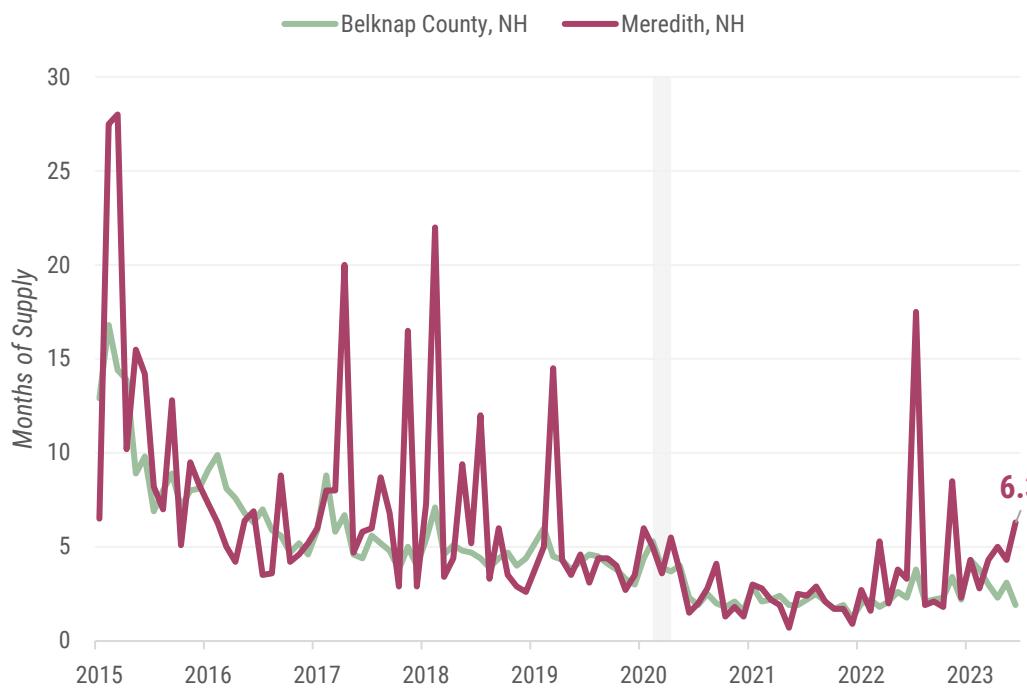


# HOUSING

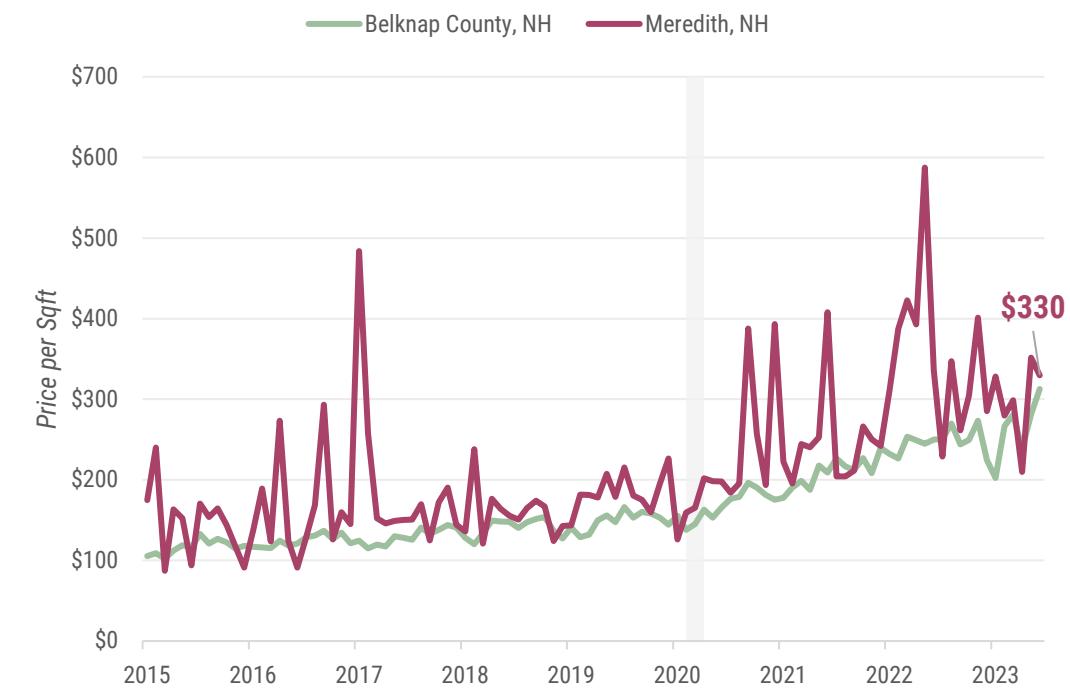
**The impact of limited housing growth, high interest rates, and high sale prices is a constrained inventory of homes for sale.** The overall inventory of homes on the market at a given point in time has been steadily decreasing since 2015, but the sharp decline in 2020 due to the pandemic is quite noticeable. As of mid-2023, there was just over 6 months of supply available on the market compared to 2015 when housing availability was closer to 12-15 months.

The tight market and high demand for homes in locations like Meredith has led to much higher sale prices per square foot. In 2023, average sale prices were approaching \$330 per square foot which is up from around \$150 per square foot in 2015.

Months of supply has decreased meaning high demand and tight inventories.



High demand and tight inventory contributed to increase in sales price per square foot.



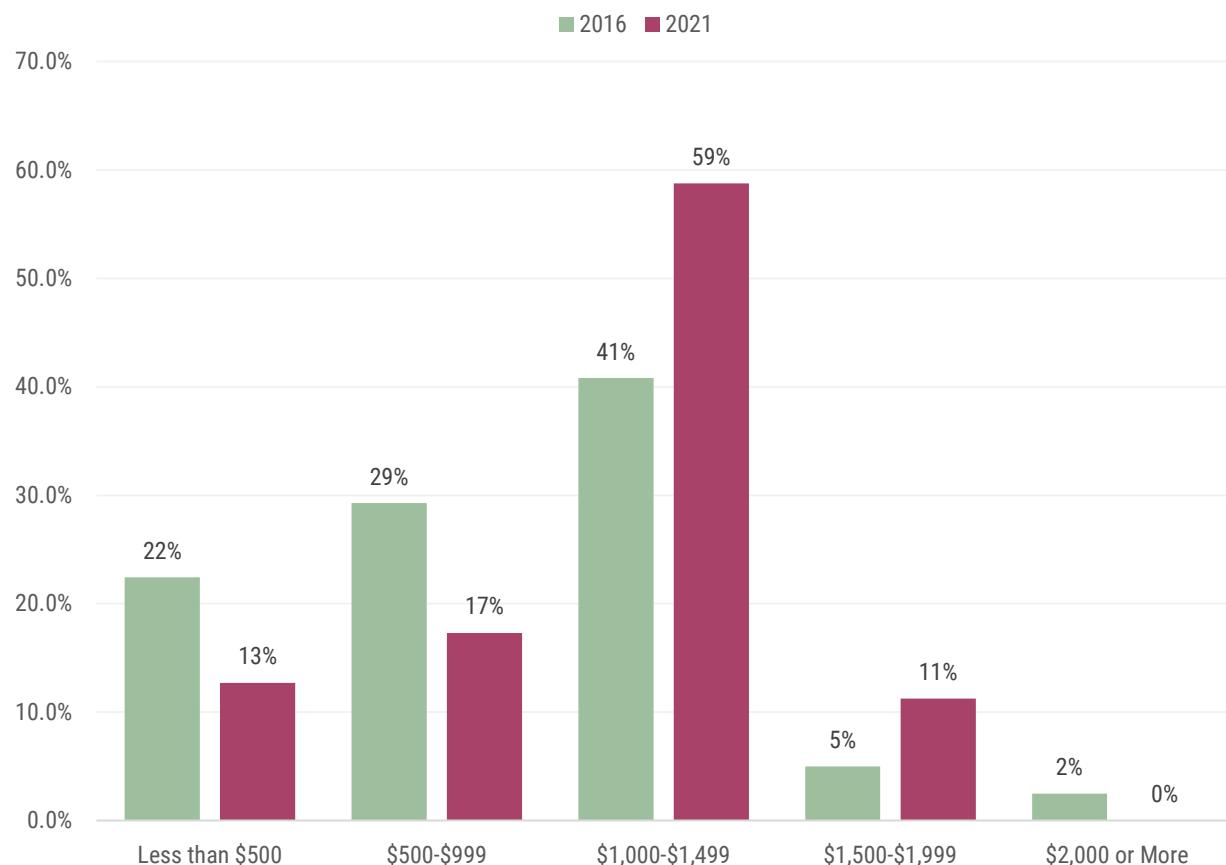
# HOUSING

Like for sale housing units, rental units have also seen steady increases in price with median gross rent in Meredith growing from \$988 in 2012 to over \$1,200 in 2021. This equates to a 22% increase in the past ten years.

The major shift in rents occurred between units priced under \$1,000 a month that are now between \$1,000 and \$1,499 per month. As discussed earlier, the average earnings for jobs within tourism and service-based sectors in Meredith are not high enough to afford rents across this price range.

If rents continue to rise without the addition of more affordable units, these workers will continue to be priced out of Meredith increasing the already difficult hiring and retention situation employers experience today.

Gross rent in Meredith has increased over the last decade with 2021 rents centered around \$1,000 - \$1,499 a month.

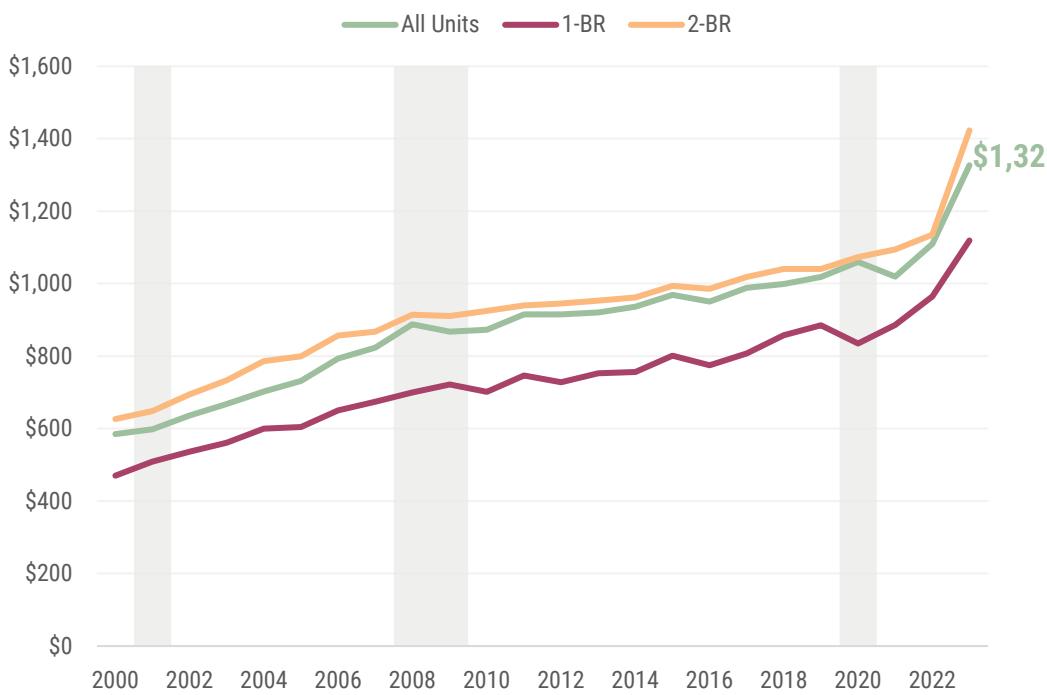


# HOUSING

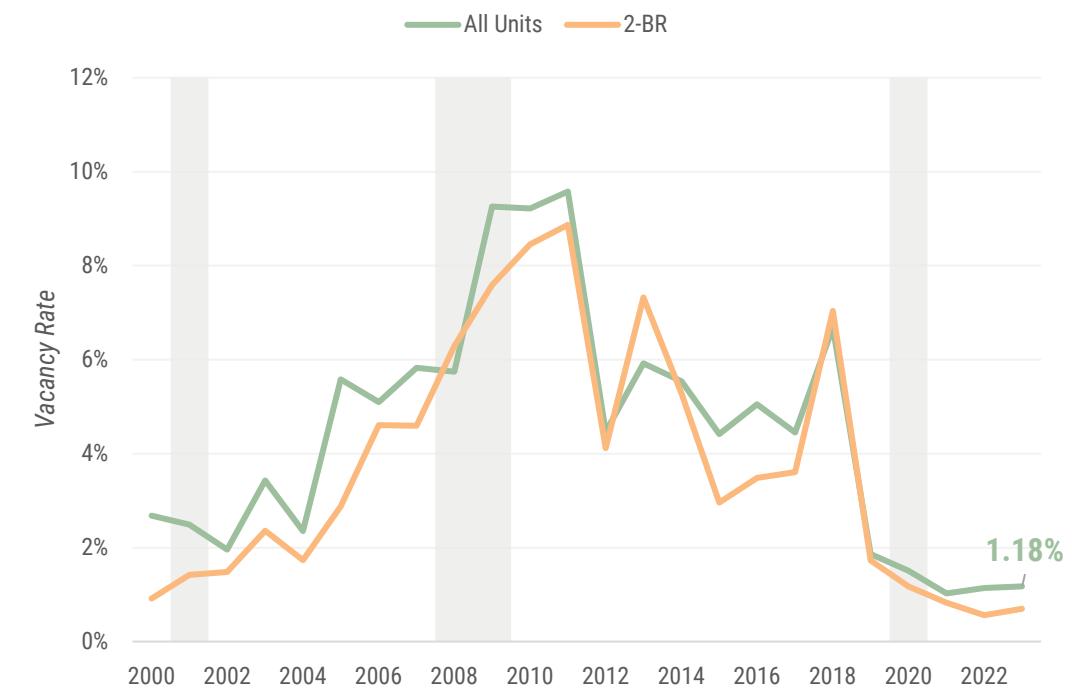
**Within the overall Lakes Region, rents have been rapidly rising as well.** Since 2012, average rents have increased to just over \$1,300 a month or a \$400 increase over ten years. As rents are increasing in the region, vacancy rates for rental housing are nearing all-time lows at just over 1%. This means households experiencing rent increases have almost no other choices in the region for lower cost housing.

Households either must absorb the rent increases in their monthly budgets or may be forced to leave the region in search of a lower cost market. For those who choose to stay, that may mean spending less money on other essential monthly costs such as food, healthcare, or transportation.

Median Gross Rent in the Lakes Region has been rising faster since 2020.



Tight vacancy rates coincide with the rapid increase in rental costs since 2020.



# HOUSING

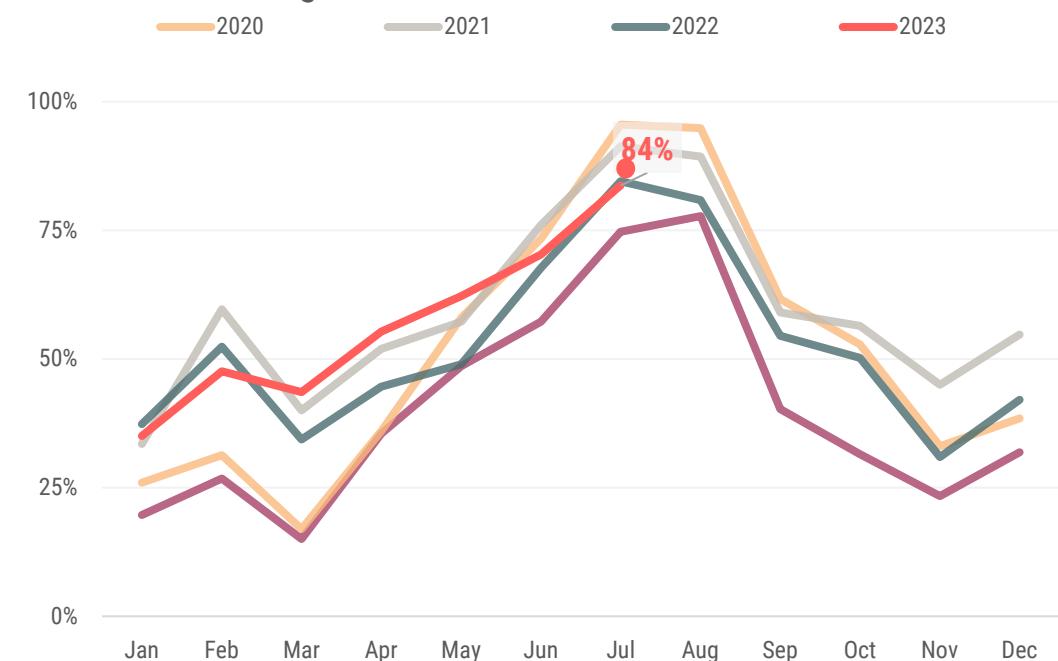
Meredith, like many popular tourism and second home markets, also must contend with the housing pressures short term rentals place on the housing stock. Investors can often pay higher prices or come with cash payments to purchase homes knowing these are investment vehicles where income will supplement or offset the costs.

Data from AirDNA shows the steady increase in the number of monthly listings of short-term rentals and the extremely high occupancy rates of these units in the peak summer season. While summer occupancy is down a bit in 2023 compared to the peak in 2020, units are still 84% occupied indicating a very high utilization and demand for short term rentals in town.

Active monthly listings of short term rentals have increased from 2018 to 2023.



Summer occupancy peaked in 2020; rates of occupancy have remained high through 2023 despite the addition of more active listings.

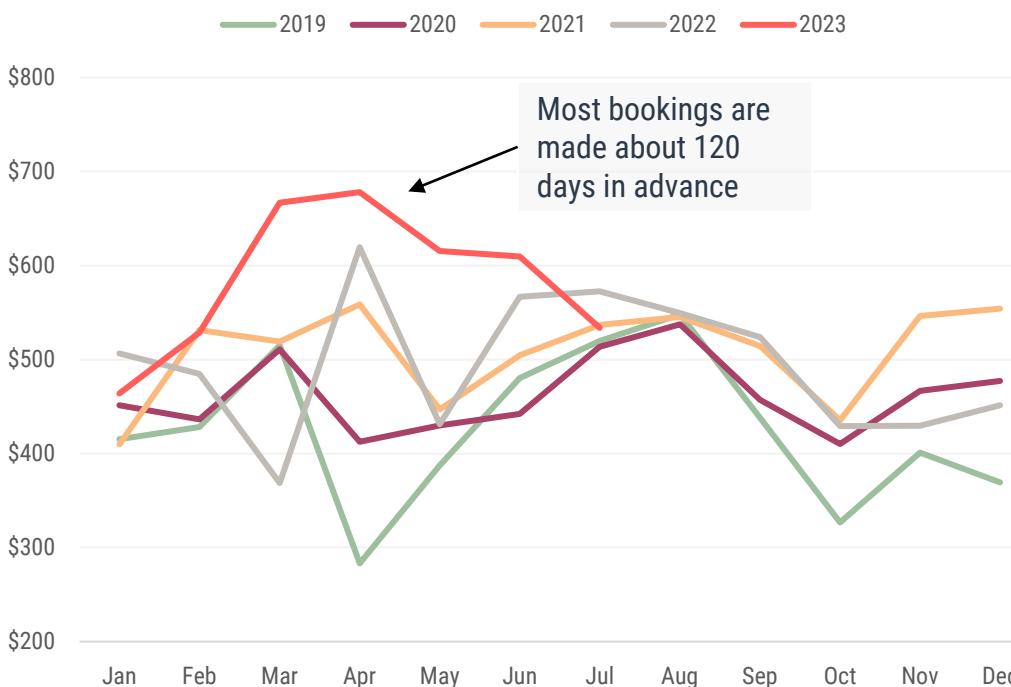


# HOUSING

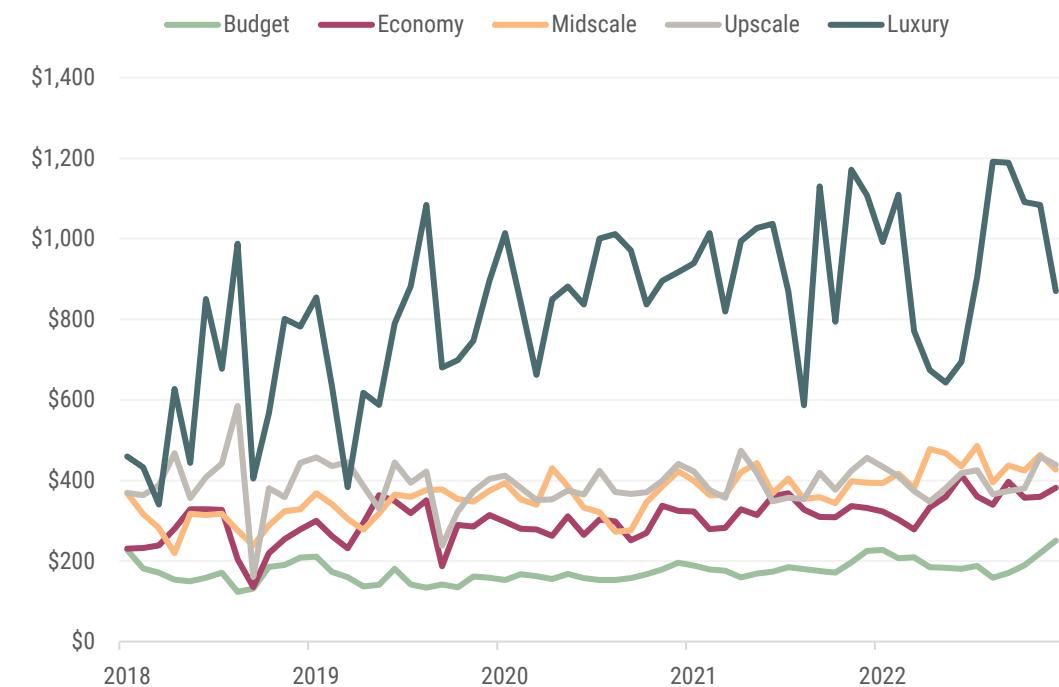
Even with the decrease in occupancy rates since 2020, prices for short term rentals in Meredith remain very high. In fact, the early part of 2023 saw significant increases in the average daily rate for short term rentals compared to 2019-2022 driven primarily by the “luxury” short term rental units which tend to book for over \$1,000 a day.

These high occupancy and rental rates drive demand for short term rental purchases by investors which in turn removes more residential units from the market that could be occupied by year-round households.

Year over year the average daily rate for short term rentals has increased.



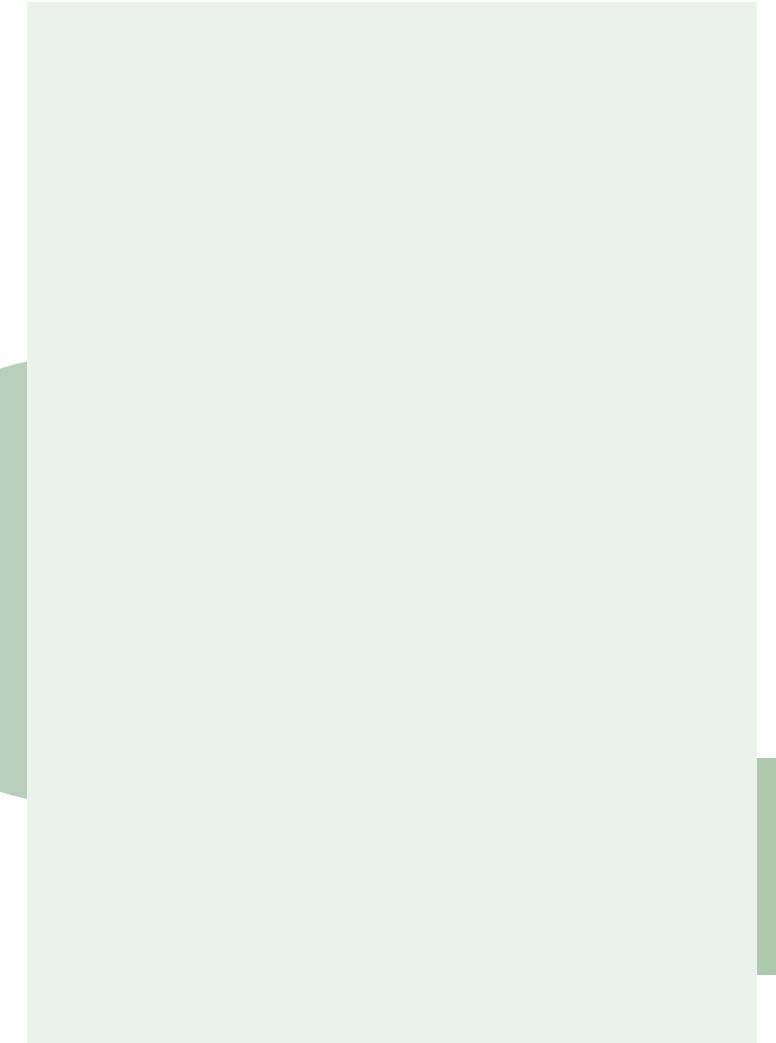
Demand for larger, **luxury rentals** has driven average rate increases.



# IN SUMMARY

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- The majority of Meredith's housing stock is comprised of single-family units which have been steadily increasing in price since 2012, exacerbated by pricing changes and overall demand from the pandemic.
- Although new housing units have been built, it was not enough to keep pricing down while demand for year-round, seasonal, and investor-owned housing grew.
- Rental housing has also been challenged with a limited inventory, record low vacancy rates, and increasing monthly rents. These changes place added strain on our most vulnerable households that may not be able to afford large increases in rent.
- Demand for short term rentals in Meredith by both the owners and the consumers has increased over the past few years. The number of short term rentals has grown, occupancy is very high, and daily rates for units has increased. Removing these units from the year-round housing stock limits available housing for residents and drives prices for ownership units up as investors are willing to pay higher prices and may come with more competitive offers.





# OWNERSHIP ANALYSIS

MEREDITH HOUSING NEEDS ASSESSMENT

# OWNERSHIP ANALYSIS

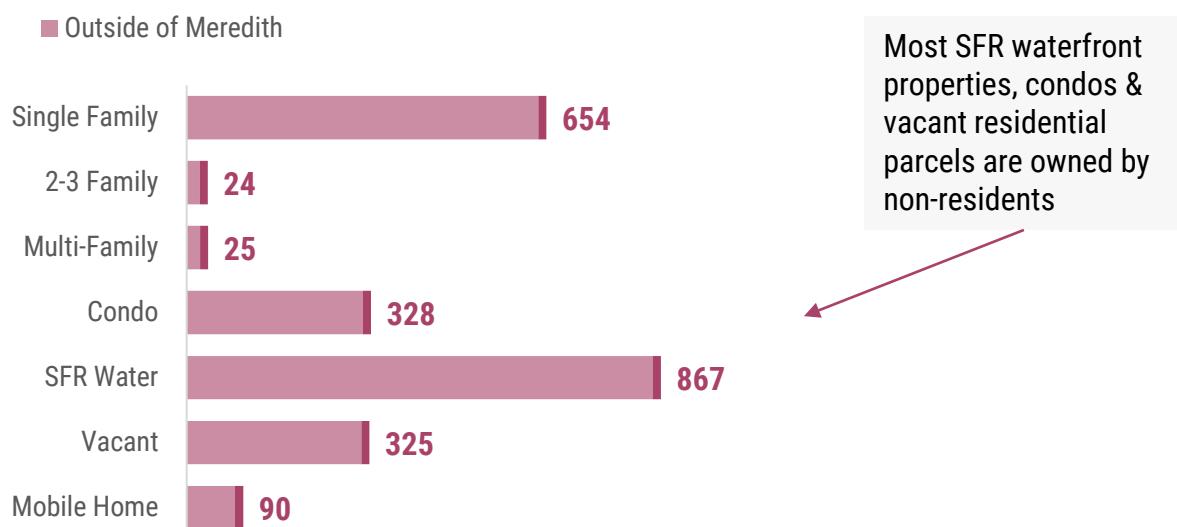
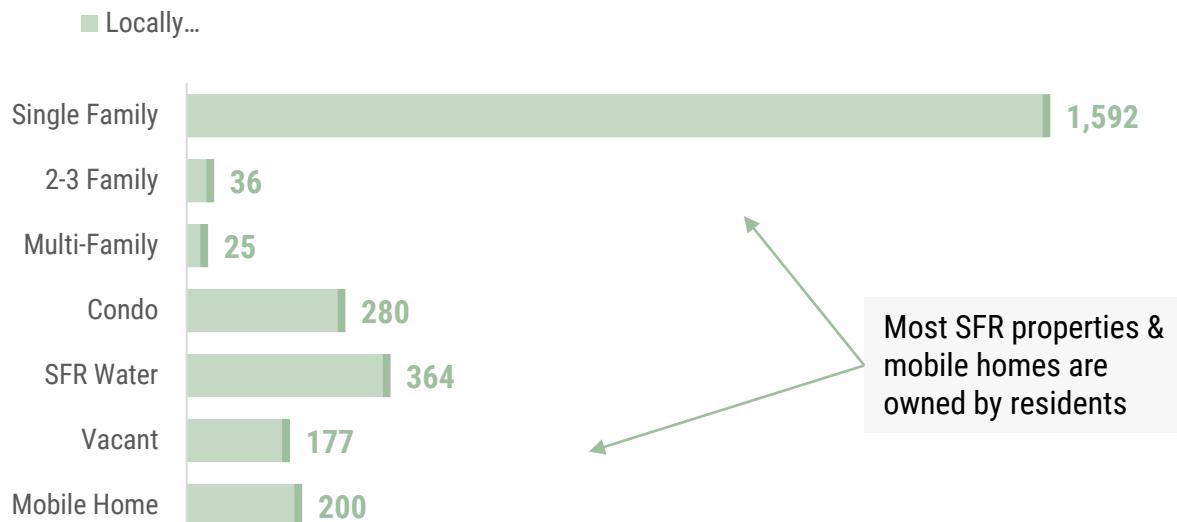
To better understand the differences between homes owned by residents who live in Meredith year-round and those that list their primary residence as outside of Meredith, RKG analyzed the Town's parcel assessment data and matched owner address to mailing address to determine the types of homes owned by each group.

Most Meredith residents who live in town year-round own single-family homes which is consistent with data from the Census on showing most owner-occupied units in town are single family homes.

This is contrasted with most non-residents owning SFR\* Waterfront properties, condominiums, and units listed as vacant (seasonal or investor units). Single family homes still comprise the second largest number of non-resident owned properties, but that does fall below SFR Waterfront properties which tend to be of high value and in high demand.

\*SFR = Single Family Residential

Non-Meredith residents own the majority of waterfront, condo and vacant properties in Meredith.



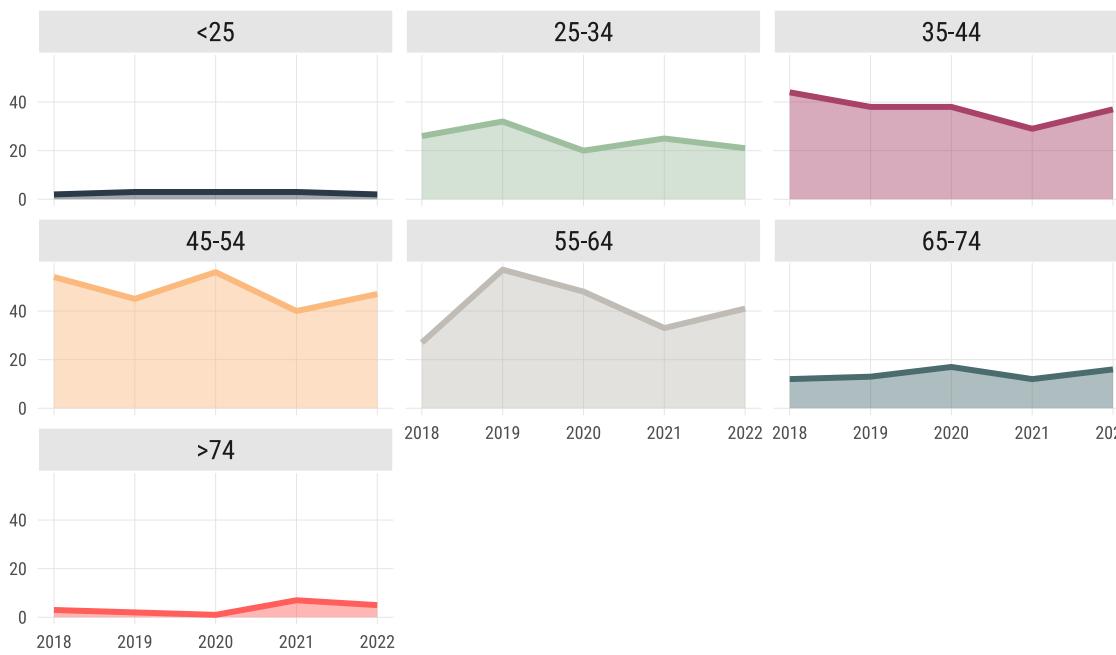
# OWNERSHIP ANALYSIS

Using data from the Home Mortgage Disclosure Act (HMDA), RKG analyzed the changes in those purchasing homes between 2018 and 2022 in Meredith as compared to Belknap County. The data below, presented by the age of the purchaser, shows most homes in both Meredith and Belknap County were purchased by those between the ages of 35 and 54.

In Meredith there was an interesting increase in purchases made by those over the age of 65 corresponding with the increases in age presented at the beginning of this analysis. There were also increases in purchases from buyers ages 35-44 which corresponds with seasonal home and investor purchases shown on the next page.

Single Family Home Purchase Loans by Applicant Age

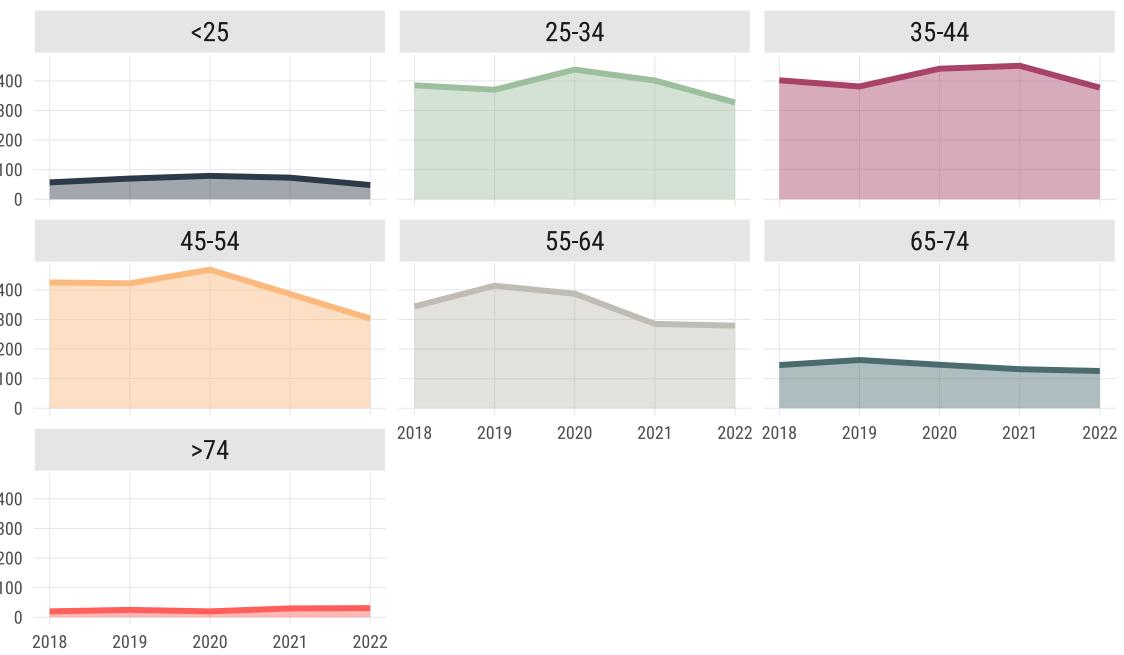
Meredith (n = 856)



Source: HMDA 2018 - 2022, RKG Associates

Single Family Home Purchase Loans by Applicant Age

Belknap County (n = 8,853)



Source: HMDA 2018 - 2022, RKG Associates

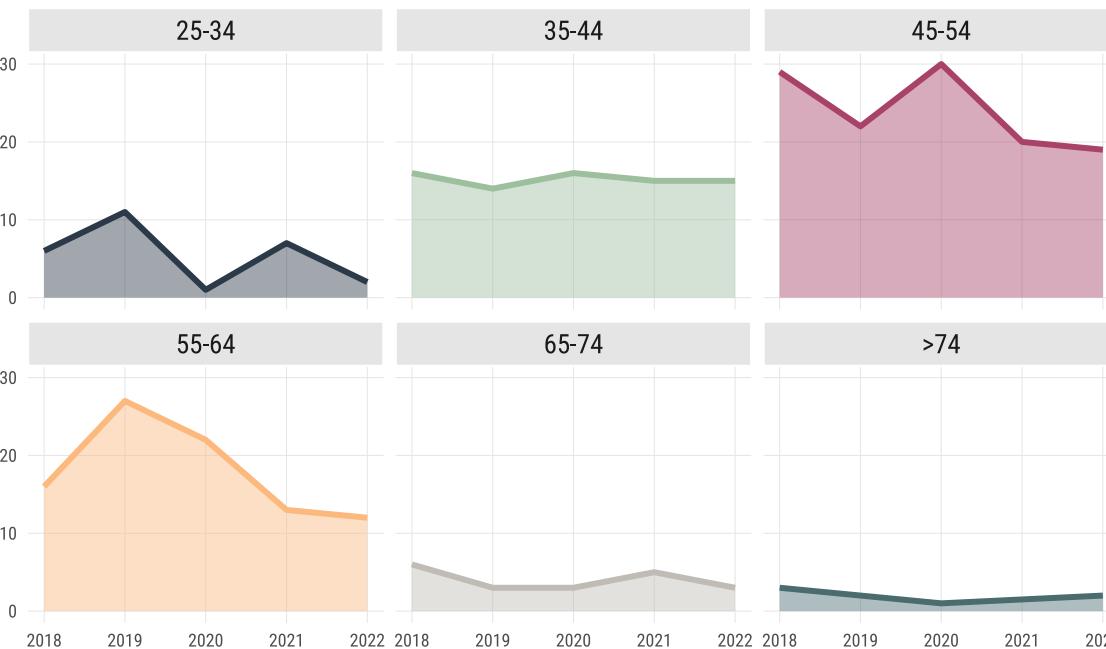
# OWNERSHIP ANALYSIS

Using HMDA data, we can also look at second home and investor home purchases by age group to understand who is buying these homes and for what purpose. In both cases, the pandemic impacted home purchases for these two types of investments with spikes in 2020 for seasonal/second homes and spikes in 2021 for investor purchases.

These are both responses to movement during the pandemic and those looking for second homes and the demand for short term rentals following the first year of the pandemic (2020). Most second home purchases are still being made by homeowners between 45 and 54 years of age while investor home purchases spiked for those ages 35-44.

Secondary Home Purchase Loans by Applicant Age

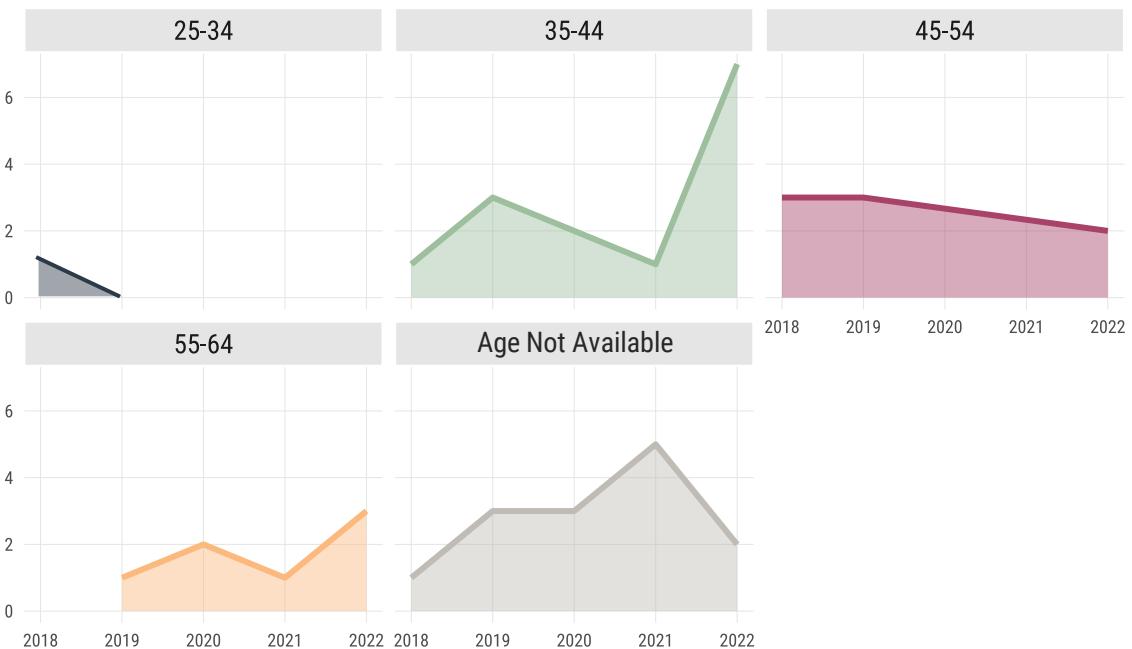
Meredith (n = 339)



Source: HMDA 2018 - 2022, RKG Associates

Investor Home Purchase Loans by Applicant Age

Meredith (n = 42)

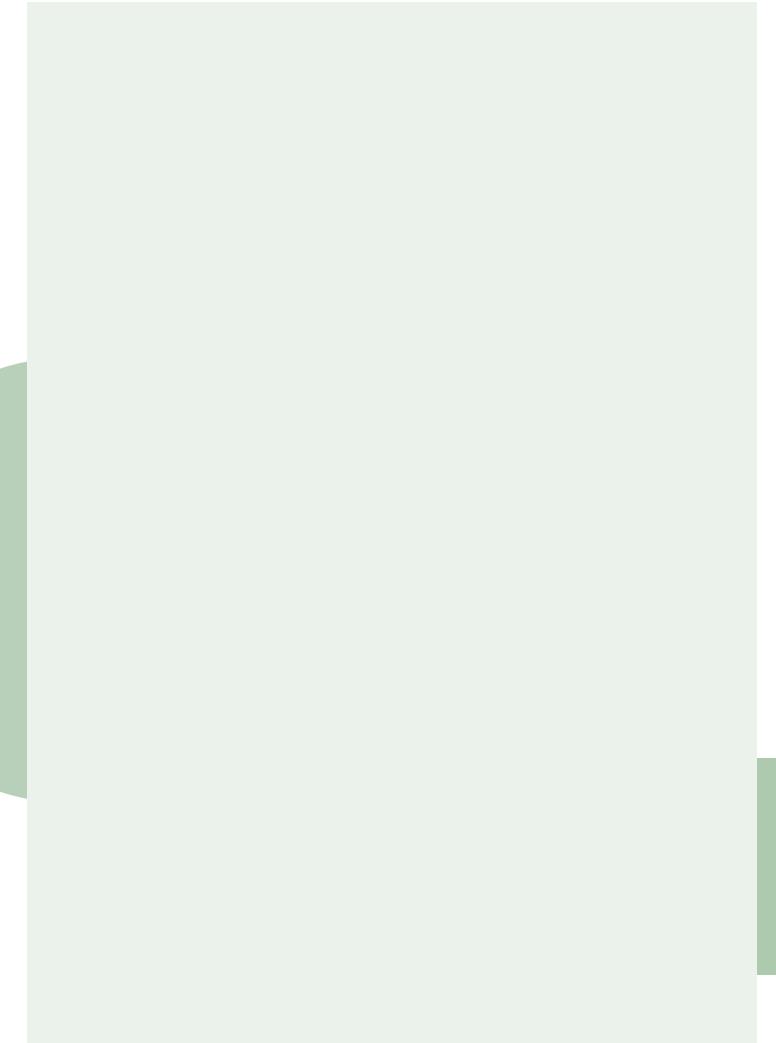


Source: HMDA 2018 - 2022, RKG Associates

# IN SUMMARY

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- Most year round residents who live in Meredith reside in single family homes, while more owners who live outside Meredith have purchased homes on the waterfront or in condominium buildings. These properties tend to be more expensive and may be easier or more desirable to rent out.
- Spikes in seasonal home purchases occurred in 2020 from buyers ages 44-54 while more buyers ages 35-44 purchased investor properties in town.
- Meredith saw an increase in the number of buyers over the age of 65 which correlates to the increases in the older adult population described in the demographic section of the needs analysis.





# AFFORDABILITY GAP ANALYSIS

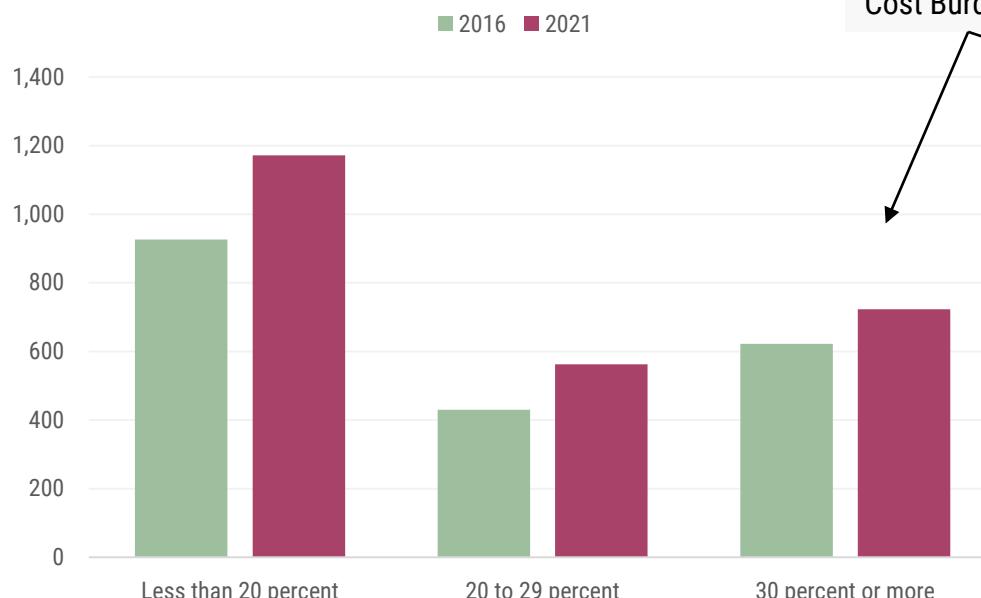
MEREDITH HOUSING NEEDS ASSESSMENT

# AFFORDABILITY GAP – COST BURDEN

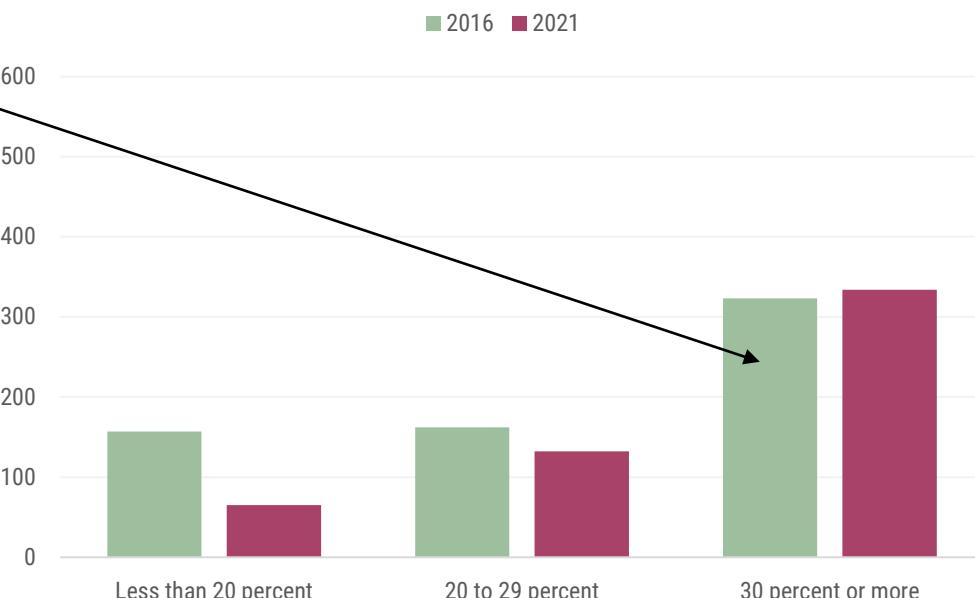
HUD considers a household to be cost burdened if they are spending more than 30% of their monthly income on housing costs. The challenge for households spending more than 30% of their income on housing costs is that it leaves significantly less money for spending on other necessities such as food, transportation, education, healthcare and childcare.

Within the Town of Meredith, over the past decade, cost burdening has increased for over 100 households. In terms of rental households, Meredith has a much smaller rental housing stock and thus fewer renter households but of those who rent over 60% (~334 households) spend more than 30% of their income on housing costs.

Owner Housing Costs  
As a Percentage of Household Income



Renter Housing Costs  
As a Percentage of Household Income

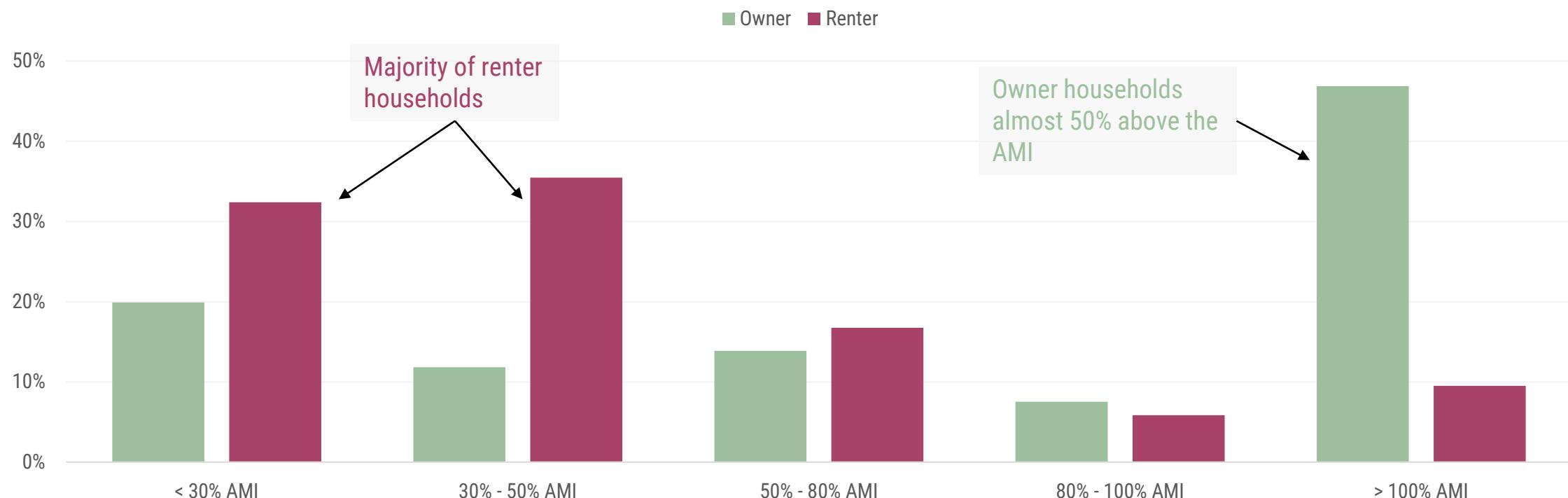


# AFFORDABILITY GAP - HOUSEHOLDS

Affordable housing is critical to supporting a diverse range of households in the community and ensuring residents have safe, accessible, and price appropriate housing choices. Looking at incomes across both renter and owner households provides a snapshot of potential housing need by what those households can actually afford to spend.

In Meredith, nearly 90% of renter households earn less than the median income (100% AMI) with nearly 68% earning less than 50% AMI. That equates to an annual income of \$40,300 for a two-person household and an affordable rent of \$1,000 a month. As noted earlier, 70% of rental units in Meredith have gross rents over \$1,000 a month.

Over half of **owner households** in Meredith earn an annual income above the area median income (AMI) while roughly **90% of renter households** earn below it.

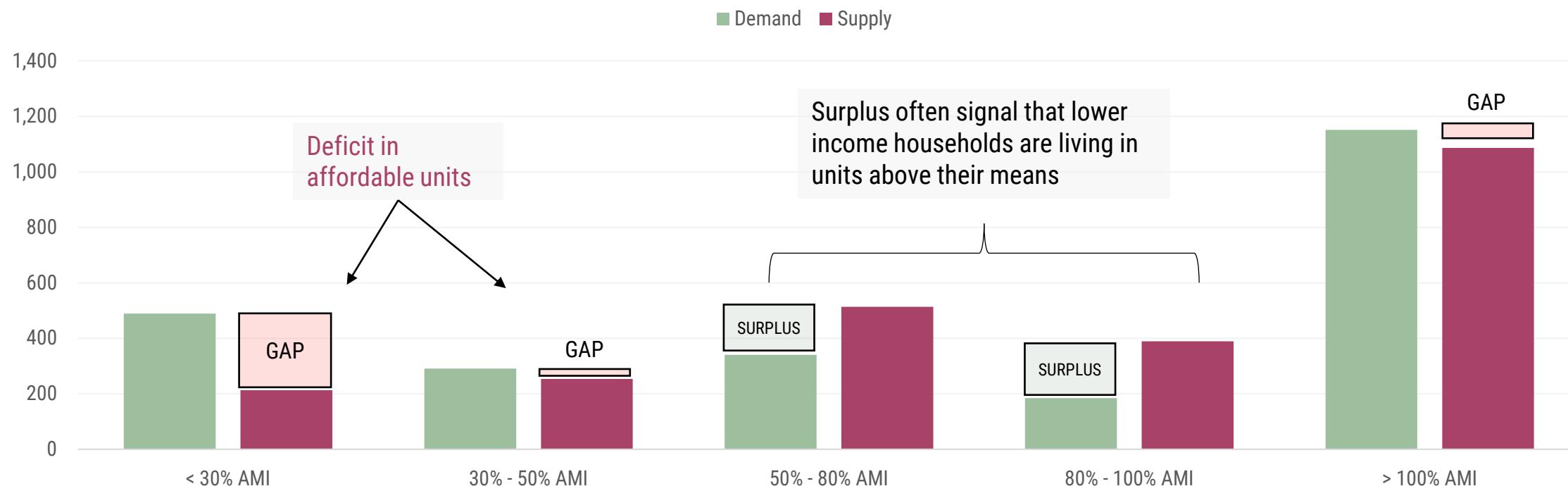


# AFFORDABILITY GAP - OWNER

The affordability gap analysis compares the number of housing units at different price points to the number of households in the community that can afford to purchase or rent those units. If there are more units than households, there is a surplus of housing available. If there are more households than units, there is a deficit of housing available. This provides a quick snapshot of where additional housing may be needed in a community to address affordable housing shortfalls.

This first analysis looks at housing affordability gaps for owner households in Meredith. Here we see gaps in ownership units affordable to households earning less than 50% of AMI and a small gap for those earning over 100% of AMI. This is very typical in most communities as it is very challenging to provide ownership opportunities for households below 30% of AMI. The surplus of ownership units between 50% and 100% of AMI indicates most lower income and higher income households are buying up and down in the market where most homes are priced in Meredith.

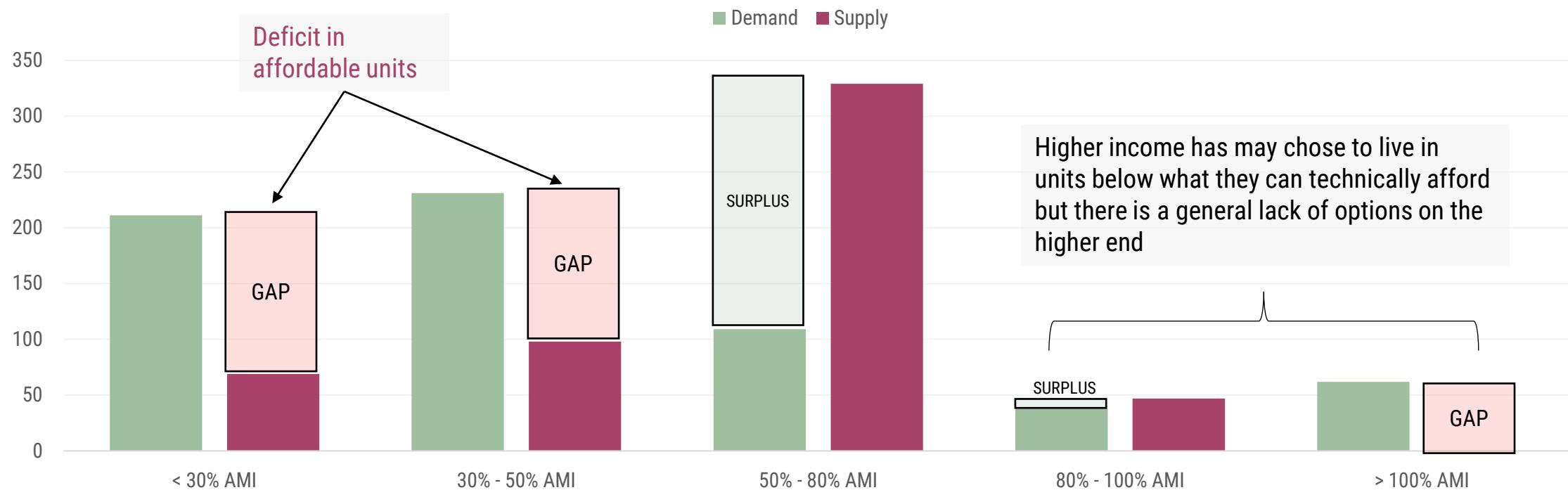
Comparing owner households by income level (**demand**) to owner units by affordability (**supply**), Meredith has a deficit in units affordable to households earning less than 50% of AMI or above 100% of AMI.



# AFFORDABILITY GAP - RENTER

When we analyze the affordable housing gap for renter households, we see a significant gap in units affordable to renter households earning at or below 50% of AMI. This gap is estimated at around 275 units. Looking at units priced to households at 50%-80% of AMI, we see a surplus of about 220 units indicating many households earning below 50% of AMI are likely renting units above what they technically can afford. While this is common in many communities, particularly as rents continue to rise faster than incomes, it represents a target for Meredith to help keep housing affordable to residents who are most vulnerable to rises in housing cost.

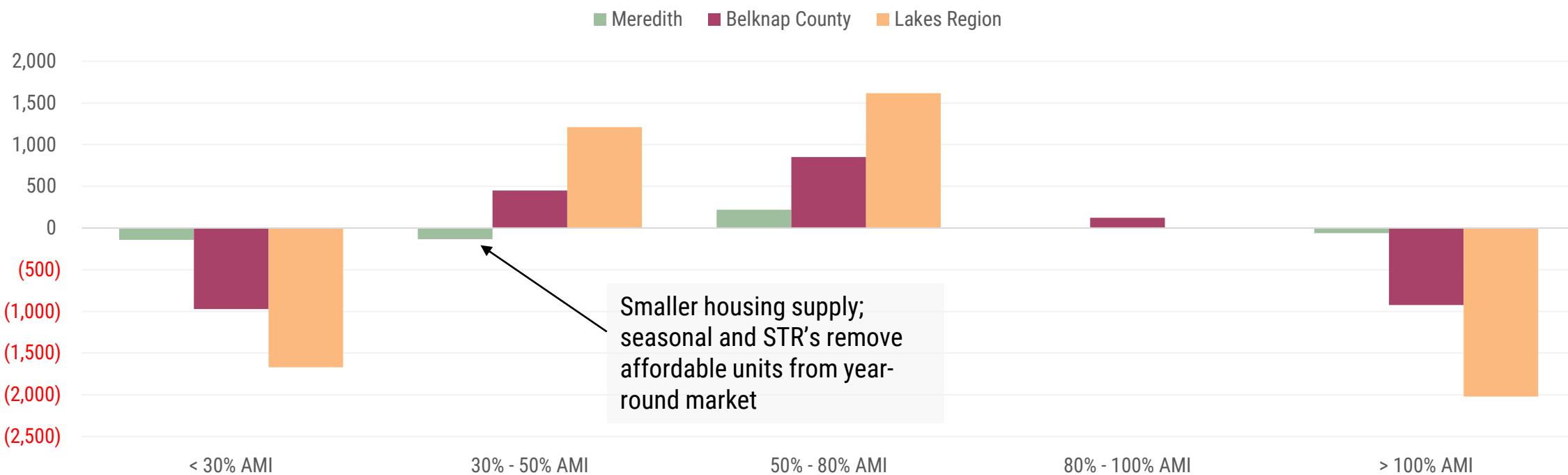
Comparing renter households by income level (**demand**) to rental units by affordability (**supply**), Meredith has a deficit in units affordable to households earning less than 50% of AMI or more than 100% of AMI.



# AFFORDABILITY GAP - RENTER

The graph below shows the same affordability gap analysis for renter households but compares **Meredith** to the **County** and **Lakes Region**. We see very similar patterns in affordability gaps at each of the three geographies with gaps in rental units for households below 30% of AMI and above 100% of AMI and a majority of the rental housing supply priced to households in the 30%-80% AMI range. One difference is Meredith has a gap in affordability for renter households at the 30%-50% AMI range where the County and Region do not. This may be related to the nature of Meredith's housing market where those lower value units are purchased by either seasonal or investor owners and removed from the year-round housing market.

The affordability gap (supply – demand for each AMI band) highlights similar trends in affordability through out **Belknap County** and the **Lakes Region**.



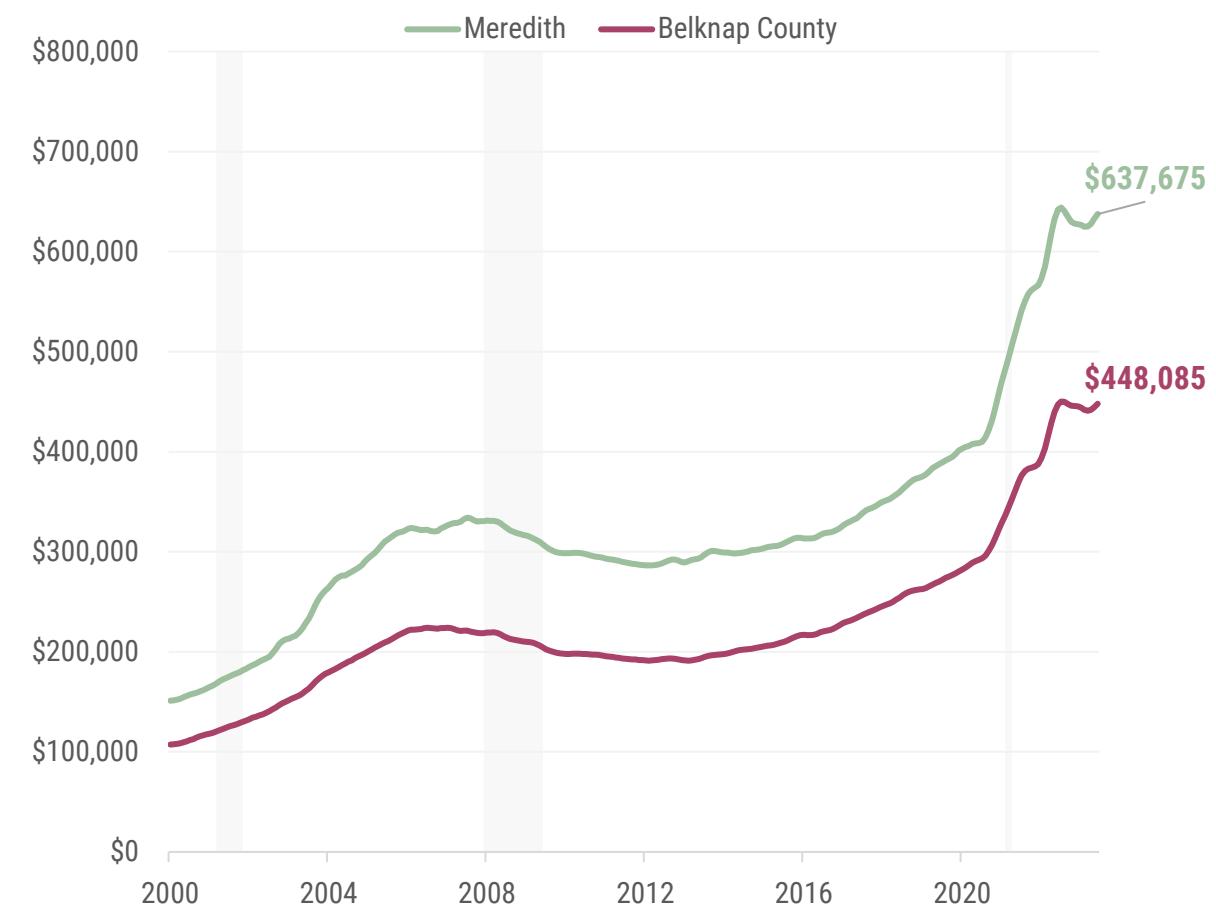
# AFFORDABILITY GAP - VALUE GROWTH

Rising home prices, rising rents and increases in eviction filings are all highly correlated trends within the housing market.

The Zillow Home Value Index is a useful gauge because it measures the value change for a typical home within the market meaning it adjusts for home values on the extreme high and low end capturing a rate of change that a typical household would experience.

**Belknap County** like the rest of the state, saw higher than historical average increases in home values following the COVID-19 pandemic. This trend was also true for **Meredith** but at a much higher rate, suggesting that while housing costs are increasing more broadly, some communities such as Meredith saw this trend more acutely.

Following the pandemic Meredith has become increasingly unaffordable relative to the county.

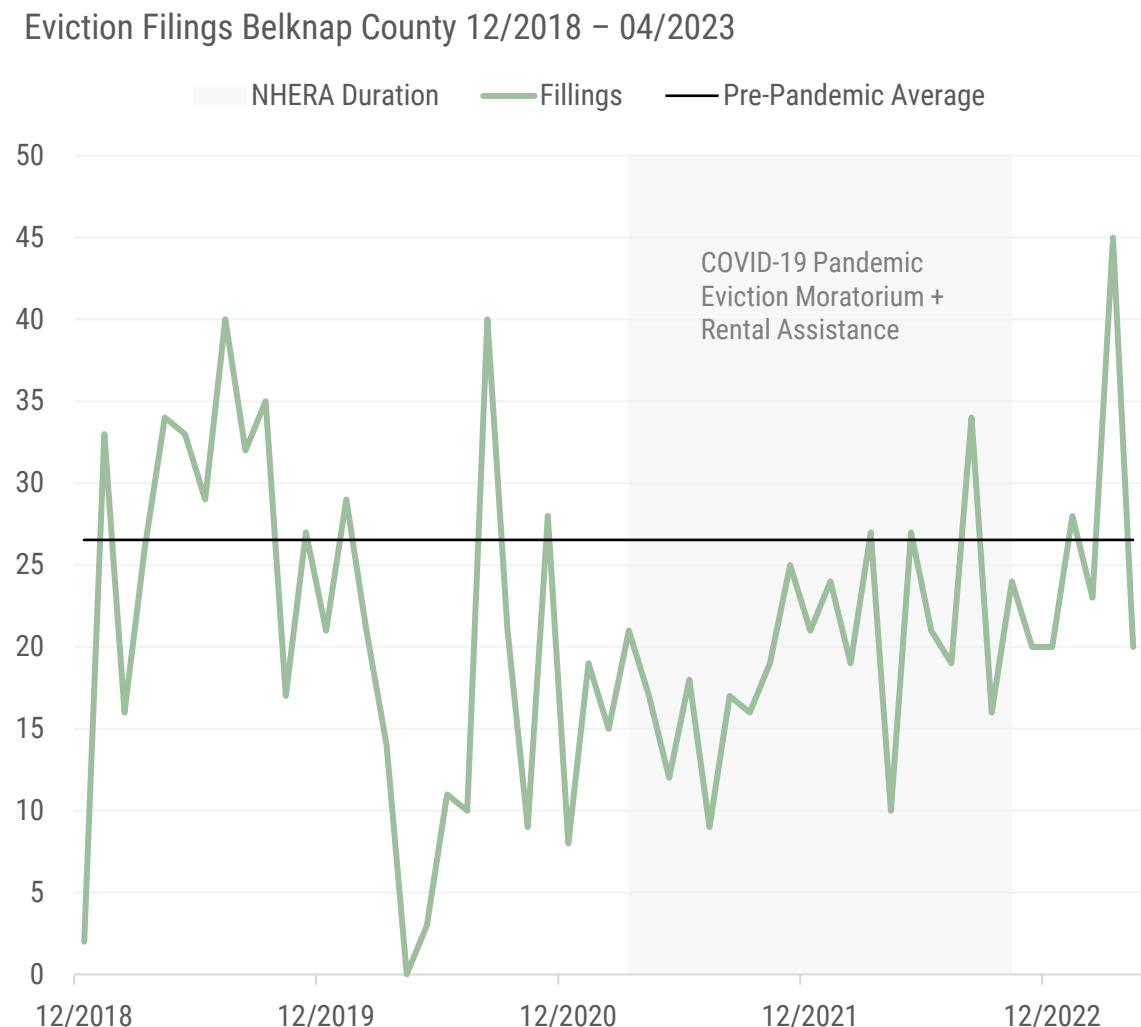


# AFFORDABILITY GAP - EVICTIONS

Throughout New Hampshire, Landlord-Tenant cases spiked coinciding with the end of the CDC's eviction moratorium and closure of the state's emergency rental assistance program (NHERA).

In Belknap County, eviction filings have returned to pre-pandemic levels with a spike when NHERA stopped accepting rental assistance applications in October 2022.

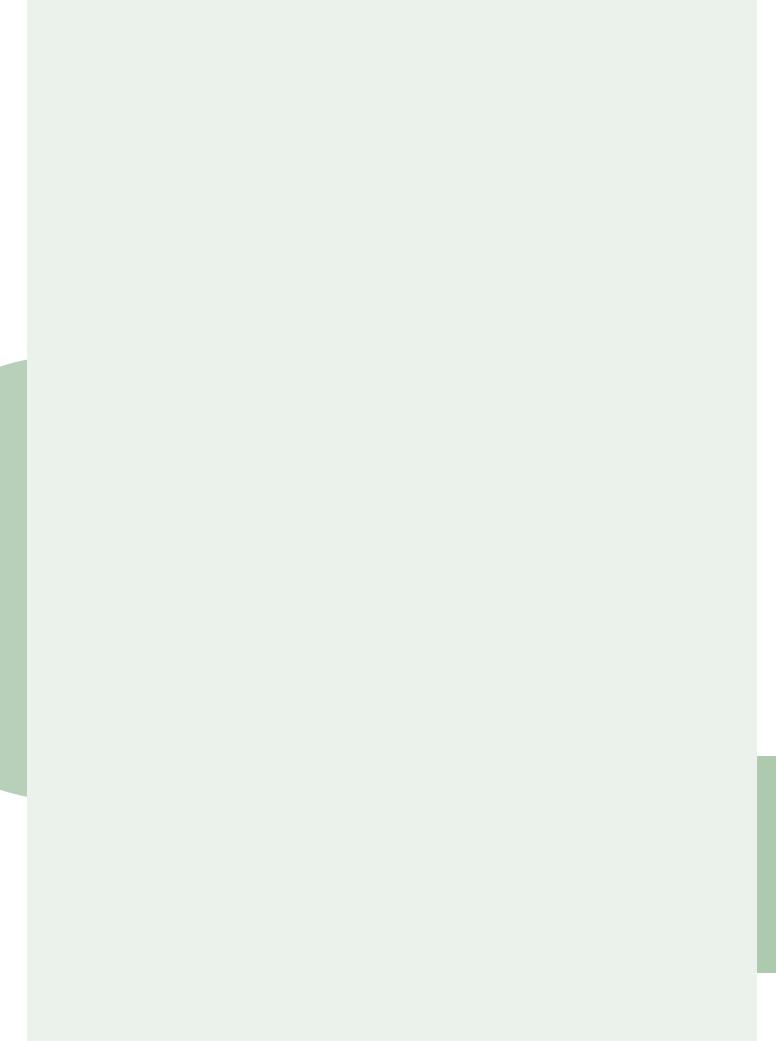
For towns such as Meredith with a limited available supply of rental housing and increases in seasonal and short-term rental options, lower income households were more prone to moving to other communities with more rental units.



# IN SUMMARY

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- The majority of renter households in Meredith earn less than \$40,000 a year making it difficult for them to afford typical month rents in town.
- Owner households have higher incomes on average and have less difficulty affording the purchase of a home compared to renter households that may be looking to purchase a home.
- The largest gaps in Meredith's housing market are units priced to households at or below 50% of AMI. Many of these units have seen rapid price escalation over the past decade as well as shifting from year-round ownership to seasonal or investor-owned properties.
- Units in this price are those most likely to support the people who work in Meredith at tourism and service businesses and cannot afford to rent or own homes priced to households at 80% of AMI and above. As housing prices continue to climb without the infusion of more affordable units, residents and employees will find it more difficult to live in Meredith.





## **SUMMARY OF CHALLENGES**

MEREDITH HOUSING NEEDS ASSESSMENT

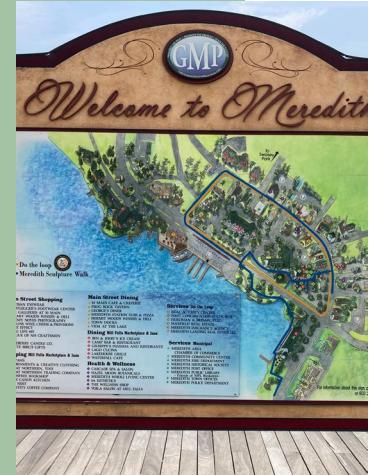
# CHALLENGES

Meredith, like many smaller New England towns with a very desirable second home market, saw rapid price escalation of both ownership and rental units during the pandemic. The town was already challenged with a tight housing supply given the number of seasonal homes as a share of its overall housing stock, but the pandemic brought a rapid escalation in sale prices and additional interest from investors looking to capitalize on the increased popularity of short-term rentals.

While new housing units have been built in Meredith over the past decade, the demand for housing also continued from the year-round population and changes in household size and composition. The combination of population growth and more smaller households adds to the need for housing units and likely a different mix of housing types.

As housing demand and prices continue to rise, it is becoming more difficult for lower income households to remain in Meredith. This impacts existing residents on fixed incomes as well as the business community's ability to attract and retain workers whose annual earnings are well below the town's median income.

Without new affordable housing options, the pressures on existing housing stock will continue to grow as will the price of both owner and rental units.



# CREDITS

## Photo Credits:

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Meredith Housing Needs Assessment  
August 2023

