

# Housing and Demographics

Town of Newmarket Master Plan: *Statistical Analysis Draft*





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## Introduction

The Housing and Demographics chapter is intended to provide a “30,000-foot” level analysis of trends related to housing demand and supply, population demographics, and basic economic characteristics. Comparative analyses between the Town of Newmarket, Strafford Regional Planning Commission planning region, and State of New Hampshire are provided as a contextual tool for informing readers. While this chapter does provide a snapshot view, it is not a comprehensive study.

Findings are based largely on 2010 decennial Census 100% Count datasets, with support from American Community Survey 2012 and 2013 5-Year Estimates. Local 2014 Assessing Data was also employed. American Community Survey Estimates, as a sample-derived dataset, present high margins of error and therefore limited accuracy. As a result, estimates related to demographics, housing, and economic characteristics should be treated carefully by those reviewing this document. In many instances these data represent the best available information, and are therefore the basis for many elements of analysis within this chapter.

This chapter is intended to provide decision makers with the best possible available information for making choices for Newmarket. The above qualifications represent why the best possible information may be neither precise nor accurate enough to arrive at definitive and/or conclusive results. The analyst’s interpretation of these datasets must be considered when reviewing this chapter.

## Geographic Definitions

### Rockingham County

Rockingham County is located in the southeastern portion of the State of New Hampshire, to the west of Maine and north of Massachusetts.

### Strafford Region

The Strafford Region is comprised of 18 communities ranging from Wakefield in the north, Northwood to the west, Newmarket to the south, and Rollinsford to the east.

### State of New Hampshire

New Hampshire is located within the New England region. Bounded by Maine, Massachusetts, Vermont, and Canada, it is the fifth smallest state by land area and ninth smallest by population.

### Portsmouth- Rochester, NH HFMR Area

HUD Fair Market Rent Area or HFMR is a HUD housing data analysis geography for use in regional housing analyses. The Portsmouth-Rochester HFMR is comprised of: Brentwood, East Kingston, Epping, Exeter, Greenland, Hampton, Hampton Falls, Kensington, New Castle, Newfields, Newington, Newmarket, North Hampton, Portsmouth, Rye, Stratham, Barrington, Dover, Durham, Farmington, Lee, Madbury, Middleton, Milton, New Durham, Rochester, Rollinsford, Somersworth, and Strafford



# Population Characteristics

## Historic Population

In the years between 1960 and 2010 Newmarket grew at rapid, yet consistent pace. In this fifty year period Newmarket's population increased in total by 183%, an average of 1,157 residents per decade. Rapid 50-year growth was not unique to Newmarket, in the SRPC region and state, populations grew 123% and 117% respectively. However, Newmarket and the Seacoast's greater rate of growth placed an additional strain on the communities to provide services for a rapidly increasing population.

**Figure X: Historic and Projected Population 1960-2040**

Source: RLS, OEP, Census Bureau





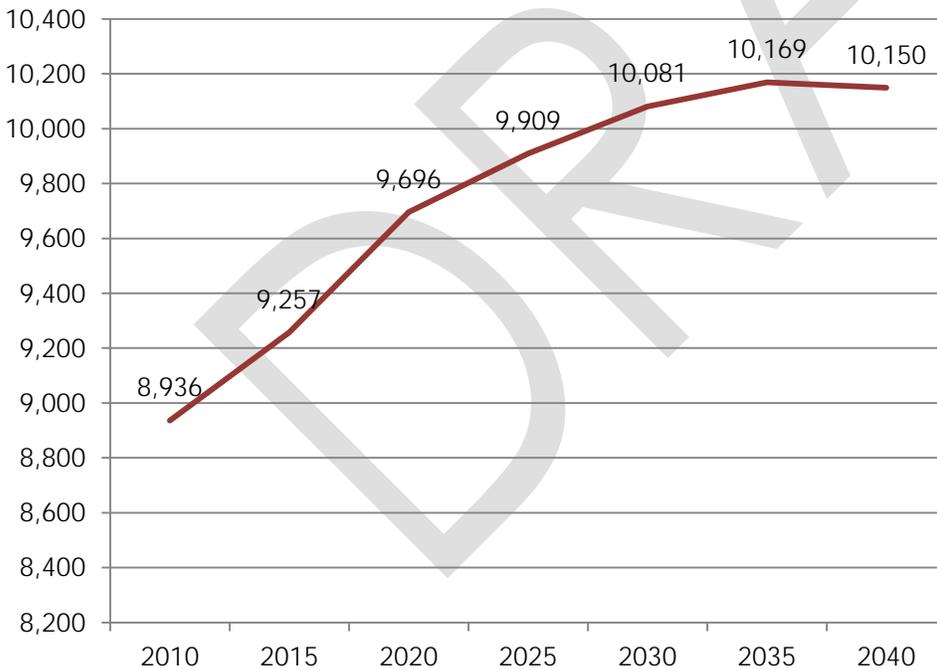
## Population Projections

Population projections are vital to an understanding of potential future demands on housing, infrastructure, and services within a community. The Office of Energy and Planning, in partnership with New Hampshire's nine Regional Planning Commissions, completed population projections in the spring of 2014 on both a county and municipal level through year 2040. The methodology for these projections can be found at right.

These projections estimate that Newmarket is expected to grow by an average of 405 residents per decade through 2040. Between 2010 and 2040, this will result in an overall population growth of 14%, nearly twice the projected rate for the state of New Hampshire. On a larger scale, the Strafford region is and will continue to be the fastest growing region in the state, and is expected to grow on pace with Newmarket, a 13% increase in the 30-year projection period. It should be noted that in the 5-year period between 2035 and 2040, Newmarket's population is expected to decrease.

**Figure X: Newmarket Projected Population**

Source: RLS, OEP



**Methodology: Municipal Population Projections**

The projections are done in five-year intervals, and are consistent with the county population projections in the report titled: State of New Hampshire, Regional Planning Commissions, Office of Energy and Planning - County Population Projections, 2013 By Age and Sex.

The method used to develop these municipal level projections starts with the above forecast for total population for each county in New Hampshire. Because these numbers are controlled to the county and state projections, these numbers are considered reasonable in the aggregate as well as at the local level.

Next, the town/city share of county population in the 2010 Census (with the Census revisions) was developed and compared to the 2000 Census share of county population for each town/city in that county.

This analysis revealed that the share of each municipality's population (relative to the county) has been changing over time. To confirm the observed trend, municipal shares of the county population were examined for the Census years 1970, 1980, and 1990. That analysis confirmed the observed trend in changing shares over time.

The methodology used to allocate the county population projections to the municipalities assumes that the 2000 to 2010 shift in share (municipality as a share of the county) will continue into the year 2020. The method attempts to account for a community's share of the county's recent population change, rather than assuming an unchanging share of the county's total population.

Next, that share of the municipality's population relative to the county's population is frozen at the 2020 share level (held constant) through the remaining 20 year projection period (2020 to 2040).

Source: NH Office of Energy and Planning



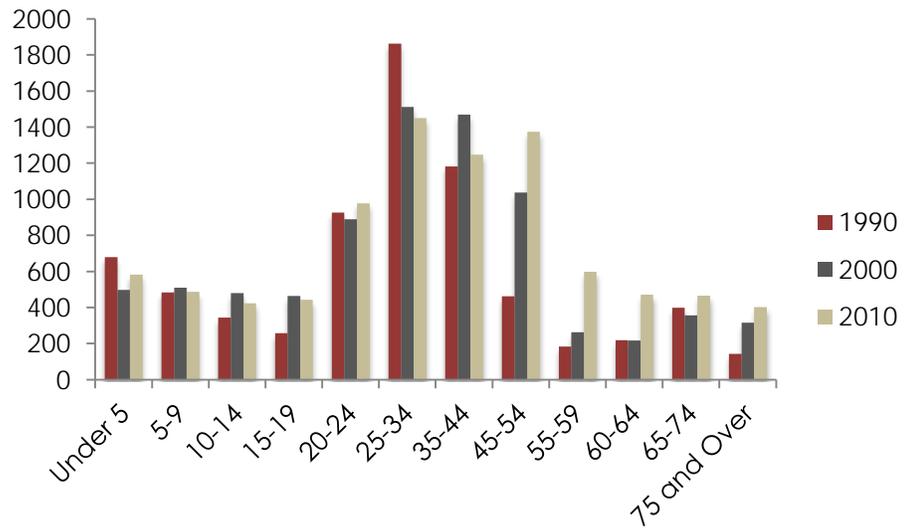
## Age Cohorts

### Overall Trends

In the two decades between 1990 and 2010, two significant population trends emerged in Newmarket: a significant decline in 25-34 age individuals and an observable increase in age cohorts 45 and above. This aging population trend is occurring across many of New Hampshire’s communities. Dubbed the ‘silver tsunami’ by demographers and planners, this ‘tsunami’ is the product of the shifting of baby-boom generation individuals into older age cohorts. The impact of this trend is discussed in depth later in this chapter.

**Figure X: Age Cohorts**

Source: Census Bureau



### Age Cohort Details

In parallel with the 2001 Master Plan Population Chapter, the following age cohort discussion is divided into four age groups: preschool, school-age, labor-force, and elderly.

#### Pre-school Population

The pre-school population (0-5 years old) increased by 17% in the decade between 2000 and 2010. However, this cohort has decreased in size since the 1990 Census.

#### School-Age Population

Age cohorts that represent ages 5-19, those typically classified as ‘school-age’, remained relatively static between 2000 and 2010. However, each cohort did decrease in size, indicative of lower birth rates and/or decreasing families within the community.

#### Labor Force Population

The 18 to 64 age group is often referred to as the labor force, although not all persons in this group are actually employed or seeking employment. Populations between 18 and 25 have remained relatively static in the past two decades. This is likely attributable to the presence University of New Hampshire students living in Newmarket, and the University’s stable enrollment growth. Nonetheless, Newmarket has historically attracted more young adults than have the adjacent communities. In Newmarket, persons from 25 to 34 years decreased by 4% in the decade between 2000 and 2010, though not as significantly as the 19% loss between 1990 and 2000. However, persons 35 to 44 years declined by 15% over the same span, the largest value decrease of any single cohort. The 45 to 54 age category experienced an increase of nearly 35% in the ten year period between 2000 and 2010, a product of the ‘silver tsunami’.

#### Elderly Population

Elderly cohorts (those ages 65 and over) grew by an astonishing 127% from 2000 to 2010.

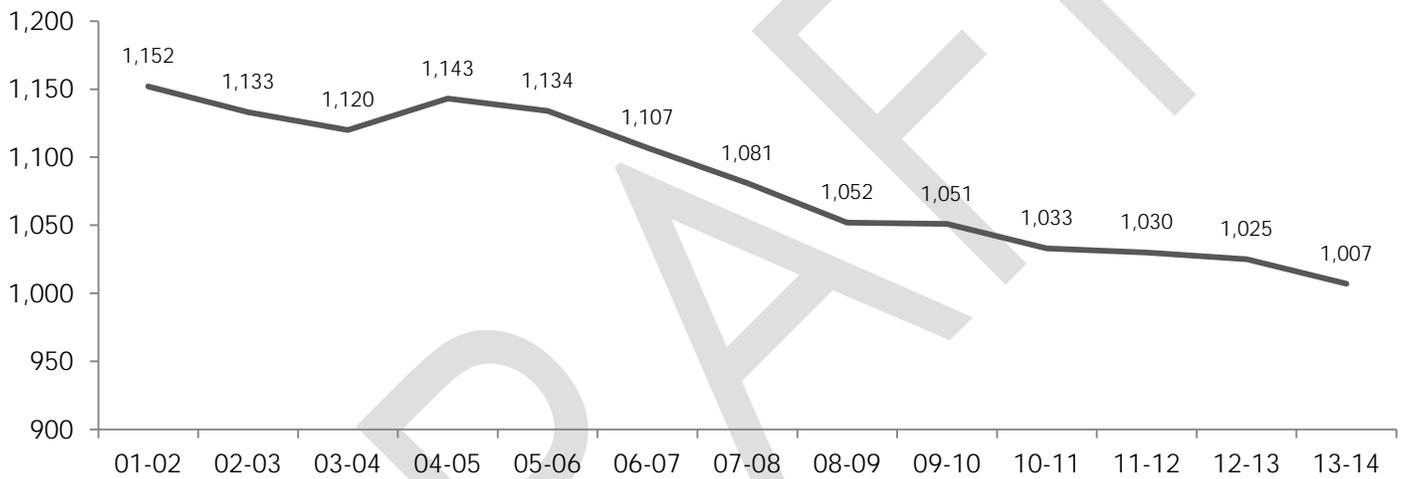


## Population and School Enrollment

Two observable demographic shifts are occurring not only in Newmarket, but across much of New Hampshire, and the nation. Though some states have been able to endure changing age demographics by attracting heavy in-migration from immigrant populations, New Hampshire’s population is rapidly aging while communities are experiencing an observable decline in families, children, and school enrollment. As part of its 2012 *Housing and School Enrollment in New Hampshire: 2000-2010-A Decade of Change* study, New Hampshire Housing and Finance Authority suggests that demographics can have a greater influence on enrollment figures than housing growth/construction. In the decade between 2000 and 2010, New Hampshire communities gained nearly 45,000 housing units, but lost nearly 21,600 school enrollees. Of the state’s 161 school districts, 130 experienced a decline in enrollment, including the Newmarket school system.

**Figure X: Newmarket School District Enrollment**

Source: NHDOE



In 2000, Newmarket, like many other communities in the State, attempted to address the cost of educating new students coming from new housing unit construction. In 2015 the demographic playing field has changed. Family households are in decline with a rapidly growing number of housing units occupied by only one person or multiple unrelated individuals living together to minimize costs, particularly in communities adjacent to Universities. Despite construction of new single-family homes and multi-family units in some New Hampshire communities, these projects typically produce only .64 and .17 students per unit respectively. Declining or stagnating enrollment, once considered a goal of some communities like Newmarket, is now costing taxpayers more as they work to pay for fixed education costs like maintenance and staffing, of particular importance in Newmarket with its current education infrastructure planning challenges. Furthermore, state-funding, often based on a student-enrollment funding formula, is also declining.

With slow growth projected for much of New Hampshire, enrollment numbers are not expected to return to 1990-2000 levels. Many school districts now have a surplus of capacity and shortage of demand that must be addressed. Communities must begin to take action to improve the overall fiscal health of their education system by addressing the provision of affordable and attractive family housing stock that will increase property tax revenues. Newmarket is no exception.

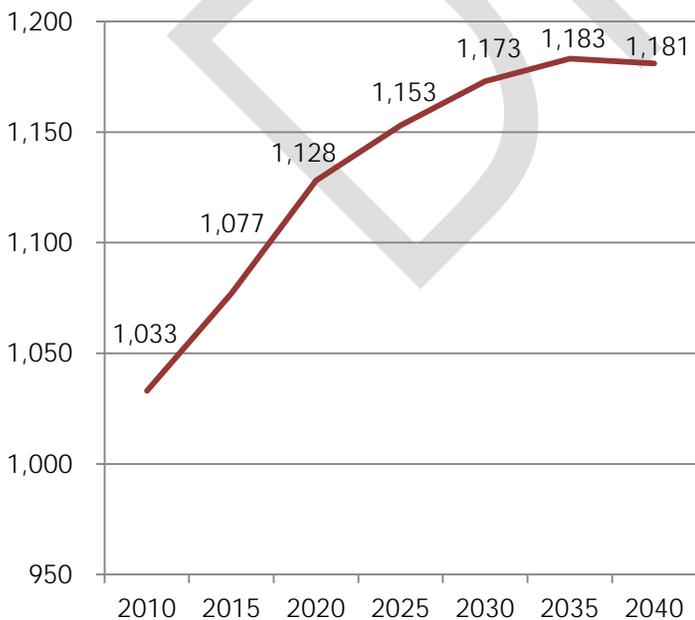


## Enrollment Projections

The projections below for the Newmarket school district are intended to account for the changes in young families as well as change in population anticipated by the OEP 2010-2040 projections. For a detailed methodology describing the assumptions and equations used here, please see the box at right.

SRPC's Newmarket enrollment projections suggest a growth in enrollment that continues until 2035, whereupon enrollment numbers are expected to drop in parallel with population projections. Between 2010 and 2040 Newmarket's 14% total population projected growth rate will be paralleled by a growth rate of 14% in enrollment.

**Figure X: Projected Enrollment**  
Source: NHDOE, SRPC



## Methodology: Newmarket School Projections

### Enrollment Projection Methodology:

*Stafford Regional Planning Commission, in an effort to understand the potential long-term implications of changing demographics, conducted Newmarket School District enrollment projections to year 2040 on a 5-year basis. These projections were built using the work of the New Hampshire Office of Energy and Planning, RLS Demographics, and New Hampshire nine Regional Planning Commissions.*

*The first step in the projection process is to understand the change in family-age population (25-54 year old individuals) from 2000 to 2010. SRPC discovered that Newmarket's total family-age population had increased by 1.29% in this period. In order to create 5-year a projection, this percentage was then halved, resulting in a 0.65% 5-year growth rate in family age adults. For the purposes of the projections, SRPC assumed that a 0.65% growth in family age population will continue for each 5-year period out to 2040.*

*As a next step, SRPC determined the 2010 ratio of family age population to total Newmarket population. Approximately 46% of Newmarket's total population qualifies within these cohorts. For the purposes of the projections, SRPC assumed a 46% family population make up, out to year 2040.*

*With the previous elements complete, SRPC calculated future Newmarket School District enrollment by multiplying the OEP total population projection for each 5-year period by the both 46% family-total population ratio and 0.65% growth rate to determine family age population. This family age population was then multiplied by the previous 5-year period's ratio of family-age population to enrollment. For example:*

*2015 OEP Population Projection: 8,936*

*8,936 \* 0.46 = 4,074 (family-age population with no loss)*

*4,074 \* .99354 = 4,100 (family-age population with 0.65% growth)*

*4,100 \* (1,033 / 4,074) = 1,077 (family age population multiplied by ratio of students to family-age population from 2010)*

*Newmarket Projected 2015 Enrollment = 1,077 Students*

*Source: SRPC*



## Income and Employment Characteristics

For detailed information on Median Household Income, Per Capita Income, and Income Groups, please see Table X on page 10.

### Median Household Income

Newmarket's median household income has remained slightly lower than the SRPC region(5%), and an average of 10% lower than that of the State of New Hampshire over the period between 1990 and 2013. In this period, the Town's household income grew from \$32,348 in 1990, to \$46,058 in 2000, to a value of \$57,429 in 2013 – a 20-year overall growth of 56%.

Note\* 2013 figures are extracted from American Community Survey estimates while 1990 and 2000 figures are extracted from Census Bureau 100% count datasets

### Per Capita Income

Newmarket's per capita income doubled in the twenty years between 1990 and 2010. Newmarket's median per capita income has been historically higher than the SRPC planning region, likely because of its proximity to more affluent Rockingham County and the communities of Exeter and Portsmouth. Newmarket is however lower than the state of New Hampshire. This is likely the product of the high count of University of New Hampshire students reporting low incomes within Newmarket.

### Income Groups

Newmarket's income group classification growth illustrates a surprising shift away from middle income residents, towards concentrations of very low and very high income individuals. Although the majority of Newmarket's residents still report in the 'middle' incomes (\$25,000-\$75,000), between 2000 and 2013 the Town saw a 236% increase in households reporting \$100,000 of income or greater. Interestingly, in the same period, the community witnessed a 60% increase in those making less than \$10,000. It is likely that this change is the result of an increase in UNH student residents.



2014 Poverty Rate Threshold: \$23,850

**Table X: Historic Median Household Income and Per Capita Income**

Household Income Group				Change		Percent Change	
	1990	2000	2013	1990-2000	2000-2013	1990-2000	2000-2013
Less than 10,000	311	210	337	-101	127	-32%	60%
10,000-14,999	165	231	105	66	-126	40%	-55%
15,000-24,999	487	446	267	-41	-179	-8%	-40%
25,000-34,999	592	368	346	-224	-22	-38%	-6%
35,000-49,999	689	604	509	-85	-95	-12%	-16%
50,000-74,999	523	825	752	302	-73	58%	-9%
75,000-99,999	92	410	444	318	34	346%	8%
100,000 or more	65	279	937	214	658	329%	236%
Total Households	2,924	3,373	3,697	449	324	15%	10%
<b>Town of Newmarket</b>							
Median Household Income	32,348	46,058	57,429	13,710	11,371	42%	25%
Per Capita Income	15,078	22,085	32,244	7,007	10,159	46%	46%
<b>Newmarket as Percentage of SRPC Planning Region</b>							
Median Household Income	98%	93%	85%	-6%	-8%	-6%	-8%
Median Per Capita Income	111%	101%	102%	-10%	1%	-9%	1%
<b>Newmarket as Percentage of State of New Hampshire</b>							
Median Household Income	89%	94%	88%	4%	-5%	5%	-5%
Median Per Capita Income	94%	92%	97%	-2%	5%	-2%	5%

Source: Census Bureau, American Community Survey  
\*Figures in USD

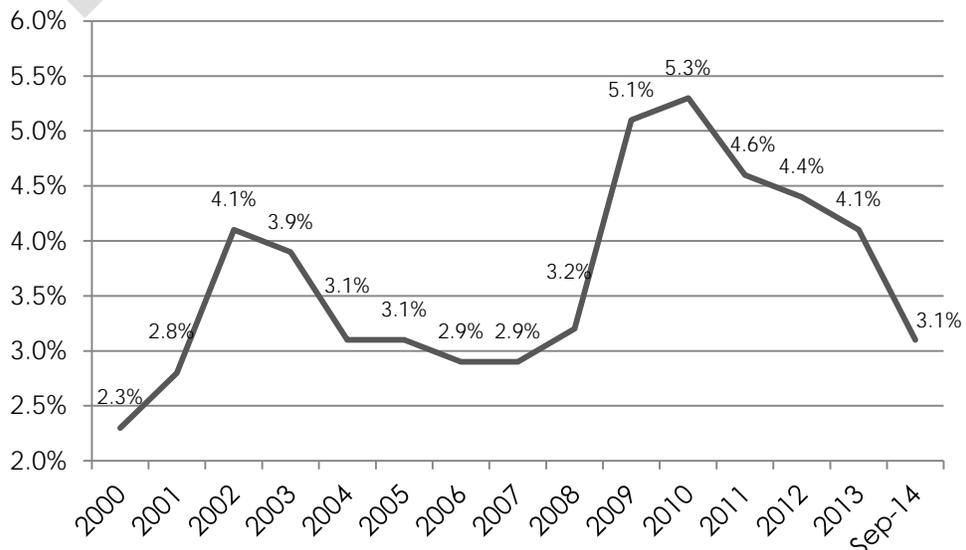
## Unemployment

Like all communities across the state of New Hampshire and United States, Newmarket felt the impacts of the Great Recession in the mid-late 2000's. In the one year between 2008 and 2009, unemployment spiked from 3.2% to 5.1%.

Much like national and state values, Newmarket's unemployment rates have recovered in the last five year span to a September 2014 low of 3.1%.

**Figure X: Newmarket Unemployment Rate**

Source: New Hampshire Employment Security

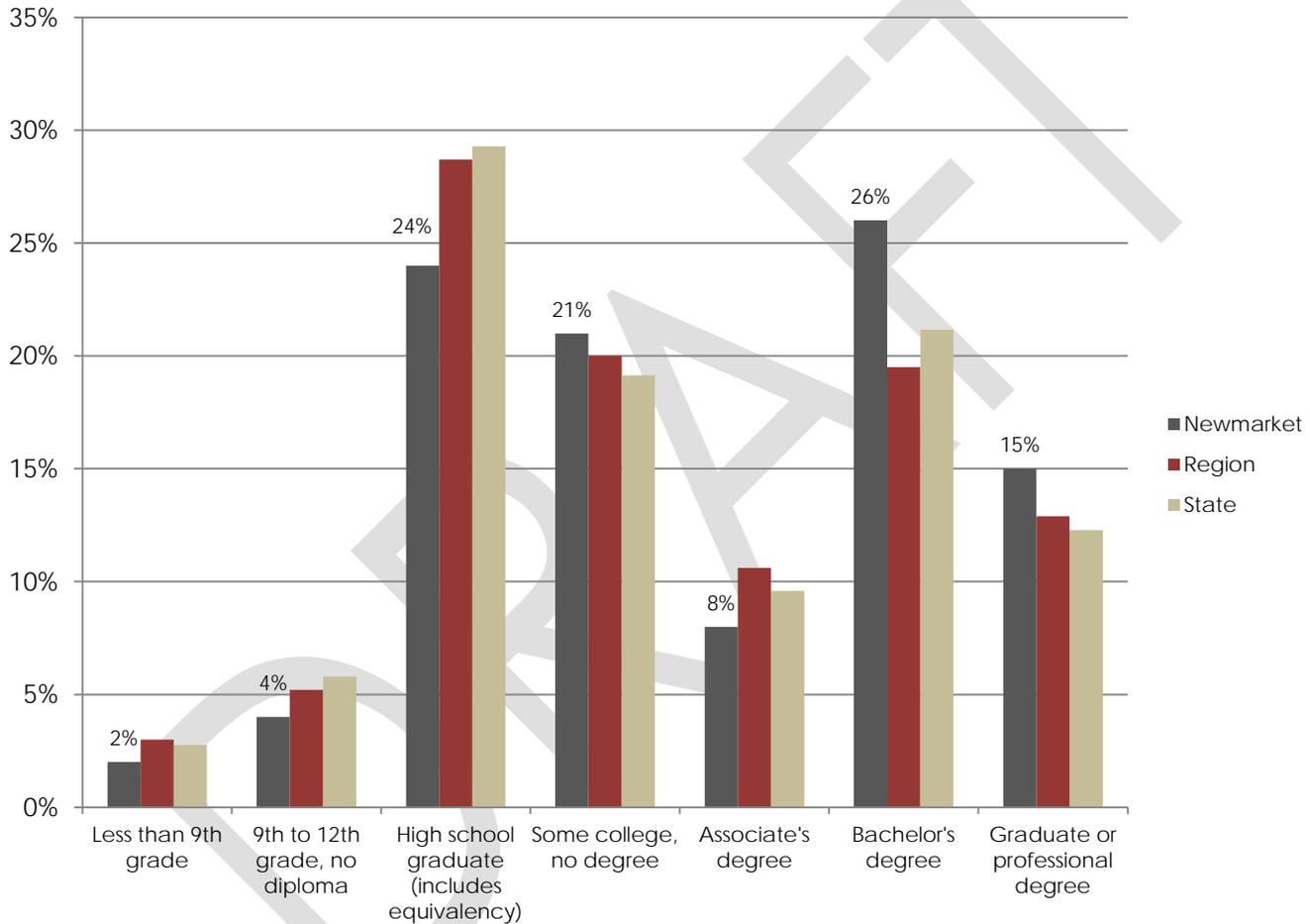




## Educational Attainment

Newmarket has a significantly higher percentage of individuals with a bachelor degree or higher in comparison to the state of New Hampshire. This is likely due to the Town's proximity to the University of New Hampshire, an engine for regional employment and education. Many of Newmarket's adjacent communities also display highly educated population bases, providing them with a real competitive economic advantage.

**Figure X: Educational Attainment**  
Source: American Community Survey 2013





### Employment Class

In the table at right, Newmarket and Rockingham County industry employment shares are presented. Significant variability is present in Wholesale Trade, Arts & Entertainment and food services, and Finance & Insurance.

One-quarter of those surveyed work within the Education services, healthcare, and social assistance fields. Concentrations are also present in manufacturing, retail trade, professional, scientific, and management services, and arts & entertainment at both the County and Municipal levels.

**Table X: Industry Share**

	Newmarket	Rockingham County
Agriculture, forestry, fishing and hunting, and mining	0.00%	0.60%
Construction	5.30%	7.10%
Manufacturing	12.30%	12.50%
Wholesale trade	6.10%	3.80%
Retail trade	13.80%	13.30%
Transportation and warehousing, and utilities	4.20%	4.40%
Information	2.70%	2.60%
Finance and insurance, and real estate and rental and leasing	2.70%	6.70%
Professional, scientific, and management, and administrative and waste management services	11.80%	11.20%
Educational services, and health care and social assistance	25.00%	22.00%
Arts, entertainment, and recreation, and accommodation and food services	11.20%	7.80%
Other services, except public administration	2.60%	4.50%
Public administration	2.30%	3.80%

Source: American Community Survey 2013

### Employment by Industry

Newmarket, in the 10-year period between 2002 and 2012, experienced decreases in all industry employment, with the exception of federal, state, and local government, according to New Hampshire Employment Security. Overall employment decreased by 16%, a result of the recession and changes in Newmarket's demographics, particularly a shift towards more college-age residents.

Goods producing industries were particularly strongly impacted, with a 42% loss over the sample decade. Meanwhile, service producing industry employment decreased by 14%. Together making up the classification of Private Industry, Service and Goods Producing Industries together represented a 24% overall employment loss, despite a 31% increase in wages.

**Table X: Employment By Industry**

	2002	2012	Change 2002-2012	%Change 2002-2012
<b>Goods Producing Industries</b>				
Average Employment	406	235	-171	-42%
Average Weekly Wage	\$764	\$956	+\$192	+25%
<b>Service Providing Industries</b>				
Average Employment	780	668	-112	-14%
Average Weekly Wage	\$477	\$682	+\$205	+43%
<b>Total Private Industry</b>				
Average Employment	1,186	903	-283	-24%
Average Weekly Wage	\$575	\$753	+\$178	+31%
<b>Government (Federal, State, and Local)</b>				
Average Employment	299	337	+38	12%
Average Weekly Wage	\$562	\$731	+\$169	+30%
<b>Total, Private plus Government</b>				
Average Employment	1,484	1,240	-244	-16%
Average Weekly Wage	\$573	\$747	+\$174	+30%

Source: New Hampshire Employment Security



## Major Employers

Newmarket is home to few large employers both in the context of region and state. Education and healthcare service industries dominate the employment cluster data within the Town of Newmarket. The Town's two largest employers are the Newmarket School District and Lamprey Healthcare. The majority of Newmarket's residents work in adjacent communities or in employment centers in the greater region. For more information, please see the Commute Patterns section below.



Lamprey Healthcare – Source: angieslist.com

**Table X: Major Newmarket Employers**

Business Name	Type	Number of Employees
SAU 31	School district	146
Lamprey Health Care	Medical services & programs	67
Seacoast Sports Center	Physical education facility	47
Town of Newmarket	Municipal services	55
Russounds	Audio, video, & multi-room systems	16

Source: New Hampshire Employment Security

## Commute Patterns

2011 American Community Survey estimates suggest that of individuals with primary employment within Newmarket, 80% commute from outside of the Town. The remaining 20% both live and work within Newmarket.

ACS estimates indicate that 92.4% of Newmarket residents commute outside of the community to primary employment, many to one of the primary major employers listed below.

### Major Regional Employers

- *City of Portsmouth* - Portsmouth 1,542
- *Insight Technology, Inc.* - Londonderry 1,300
- *Portsmouth Consular Center* - Portsmouth 1,265
- *Portsmouth Regional Hospital* - Portsmouth 1,040
- *Liberty Mutual Insurance* - Portsmouth 1,013
- *Next Era* - Seabrook 1,000
- *Exeter Hospital* - Exeter 900
- *Lonza Biologies*-Portsmouth 772
- *Timberlane Regional School District* - Plaistow 740
- *Rockingham County Home & Jail*-Brentwood 690
- *Timberland* - Stratham 650
- *Derry Cooperative School System* - Derry 600
- *Fox Run Mall* - Newington 600
- *Wal-Mart* - Raymond 600
- *Sig Sauer* - Newington Manufacturing 600
- *University of New Hampshire* - Durham 4,077
- *Liberty Mutual* - Dover 3,500
- *City of Rochester* - Schools Rochester 1,155
- *City of Dover* - Dover 1,139
- *Wentworth-Douglass Hospital* - Dover,100



# Housing

Elements of this housing component are based upon the population and income characteristics and projections detailed above. An intimate understanding of the relationship between housing, demographic, and income traits is integral in gaining a complete picture of the past, present, and future of Newmarket. Within this section you will find information related to housing availability, affordability, quality, suitability, and of course, viability. Together these elements forge a strong foundation upon which goals and recommendations for the future of Newmarket’s housing stock can be built.

The average lot size for single family homes in Newmarket is approximately 1.37 acres. Housing stock age varies, though the average year of construction for single-family units is 1964 and median construction year is 1985. Assessing data also indicate a median total parcel and structure value of approximately \$253,558.

## Household Type

The Town is home to 3,857 total recorded housing units, though 6.8% of these units were vacant of 2010. Occupied housing units are composed of 2,100 owner-occupied units and 1,757 renter occupied units as identified by the Census Bureau.

In the period between 1990 and 2010, Newmarket saw an 18% increase in owner occupied units and a 10% increase in renter occupied units. Unfortunately, during the same period, the community experience a 262% increase in vacant housing units.

Table X: Housing Unit Type						
	1990	2000	2010	Total Change 1990-2010	Percent Change 1990-2010	Composition 2010
Total Housing Units	2400	3457	4139	44%	20%	100.00%
Occupied Units	2079	3379	3857	63%	14%	93.19%
Vacant Units	321	78	282	-76%	262%	6.81%
Owner-Occupied Units	871	1779	2100	104%	18%	50.74%
Renter-Occupied Units	1208	1600	1757	32%	10%	42.45%

Source: Census Bureau



## Family Households

There has been an observable change in family households in the study period between 1990 and 2010 decennial censuses. Although family households have increased by value, of the 2,400 total households reported in the 1990 Census, 77% were self-identified as family households. Twenty years later, 2010 Census figures reveal that only 54% of total households are now classified as ‘family’. This decrease in family household composition during the study period represents the larger trend of population loss in the 25-44 age cohorts, those that traditionally represent family-age individuals.

Table X: Family Households			
	Family Households	Total Households	Percentage Family Households
1990	1848	2400	77%
2000	1949	3457	56%
2010	2219	4139	54%

Source: Census Bureau

## Household Size

Household size change calculations from 1990 to 2010 indicate, in concert with population statistics, that Newmarket has experienced a shift in housing formation moving towards smaller households, with fewer children in-home as baby-boom generation individuals become ‘empty-nesters’. While experiencing 57% and 39% growth in 1 and 2 person households respectively between 1990 and 2010, a minimal growth of 24% and 7% growth in 3-Person and 4-Person households was observed (those typically indicative of families). As of 2010, Newmarket’s owner/renter occupied unit composition indicates a concentration (65% of all units) of one and two-bedroom units. Interestingly, in the 1990, 2000, and 2010 Censuses, this concentration was relatively static, a trend that is unique to Newmarket in the region.

Table X: Household Size								
	1-Person	2-Person	3-Person	4-Person	5-Person	6-Person	7-Person+	Total
<b>Total Occupied Units</b>								
<b>2010</b>	1068	1450	683	451	144	38	23	3857
<b>2000</b>	929	1230	564	435	178	30	13	3379
<b>1990</b>	682	1044	553	423	157	29	10	2898
<b>2010 Total Occupied Unit Composition</b>								
	28%	38%	18%	12%	4%	1%	1%	100%

Source: Census Bureau



## Housing Unit Vacancy

The Town has exhibited variable housing unit vacancy numbers, dropping from 387 vacant units in 1990, to only 78 units in 2010, a 496% decline (a result of vacancy classification changes). In the years between 2000 and 2010, which included the economic crisis of the mid-late 2000's, vacant unit counts increased by 262%. During the decade, all vacancy classifications increased, with the largest percentage increase occurring in "For Sale" units.

**Table X: Housing Unit Vacancy by Type**

	Total Housing Units	Vacant Housing Units	Vacancy Type					Rented or sold, not occupied
			For Rent	For Sale	For seasonal, recreational, or occasional use	For migratory workers	Other vacant	
<b>2010</b>	4139	282	150	41	28	0	47	16
<b>2000</b>	3457	78	30	6	20	0	17	5
<b>1990</b>	2400	387	299	45	8	0	26	9

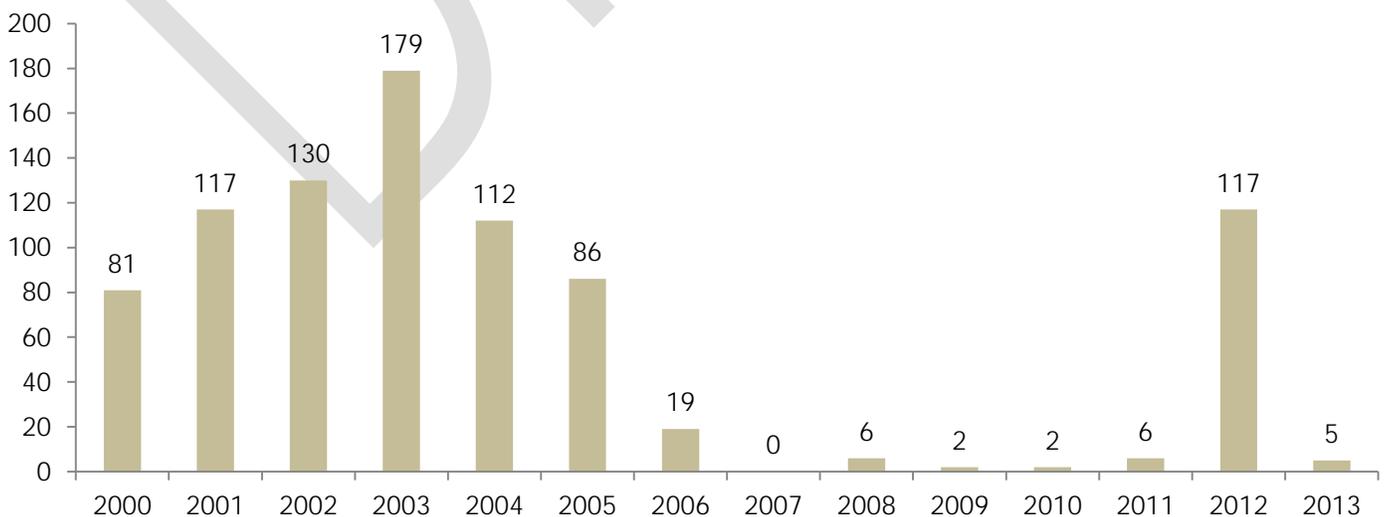
Source: Census Bureau

## Building Permits

In the past 13 years, Newmarket has experienced variable residential construction. New Hampshire Office of Energy and Planning building permit data (reported by the Town of Newmarket) show a total of 724 total residential units constructed between 2000 and 2006. In comparison, the period between 2007 and 2013 saw the construction of a mere 138 units, many of which were part of the mill redevelopment project in the downtown area (permitted in 2012). This decline in construction was largely the product of market conditions during the recession of the mid-late 2000's and the accompanying high unemployment, layoffs, and a real-estate 'crash'.

**Figure X: Newmarket Residential Building Permits 2000-2013**

Source: NHOEP





### Assessed Home Values

The chart below, extracted from Newmarket assessing data, represents a plot of home values within the community. The majority of housing units, with parcel and structure, fall between \$100,000 and \$300,000 in value. However, all values range between a low of \$1 (likely an assessing database error) and a high of \$1,693,837.

### Table X: Base Residential Statistics

Median Parcel Value	\$253,558
Mean Parcel Value	\$212,500
Average Year Built	1964
Average Acreage	1.37 Acres
Median Year Built	1985
Median Acreage	0.4 Acres

Source: Newmarket Assessing Database

**Figure X: Newmarket Assessment Values**  
Source: Newmarket Assessing Database



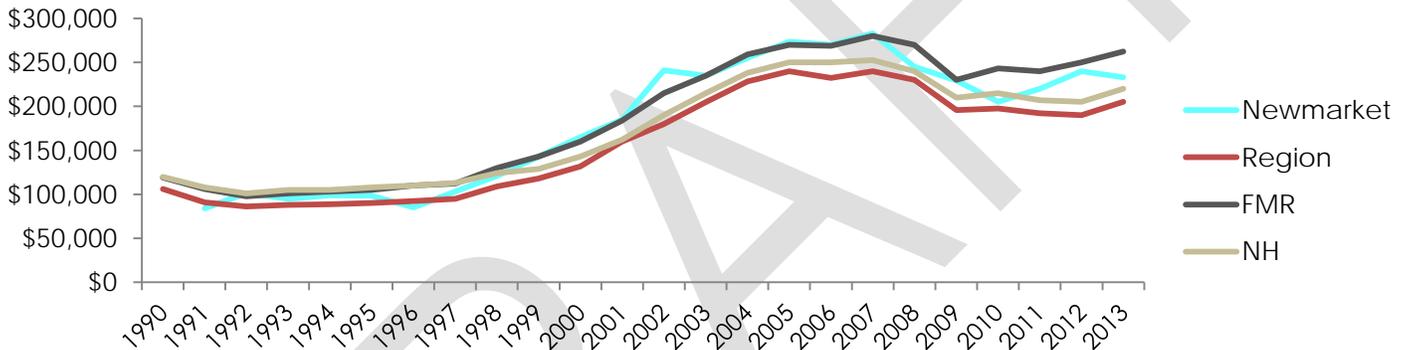


## Purchase Prices

Unfortunately, local assessing data cannot be used to compare Newmarket home values to state, regional, and housing area historic annual statistics; New Hampshire Housing Finance Authority datasets do allow for this analysis, and are used in the chart below. Over the past two decades of New Hampshire Housing Finance Authority data, Newmarket's median purchase prices have been consistently higher than regional and state values. In comparison to the Portsmouth-Rochester HFMR, Newmarket's values have been variable. The Strafford region, which includes Strafford County, southern Carroll County, and northern Rockingham County communities, has consistently represented the lowest home values of these geographies. As of 2013, Newmarket's median purchase price is nearly \$60,000 greater than that of the region. Interestingly, the 2013 median purchase price of \$233,000 is extremely close to the Newmarket assessing database median home value of \$253,558.

**Figure X: Annual Median Purchase Price**

Source: NHHFA

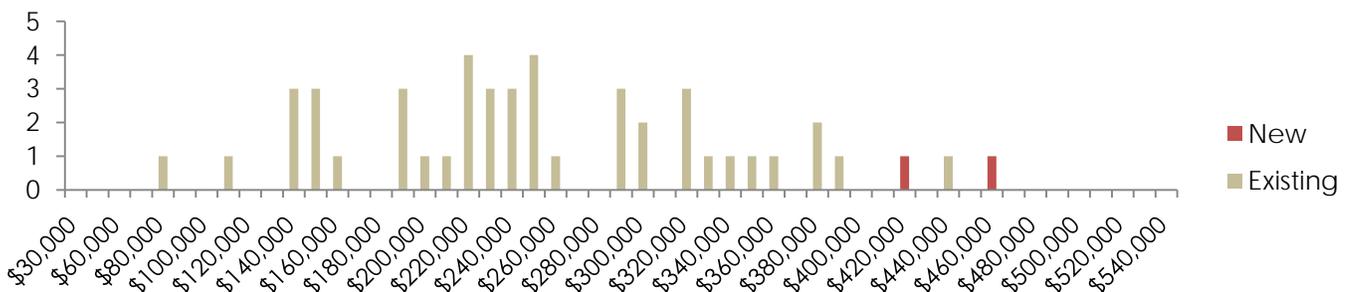


## Purchase Price Frequency

New Hampshire Housing Finance Authority records a majority of home purchases/sales within each community including both single-family and condominium units. These data provide an opportunity for a snapshot-in-time analysis of the existing housing market. In 2013, 47 total purchases ranged from a minimum of \$80,000 to a maximum of \$460,000. In concert with Newmarket assessing data, the majority of sales occurred in the \$100,000 and \$300,000 range, with few outliers. The most frequent purchase price range for the year 2013 was between \$220,000 and \$250,000. All new housing unit construction purchases were greater than \$400,000 in value.

**Figure X: 2013 Purchase Price Frequency**

Source: NHHFA



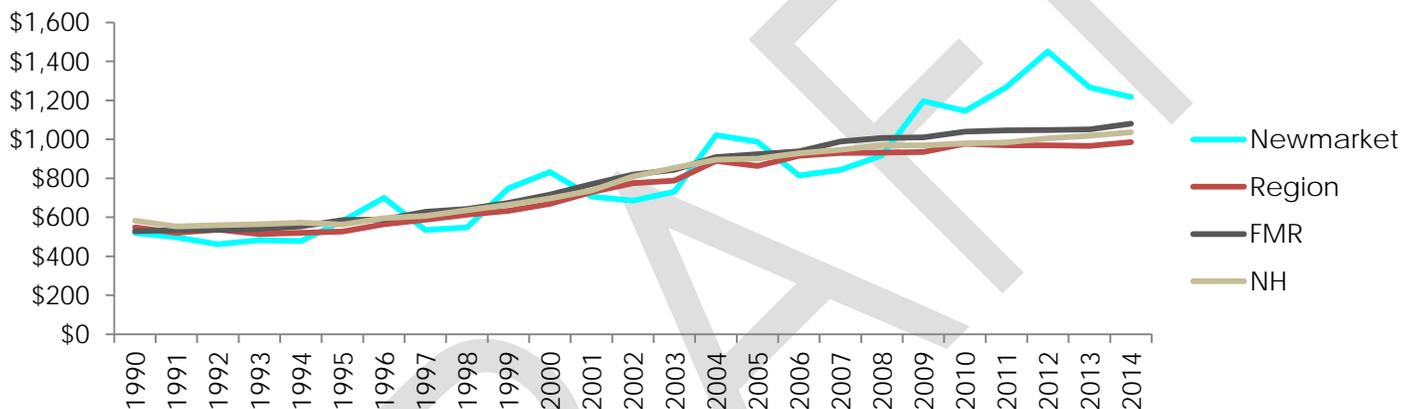


## Rental Costs

New Hampshire Housing Finance Authority, in its annual rental cost survey, collects sample data from landlords related to monthly rental prices. Unfortunately, NHHFA's sampling process excludes seasonal and student housing rentals, which have increased in prevalence in Newmarket and adjacent communities. NHHFA's data illustrate a variable Newmarket rental market in comparison to the Strafford region, Portsmouth-Rochester HFMR, and state of New Hampshire. In the last 5 years however, Newmarket's median monthly rental costs have consistently been above all three comparison geographies. Rental costs, because of Newmarket's proximity to the University New Hampshire, are likely to be higher as students tend to live in larger households with higher rental costs.

**Figure X: Annual Median Monthly Rental Cost**

Source: NHHFA

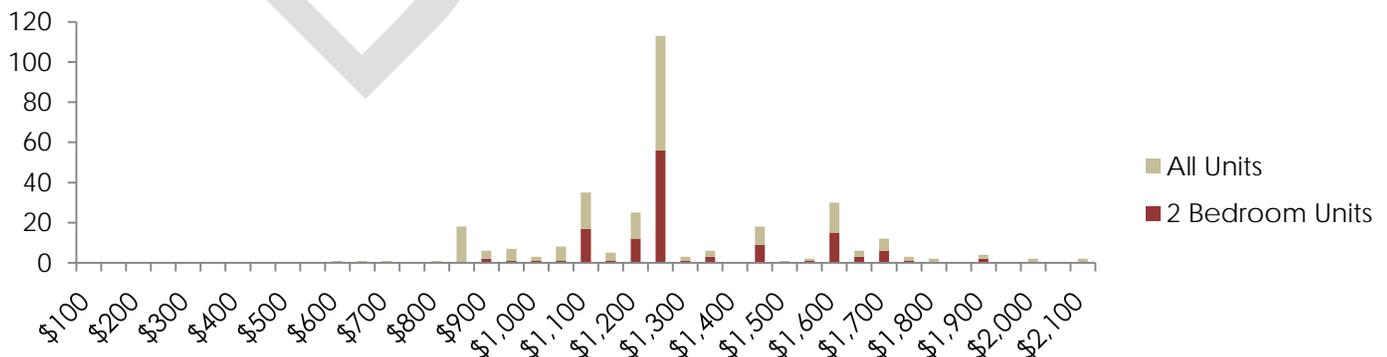


## Rental Cost Frequency

Rental cost frequency details rental survey information collected by New Hampshire Housing Finance Authority. A concentration is clear at the \$1,250 per month value for both 2-bedroom units and all other units in 2013. Few units sampled are below \$1,000 or above \$1,700 dollars per month.

**Figure X: 2013 Rental Cost Frequency**

Source: NHHFA





## Severe Housing Problems

Comprehensive Housing Affordability Strategy (CHAS) data is provided by the US Department of Housing and Urban Development in order to relay the necessity for housing assistance. These data examine severe housing problems as grouped into four categories; incomplete kitchen facilities, incomplete plumbing facilities, more than 1.5 persons per room, and the cost burden greater than 50%. Cost burden is explained as the ratio of housing costs to household income. This differs for renters and owners. For renters housing costs includes gross rent, which is contract rent plus utilities. For owners housing costs include mortgage payment, utilities, association fees, insurance, and real estate taxes.

**Table X: Percentage of Households with 1 of 4 Severe Housing Problems**

	Owner	Renter
Barrington	6%	4%
Dover	6%	10%
Durham	8%	23%
Madbury	10%	7%
Newmarket	7%	10%
Northwood	9%	1%
Rochester	6%	10%
Rollinsford	9%	9%

Source: CHAS, HUD 2006-2010

When compared to other communities in the Strafford planning region, Newmarket's prevalence of severe housing problems for both renters and owners is comparable to others communities in the Strafford planning region. Newmarket's severe housing problems may be attributed to the number of students rental units in that tend to correlate with lower household income and more individuals per room.

### Renters: Factors in Rental Cost

- Rent
- Utilities

### Home Owners: Factors in Housing Cost

- Mortgage Payment
- Utilities
- Association Fees
- Insurance and Real Estates Taxes

## Housing Cost Burden

As defined above, cost burden is the ratio of housing costs to household income dependent on different factors for renting versus owning (see diagram at right). HUD considers housing cost a 'problem' if housing payments are between 30% and 50% of the respective household's income. If payments are greater than 50% of household income, the cost burden is viewed as a 'severe problem'. The table at far right illustrates the percentage of households whose cost burden is considered a housing problem (30 to 50% cost burden) or a severe housing problem (cost burden of 50% or more).

**Table X: Housing Cost Burden**

	Housing Cost Burden >30% < 50%		Housing Burden >50%	
	Owner	Renter	Owner	Renter
Barrington	17%	3%	5%	3%
Dover	13%	12%	6%	9%
Durham	7%	7%	8%	18%
Madbury	19%	5%	6%	7%
Newmarket	11%	8%	7%	9%
Northwood	20%	1%	8%	1%
Rochester	16%	8%	6%	8%
Rollinsford	16%	1%	9%	9%

Source: CHAS, HUD 2006-2010



## Workforce Housing

The cost to purchase a home or rent an apartment in Newmarket has risen substantially over the past decade and continues to remain considerably higher than comparable costs within the region, state, and HUD Fair Market Rent area. A shortage of affordable housing has continued to be an issue of concern in Newmarket, as well as the region and the southeastern area of New Hampshire for more than twenty years. Housing affordability is a concern from both social and economic perspectives. If households are required to pay a large portion of their incomes for housing it could result in a shortage of funds for other critical needs, such as food, health care, heating, etc. Furthermore, if inadequate affordable housing is available, it can adversely affect the area's businesses and public agencies by reducing the supply of workers required to fill a variety of needed job skills.

In effort to address these issues, the New Hampshire Legislature enacted new legislation in 2008 requiring all communities to support the creation of workforce housing through their land use regulations. New Hampshire Revised Statutes Annotated (RSA) 674:59, Workforce Housing Opportunities, states the following:

"...ordinances and regulations shall provide reasonable and realistic opportunities for the development of workforce housing, including multifamily housing. In order to provide such opportunities, lot size and overall density requirements for workforce housing shall be reasonable. A municipality that adopts land use ordinances and regulations shall allow workforce housing to be located in a majority, but not necessarily all, of the land area that is zoned to permit residential uses with the municipality."

In the State of New Hampshire, affordability is defined as housing expenses when utilities and rent, or mortgage payments including utilities and insurance, are below 30% of the median household income. Further, in the RSAs, workforce housing is defined as housing for sale or rent, where homes for purchase are "affordable to a household with an income of no more than 100 percent of the median income for a 4-person household for the metropolitan area or county in which the housing is located" and rentals are "affordable to a household with an income of no more than 60 percent of the median income for a 3-person household for the metropolitan area or county in which the housing is located". The median incomes for 3 and 4-person respectively are defined by Fair Market Rent (HFMR) areas, or metropolitan and non-metropolitan counties set by Housing and Urban Development (HUD).

*Affordable Workforce Housing Rent Amount (including utilities) for Portsmouth-Rochester HFMR Area:*

$$\text{Rent (per month)} = \frac{((\text{household median income (3-person)} * 60\%) * 30\%)}{12 \text{ months}}$$

$$\frac{((\$79,300 * 60\%) * 30\%)}{12 \text{ months}} = \$1,189.5 \text{ per month}$$

*Affordable Workforce Housing Home Payment Amount (including mortgage, insurance and utilities) for Portsmouth-Rochester HFMR Area*

$$\text{Housing Expenses (per month)} = \frac{((\text{household median income (4-person)} * 100\%) * 30\%)}{12 \text{ months}}$$

$$\frac{((\$88,100 * 100\%) * 30\%)}{12 \text{ months}}$$



# Pending Content

The following content will be developed by SRPC in the month of January following the presentation of the Statistical Analysis to the Newmarket Planning Board on January 20<sup>th</sup>, 2015.

## **Home Affordability and Rental Affordability Study**

*The study includes an analysis of current assessing database in the context of affordability thresholds as defined by the state of New Hampshire. The final results provide a context for the Town of Newmarket to address its goals for future housing production.*

## **Housing Unit Projections**

*Utilizing OEP population projections and housing stock characteristic data from the Town of Newmarket, SRPC develops basic projections for future housing unit growth for both renter and owner-occupied units.*

## **Housing Trends**

*Includes a detailed discussion of housing trends both in the Town of Newmarket and the State of New Hampshire. The following preliminary focus areas have been identified:*

- **Downtown Redevelopment**

*A discussion of Newmarket's downtown revitalization efforts and their impact on housing and demographic trends.*

- **Senior Housing**

*A discussion of the impending shortage of senior housing as a result of shifting age demographics. Includes solutions that go beyond traditional elderly restricted housing developments.*

- **UNH Student Housing**

*A discussion of the impacts of UNH students on housing stock characteristics and demographic trends within Newmarket.*

## **Findings/Key Conclusions**

*A consolidated list of important findings of the statistical analysis and housing trends areas. The final product is a bulleted list of items intended to build the foundation for the goals and recommendations section.*

## **Goals and Recommendations**

*The implementation section of this chapter, the goals and recommendations content offers steps forward for the Town to address the findings and key conclusions identified in the chapter.*