

# Merrimack Valley

## *housingreport*

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University of  
Massachusetts  
Lowell

MIDDLESEX NORTH  
REGISTRY OF DEEDS

### Volume 4, Issue 4 April 2011

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## Measuring the Decline in Property Values

By Richard P. Howe Jr.

A recent study I conducted on foreclosures in the city of Lowell from 2007 to 2010 confirmed what everyone already sensed: properties that are the subject of a mortgage foreclosure suffer a substantial drop in value. That study found that the average sales price obtained at auction for 368 foreclosures during 2008 was 26% below the average assessed value of the same properties. Since most of those properties were “bought back” by the foreclosing lender at the auction, however, the true measure of the drop in value would be the price obtained at a post-foreclosure sale to a third party. Of the 349 foreclosed properties that were resold by September 1, 2010, the average sales price dropped 44% from the 2008 assessed value.

While these drops in value are substantial, they are partly explained by the extenuating circumstances of

foreclosure. Still, they invite the question of how much the value of properties not involved in foreclosures have changed during this period of financial difficulty.

To measure this kind of price change, I calculated the average sales price listed on deeds for Lowell, Chelmsford, Dracut and Tewksbury on a yearly basis from 2005 to 2010. To eliminate sales of less than full value and those involving highly priced commercial buildings, only deeds with consideration of more than \$75,000 and less than \$750,000 were used in the calculations. The sample size ranged from a high of 2211 deeds recorded in Lowell in 2005 to a low of 329 recorded in Tewksbury in 2008.

*Con't on pg 3*

## Deeds, Mortgages, Foreclosures and Orders of Notice Recorded

*March 2010 and March 2011 compared*

	Haverhill		Lawrence		Lowell		Methuen	
	Mar-10	Mar-11	Mar-10	Mar-11	Mar-10	Mar-11	Mar-10	Mar-11
Deeds	91	82	78	79	145	107	92	68
Mortgages	132	116	79	78	180	191	136	110
Foreclosure Deeds	23	4	24	8	35	19	8	6
Orders of Notice	54	20	57	30	60	22	26	12

## National Public Health Week and the Healthy Homes Program

By Emily Vidrine

The week of April 4-10 was the 17th annual National Public Health Week. National Public Health Week is organized by the American Public Health Association and its purpose is to highlight important public health issues and to recognize important contributions to public health. This year's theme was "Safety is No Accident". The week was dedicated to educating communities about quick and easy steps that can help make the home, workplace, and community safer by preventing injuries. Here are a few facts about preventable injuries:

- 150,000 deaths and 30 million serious injuries that occur every year are preventable;
- Unintentional injuries rank among the top ten causes of death for people ages 1-44;
- Injuries account for 12% of annual medical care spending, totaling up to \$69 billion every year;
- These preventable injuries occur at home, at work, in communities, and while driving.

In light of National Public Health Week, I'd like to reflect on the role that the Lowell Healthy Homes Program plays in making homes safer for children and adults. The Lowell Healthy Homes Program is focused on reducing the burden of asthma in Lowell by improving the indoor air quality in homes of children

with asthma. The program addresses hazards in the home including asthma triggers, pests like mice and cockroaches, mold and mildew, and a number of safety issues. The families that participate in the program receive a free health assessment by a qualified home health assessment worker and a free environmental assessment by a qualified environmental assessor. While the health and environmental workers conduct their surveys and inspections of each home, they also address safety issues that are apparent in the home. The safety issues vary from home to home depending on the age of the children living in the home and other structural factors. The health and environmental workers ensure that each home has working carbon dioxide and smoke detectors. In addition, families are provided with safety gates and window shams to prevent young children from falling down stairs or out of windows, outlet covers to prevent electrical shock, stove knob locks to prevent burns and fires, cabinet locks to prevent poisoning by cleaning chemicals, and other injury prevention items as needed. The families are also educated about safe practices like making sure to have adequate lighting around stairways, and they are provided with informational resources and emergency phone numbers. One by one, the Healthy Homes Program is working to improve safety as well as the asthma burden in homes across Lowell. 🏡

For more on National Public Health Week please go to: [www.nphw.org](http://www.nphw.org)

### CTI Announces New Service for Landlords

Community Teamwork Inc. (CTI) developed a new website designed to help landlords to showcase their vacancies, and for potential tenants to easily find them. This free service is offered to landlords in the Merrimack Valley and the North Shore. CTI will market the website to thousands of their clients, community agencies, housing authorities and others.

If you are a landlord interested in the service check our training website at: <http://training.nearlistings.org> or contact Avi Glaser @ [aglaser@comteam.org](mailto:aglaser@comteam.org)

*Measuring the Decline in Property Values  
Con't from pg 1*

The table below shows the results of this study with the average property sales price for each town shown in columns for the years indicated along with the percentage change in that annual price from the

shown in columns for the years indicated along with the percentage change in that annual price from the preceding year.

	Lowell		Chelmsford		Dracut		Tewksbury	
2005	\$254,900		\$325,000		\$269,900		\$345,000	
2006	\$247,000	-3%	\$317,500	-2%	\$260,000	-4%	\$325,350	-6%
2007	\$225,000	-9%	\$304,000	-4%	\$241,000	-7%	\$305,000	-6%
2008	\$184,900	-18%	\$280,000	-8%	\$225,450	-6%	\$310,000	2%
2009	\$178,500	-3%	\$289,000	3%	\$230,000	2%	\$290,000	-6%
2010	\$180,000	1%	\$290,000	0%	\$238,000	3%	\$289,000	0%
5yr dif		-32%		-11%		-12%		-16%

Data from the Registry of Deeds is not intended to be a substitute for that from the local assessor's office. Still, the above statistics do begin to quantify the loss of wealth that resulted from the collapse of real estate values. The fact that real estate price declines began in 2006, well in advance of the eventual collapse of the

world financial markets, suggests that it was real estate that precipitated the broader fiscal crisis. Finally, the most recent figures indicate that while overall price declines may have stopped, a recovery has not yet commenced. Instead, we may be in for a period of stagnant prices and activity. █

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