

Merrimack Valley housingreport



MIDDLESEX NORTH
REGISTRY OF DEEDS

An e-publication of UMass Lowell and the Middlesex North Registry of Deeds

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Welcome to the Merrimack Valley Housing Report

David Turcotte

Welcome to the first issue of the Merrimack Valley Housing Report, a collaborative venture between UMass Lowell and the Middlesex North Registry of Deeds. The aim of this monthly newsletter is to provide readers with objective information on housing trends and statistics in a clear and concise manner. Housing is fundamental to the quality of life and economic prosperity in the Merrimack Valley. While the Merrimack Valley has seen its share of successes, the current state of housing in the region also creates several challenges, including a lack of affordable workforce housing, rising foreclosures, lagging housing production and job growth, and increasing energy costs.

Consequently, this newsletter will provide readers with important and timely information on housing activity that impacts the economic and social vitality of the Merrimack Valley. While the major focus on our reporting will be

tracking trends on foreclosures rates and housing costs and sales, we will also cover related topics, such as, how housing impacts the environment, health, energy, job creation, and education. We invite you to visit our website at: www.uml.edu/mvhousing and sign-up for this free newsletter. This website will highlight housing related news and upcoming events, and also serve as a repository for back issues, relevant material and links to supplementary information provided in the Merrimack Valley Housing Report. To ensure that this newsletter meets the needs of our diverse readers, we encourage you to send your comments and constructive suggestions. In addition, we will assemble an advisory committee, representative of diverse housing stakeholders in the region to further inform our work. We look forward to increasing the level of information exchange and dialogue on the important topic of housing within the Merrimack Valley. █

Foreclosure Rates Continue Upward

Richard P. Howe Jr.

With our region and the entire nation plagued by a collapse of the housing market, the question foremost in the minds of many is when will the current real estate crisis end. Unfortunately, recent foreclosure statistics for Merrimack Valley urban centers suggest that a turnaround is nowhere in sight. As the table at right illustrates, the number of foreclosure deeds recorded in Haverhill, Lawrence, Lowell and Methuen for the first four months of 2008 increased 140% from the number recorded during the same period of 2007. █

Foreclosure Deeds Recorded

January through April: 2007 and 2008 compared

	2007	2008	% Increase
Haverhill	36	62	72%
Lawrence	48	157	227%
Lowell	63	129	105%
Methuen	12	32	167%
Totals	159	380	140%

Foreclosures in Lowell: Comparing Today and the Early 1990s

Richard P. Howe Jr.

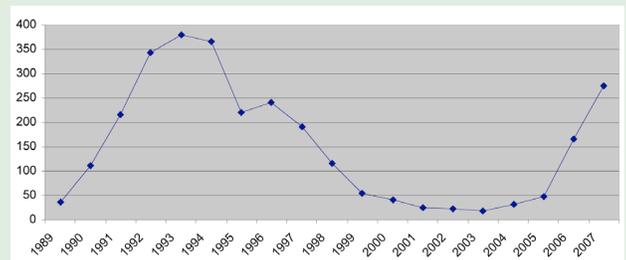
Fading over time and vulnerable to suggestions and biases, the human memory is an imperfect recorder of past events. For this reason, individual efforts to compare our current foreclosure crisis with that of the early 1990s are sometimes flawed. Many have a sense that times are far more desperate now than they were back then. Such is not the case, however, at least for the time being.

Counting and comparing the number of foreclosure deeds recorded during the past twenty years for property in Lowell demonstrates that the foreclosure crisis of the early 1990s was worse than the current situation. During 1993, for instance, 32 foreclosure deeds were recorded each month. In 1994, that number barely changed, sliding only to 31. Compared to those years, the worst year of the current crisis—2007—was relatively benign with an average of 23 foreclosure deeds being recorded each month.

While the higher foreclosure numbers from that earlier time confirm its preeminence as a period of housing pain, the current crisis shows no sign of abating. Indeed, the latest statistics suggest that today's foreclosure rate is

worsening. Although the moderate level of 2007 continued into January and February during which 23 and 21 foreclosures were recorded respectively, the number spiked upward to 38 in March and continued with 37 in April. Early indications are that the numbers for May will go even higher and might even break the 40-foreclosure barrier for only the second time in the past twenty years (the other being 44 in March 1993). The graph below traces the number of foreclosure deeds filed in Lowell each year from 1989 to 2007. The upward trajectory of the line suggests that this latest foreclosure crisis is far from over. 

Number of foreclosure deeds filed in Lowell each year from 1989 to 2007



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