

Housing Needs Assessment

Gloucester is a unique city with a variety of housing needs and there is no summary of all conditions that does not compromise individual experiences in some way. This assessment outlines the need and demand for housing in Gloucester based on quantitative data analysis and qualitative information collected through public engagement. At the widest level, this assessment identifies three priorities for addressing housing needs in Gloucester:

1. **Housing for an Aging Community:** support and create housing that meets the needs of an aging population, especially low-income seniors.
 - Households with seniors make up about 42% of Gloucester households, and Gloucester population is projected to continue to shift towards older residents¹.
 - Elderly households make up more than half of all Extremely Low-Income (<30% AMI) and Very Low-Income (30-50% AMI) households in Gloucester.
 - With few choices for downsizing or relocating to more accessible homes that support aging in place, seniors and older adults are more likely to stay in their homes longer, reducing the supply of homes available for younger households seeking family sized homes and homeownership opportunities in Gloucester.
2. **Diverse Housing Choices:** Expand housing choices for all, especially young adults and young families who lack options in Gloucester's housing market
 - There is a mismatch between household size and the type and size of housing units available in the city. Gloucester's existing supply of homes is mostly made up of larger, two- and three-bedroom units, with few choices for smaller homes and rental units.
 - Single-family homes are the most common type of housing in Gloucester, making up about 56% of all housing units². While single family homes are a desired home type for many, the high price tag, generated by high demand and limited supply, is a major barrier to entry into Gloucester's housing market.
 - Workers across all economic sectors are affected by limited housing supply and affordability challenges in Gloucester. Workers on the waterfront, manufacturing, service and hospitality, and the cultural sector all face the housing pressures documented in this assessment. Additional housing options can help expand the workforce and improve employee retention, strengthen the local market with a larger year-round consumer base, and support Gloucester's cultural richness. Expanded housing choices, particularly Downtown, can support the housing needs of the workers that sustain the economy and ease seasonal pressure on the broader housing supply.
 - There is an increasing wealth gap in Gloucester and the gap between median renter and median homeowner household incomes increased by an estimated 85% between 2013 and 2023. Younger households are more likely to rent while older households are more likely to own their home in Gloucester.

¹ American Community Survey, 5-year estimates, 2019-2023

² American Community Survey, 5-year estimates, 2019-2023

3. **Homes Affordable to Gloucester Households:** Expand the supply of affordable homes, especially for Gloucester's most vulnerable households and the essential workers at the heart of Gloucester's economy and small businesses.

- Few people can afford to live and work in Gloucester. Housing affordability impacts the ability of local employers to hire and retain local workers. As noted in the City's Comprehensive Plan, when workers are not able to afford to live locally, it creates additional strain on traffic in and out of the city.
- Increasing costs of market rate housing have far outpaced increases in local household incomes, especially among renters.
- About half of all Gloucester households are considered low-income and are potentially eligible for Affordable Housing and other supports.
- Many Gloucester households pay more than they can afford for housing, creating instability and increasing risk of displacement or loss of housing.
- Gloucester's supply of Affordable Housing has grown in the last 5 to 10 years but still falls short of meeting local needs for Affordable Housing.

Expanding housing choices is vital to the continuation of a thriving Gloucester community. Gloucester residents know and feel the weight of increasing housing costs in the city. As disparities in wealth and opportunity continue to grow, access to safe, healthy, and affordable housing for residents at all stages of life is imperative to ensure that Gloucester residents can remain in the community and the city remains vibrant for generations to come.

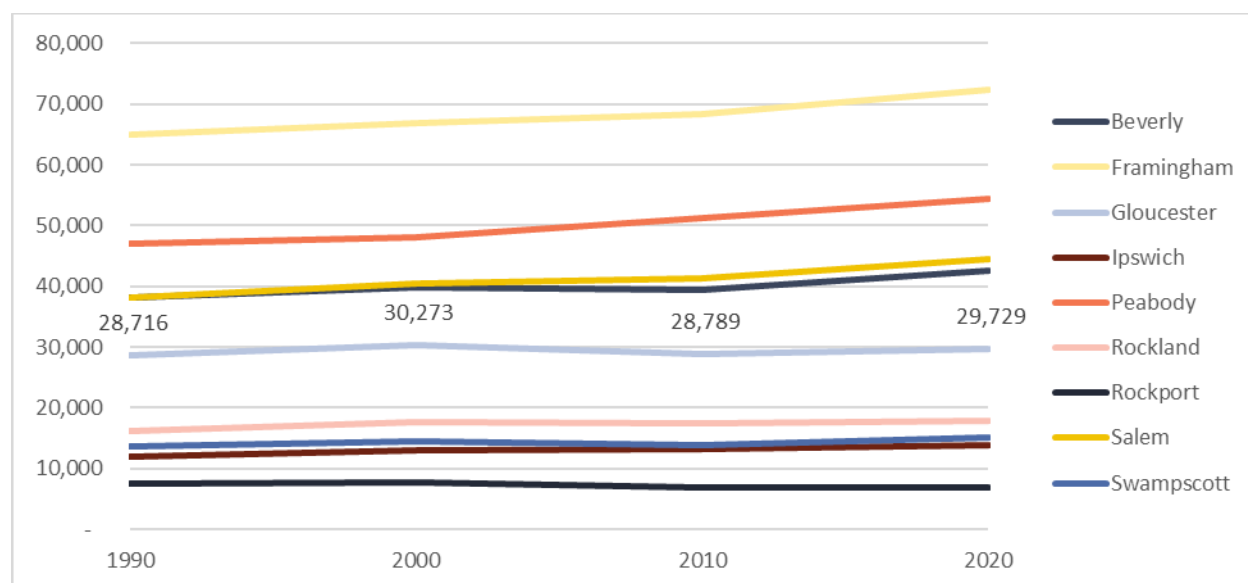
Population & Household Demographics

To understand the need for housing in Gloucester, we start with broad questions: How many people are looking for housing, what are their housing needs, and how might demand for housing change over time? The composition of Gloucester's households, which may change over time, affects the types and location of housing needed.

Population Change

Gloucester's population has experienced minimal growth over the last two decades, growing by just 3% between 2010 and 2020. In 2024, Gloucester's total population was estimated at 30,491 residents³ returning to the same population levels of the year 2000. Gloucester has followed similar trends in population growth compared to context communities, but has grown more slowly compared to Peabody, Beverly, and Salem.

Figure 1 Population Change 1990-2020, Gloucester & Context Communities



Source: U.S. Decennial Census, 1990-2020

Population Projections

Gloucester's population is projected to decrease to 27,724 people by 2030 and 27,604 people by 2040, according to MAPC's MetroFuture Population Projections. MetroFuture projections map out anticipated growth in population based on births, deaths, households moving in and out of the region, and historical trends related to development and household formation. To date, the MAPC region's population growth has exceeded that projected by MetroFuture. Gloucester's population in 2020 was slightly larger than its projected 2020 population by roughly 1,215 people⁴.

³ U.S. Decennial Census Annual Population Estimates, 2024

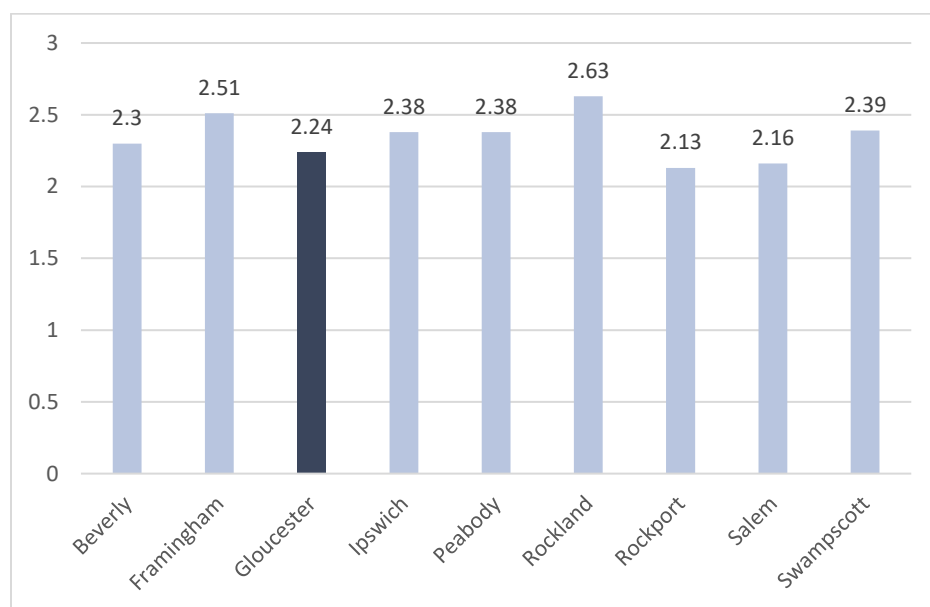
⁴ U.S. Decennial Census 2020

Household Growth

The number of households in Gloucester is growing slowly while the overall population is decreasing. Between 2010 and 2020, the number of households in Gloucester increased by about 6.5% and in 2023 the total number of households was estimated at 13,180⁵. This pattern of household growth outpacing population growth often indicates households are becoming smaller and is common in communities with aging populations that are more likely to form smaller households. Households reduce in size when children leave home or family members pass away due to old age.

The average household size in Gloucester is 2.24 and has decreased over time⁶. Among context communities, only Rockport has a similar declining trend. The next section will explore how trends in the age of the population may be shaping household size and housing needs.

Figure 2 Average Household Size, Gloucester & Context Communities



Source: American Community Survey, 5-year estimates, 2019-2023

Age Structure

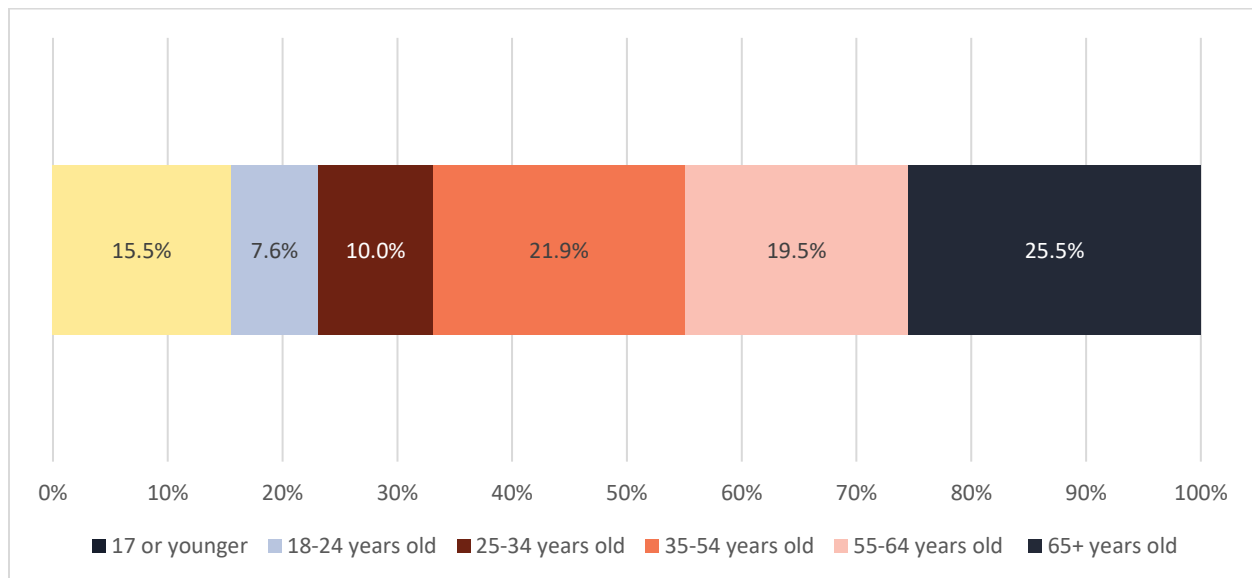
The age of the population shapes the formation of new households and the type of homes needed in a community. In many cases, younger adults form new households and desire smaller housing options in which to live alone or larger multi-bedroom homes to occupy with roommates. As they age and form families, larger housing options tend to become more desirable. Eventually, as children in those families form their own households, parents no longer require large housing and may seek to downsize. As seniors age, they may seek specialty housing, including housing accessible to people with disabilities. The types of housing the population desires, changes throughout the age spectrum and these housing options are not

⁵ U.S. Decennial Census, 2010, 2020, American Community Survey, 5-year estimates, 2019-2023

⁶ American Community Survey (ACS), 5-year estimates, 2009-2013, 2014-2018, 2019-2023

always available or affordable in the community. To meet the needs of residents at all stages of life, it is important to have a variety of housing types available at various price points.

Figure 3 Population by Age, Gloucester

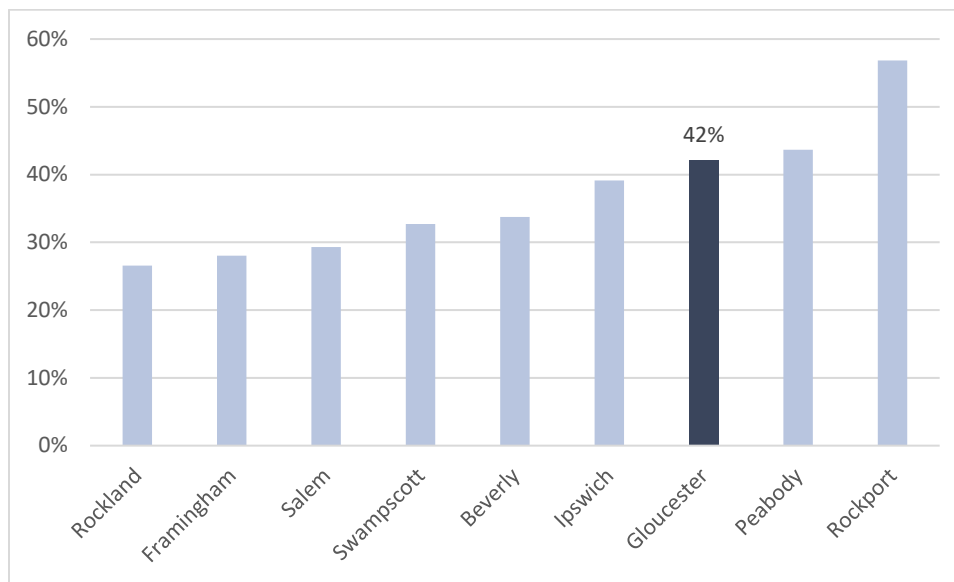


Source: American Community Survey, 5-year estimates, 2019-2023

Gloucester's population is aging. According to the ACS 2023 5-year estimates, 25% of Gloucester's total population is over the age of 65. The next largest age cohorts are 55-64 years old, making up 19% of the population, and 35-54 years old (22%). Younger generations (35 years old or younger) make up about one-third of the total population, with the largest share being residents 17 years old or younger (15%).

According to ACS five-year estimates for 2018-2023, 42% of Gloucester households include seniors (65 years or older), the third highest share among context communities. Rockport has the highest percentage of households with seniors (57%), followed by Peabody (44%).

Figure 4 Share of Households with Seniors, Gloucester & Context Communities



Source: American Community Survey, 5-year estimates, 2019-2023

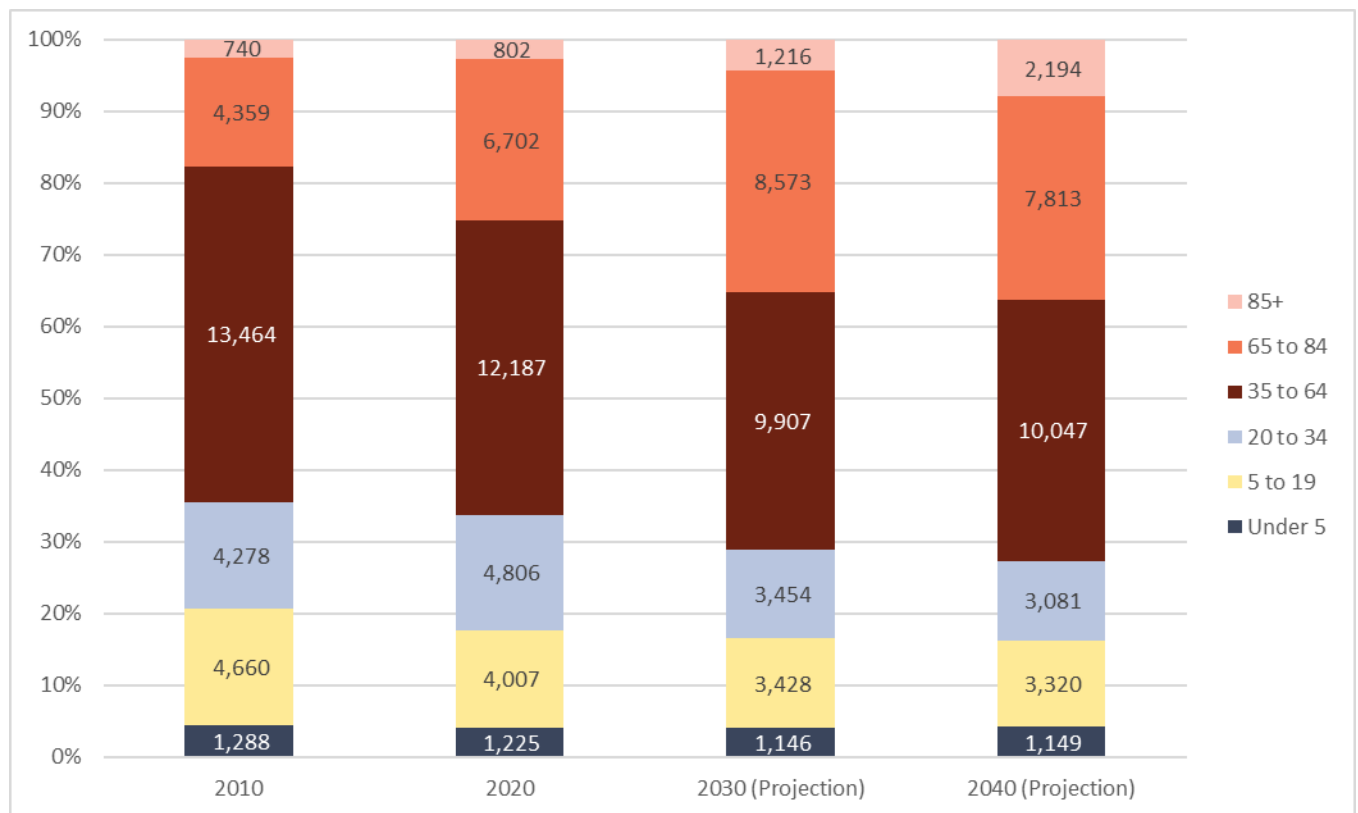
Between 2013 and 2023, the number and share of younger people have decreased, while the population over 55 has increased in both number and share of the population⁷. Gloucester's population is projected to continue to age, with the population over 65 making up an even larger share of the total population in 2030 and 2040 compared to 2020⁸.

As Gloucester households age, with few choices for downsizing or relocating to more accessible homes that support aging in place, seniors and older adults are more likely to stay in their homes longer, reducing the supply of homes available for younger households seeking family sized homes and homeownership opportunities in Gloucester.

⁷ American Community Survey, 5-year estimates, 2009-2013, 2014-2018, 2019-2023

⁸ MAPC MetroFuture Socioeconomic Projections, 2017

Figure 5 Population by Age, Gloucester 2010-2040 (Projected)



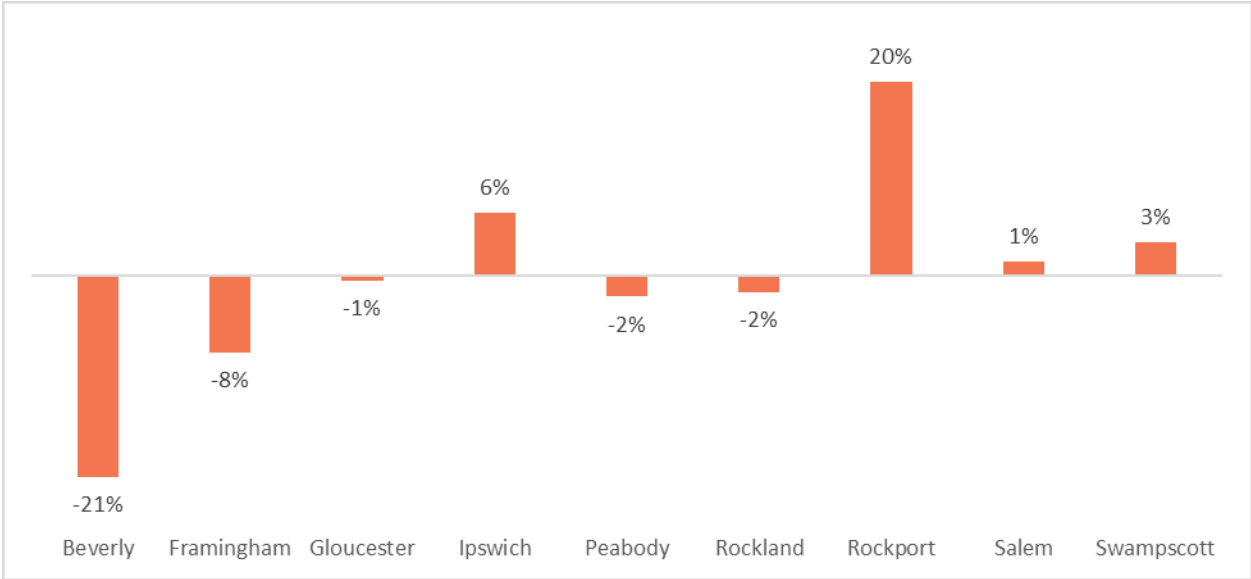
Source: U.S. Decennial Census, 2010-2030, MAPC MetroFuture Socioeconomic Projections

Households with Children

Currently, 22% of Gloucester households include children. Households with children have declined over time, dwindling by 8% between 2013 and 2018 and another 1% between 2018 and 2023⁹. This trend is not unique to Gloucester and a similar decline of households with children is present in other context communities, including Beverly, Framingham, Peabody, and Rockland. By comparison, Ipswich, Rockport, Salem, and Swampscott have seen an increase in households with children within the last few years. The decline in households with children in Gloucester suggests that young families may struggle to find a home or put down roots. These challenges may be born out of cost, availability, or some combination of the two.

⁹ American Community Survey, 5-year estimates, 2009-2013, 2014-2018, 2019-2023

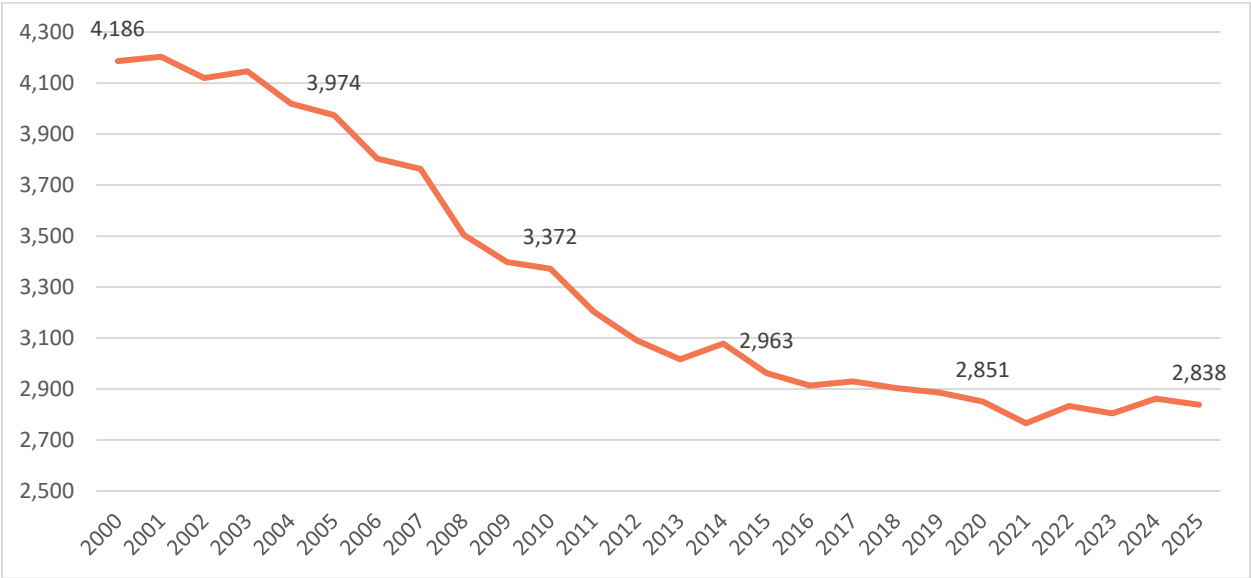
Figure 6 5-Year Percent Change in Households with Children, 2018-2023, Gloucester & Context Communities



Source: American Community Survey, 5-year estimates, 2014-2018, 2019-2023

School enrollment data offers additional insights into more recent trends. Gloucester has seven public schools: one high school, one middle school, four elementary schools, and one preschool. School enrollment declined sharply between 2000 and 2013. Despite a steady decline since 2014, a slight upward trend of total student enrollment began at the beginning of the 2020-2021 academic year. In 2024, the total number of students served by the Gloucester public school district was 2,862 students.

Figure 7 Total School Enrollment 2000-2025, Gloucester



Source: Massachusetts Department of Elementary and Secondary Education (MADESE)

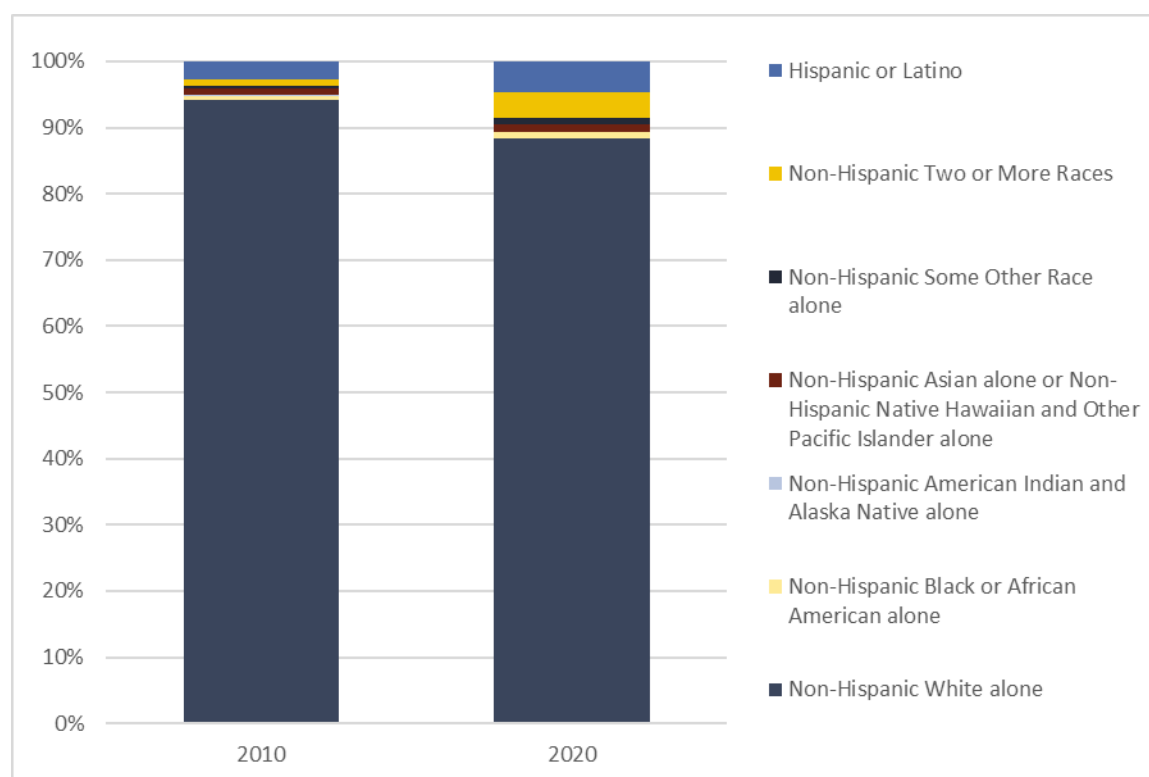
Housing that is accessible and affordable to young Gloucester residents who wish to stay or return, as well as housing choices suitable for young families in Gloucester, need to be considered when planning for future generations. Affordable housing in a variety of housing sizes, both rental and ownership, is needed to meet the demands of Gloucester residents at all stages of life.

Race & Ethnicity

Gloucester has always been a city of immigrants, with a rich early history of immigration from British, Italian, Polish, and Portuguese people seeking opportunity through the city's fishing and granite industries. Today, an estimated 9.71% of Gloucester residents were born outside the United States¹⁰, with nearly one in every ten Gloucester residents hailing from around the world, including immigrants from Brazil, Italy, Latin America, and more.

Although Gloucester remains a majority white community, it is growing in diversity. Since 2010, communities of color have grown proportionately and in absolute terms: from about 1,689 people (5.8%) to about 3,473 people (11.7%). According to 2020 Decennial Census data, Gloucester's community is about 88% White, 1% Black or African American, 1.1% Asian, 4.7% Hispanic or Latine, and 3.8% identified as two or more races. Residents who identify as Native Hawaiian, Pacific Islander, and other races each make up less than 1% of Gloucester's population.

Figure 8 Population by Race, 2010-2020, Gloucester



Source: American Community Survey, 5-year estimates, 2014-2018, 2019-2023

Differences in race and ethnicity typically do not translate into demand for different types of housing. In some cases, family sizes might be larger and multigenerational living may be more of

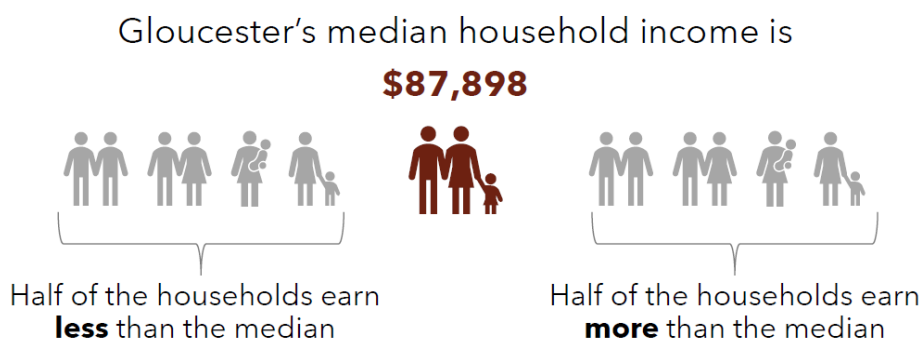
¹⁰ American Community Survey, 5-year estimates, 2019-2023

a cultural norm among people of color than White people, calling for multi-bedroom units and/or buildings with multiple units. However, race and ethnicity can and do impact fair access to housing in communities throughout the region. Disparities in tenure and household income, driven by historic and systemic barriers to wealth on the basis of race and ethnicity, often bear out in a household's ability to access and afford a home.

Tenure & Household Incomes

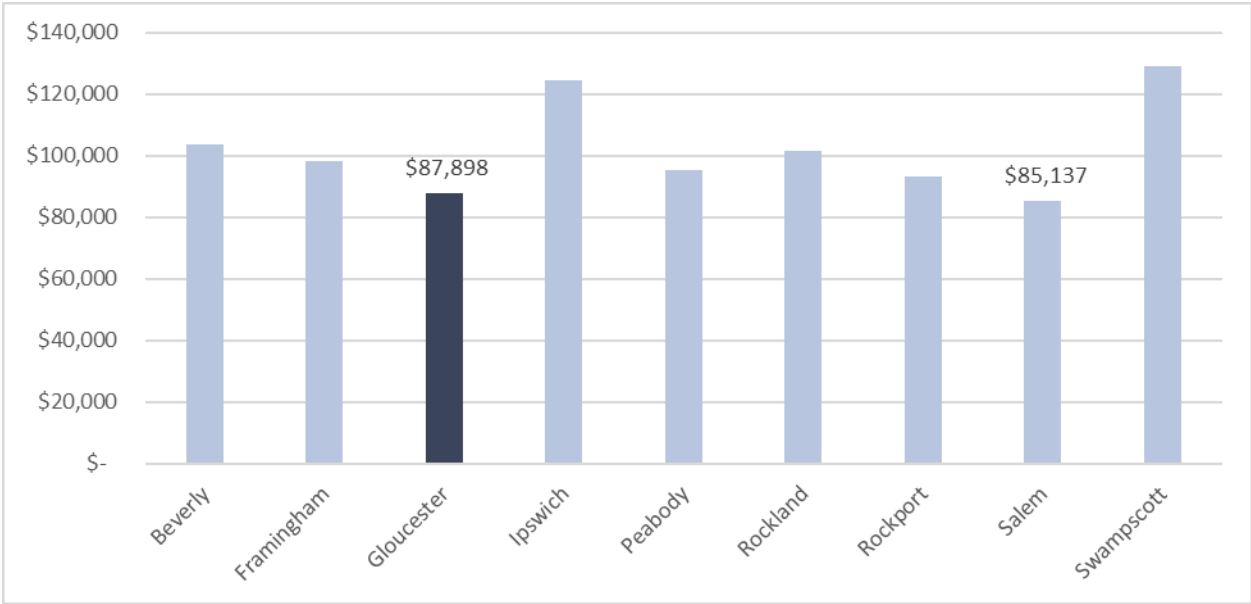
Changes in household incomes indicate a growing wealth gap in Gloucester. Median household income represents the midpoint of household incomes, where half of all households earn more and half earn less than the median. According to American Community Survey 5-year estimates for 2019-2023, Gloucester's median household income is about \$87,898. Gloucester has the second-lowest median household income compared to context communities.

Figure 9 2023 Median Household Income in Gloucester



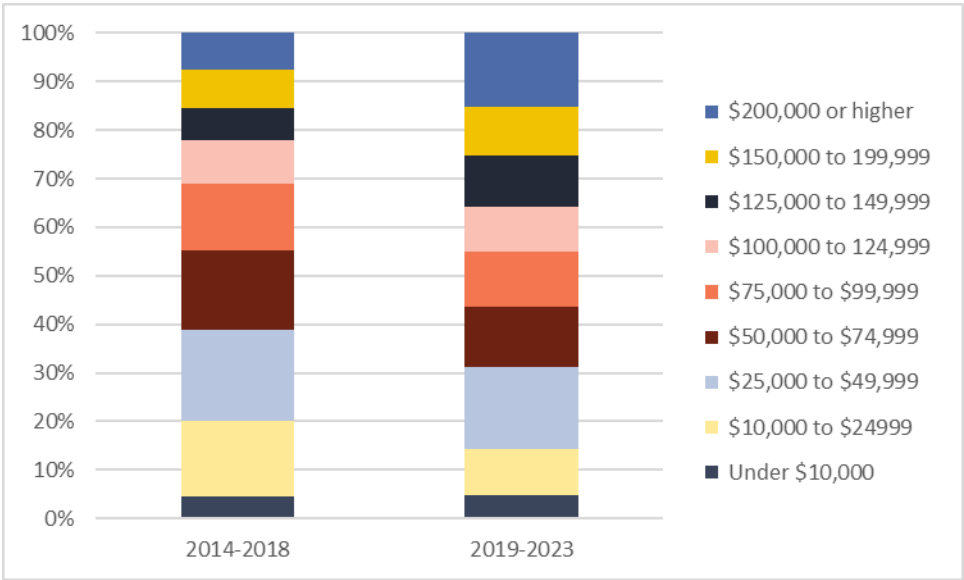
Source: American Community Survey, 5-year estimates, 2019-2023

Figure 10 Median Household Income, Gloucester & Context Communities



Source: American Community Survey, 5-year estimates, 2019-2023

Figure 11 Change in Distribution of Household Incomes, Gloucester



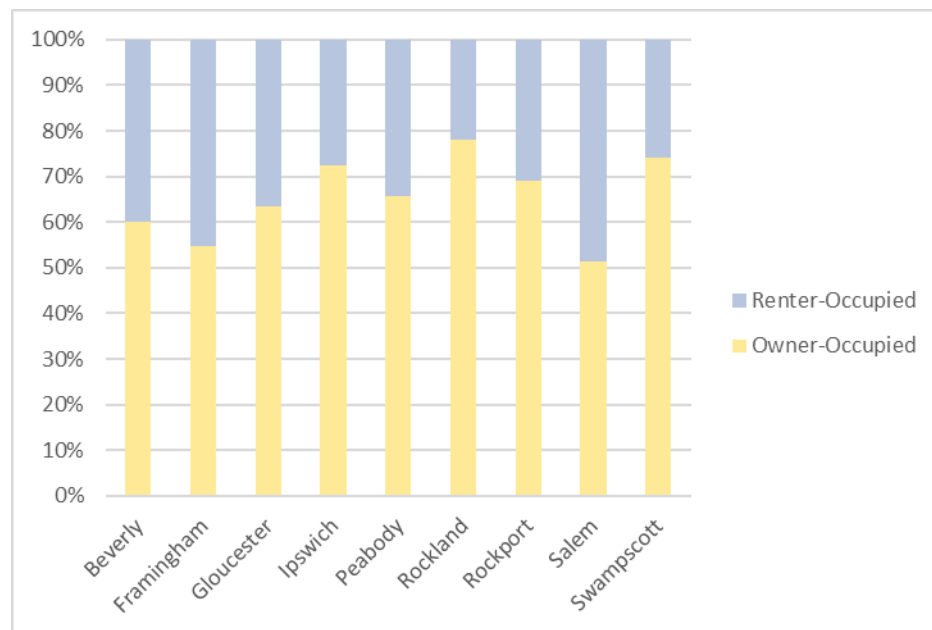
Source: American Community Survey, 5-year estimates, 2014-2018, 2019-2023

The distribution of household incomes is shifting over time and an increasing share of households in Gloucester have incomes of \$125,000 or more¹¹. However, this growth in household incomes is not experienced equally among Gloucester residents and household incomes vary significantly by household tenure in Gloucester. About 63% of occupied housing

¹¹ American Community Survey, 5-year estimates, 2014-2018, 2019-2023

units in Gloucester are owner-occupied, “homeowner households,” while about 36% are renter households.

Figure 12 Tenure of Occupied Housing Units, Gloucester & Context Communities



Source: American Community Survey, 5-year estimates, 2019-2023

In Gloucester, the median homeowner household earns well above the median household income, whereas the median renter household makes much less¹². In 2023, the median household income for homeowners was \$121,558. In contrast, renter households earn around \$43,466¹³. Within the last decade, median incomes for homeowners have increased by about 50% while median incomes for renters have increased by only 15%¹⁴. As a result, **the gap between median homeowner and median renter household incomes increased by an estimated 85% between 2013 and 2023¹⁵.**

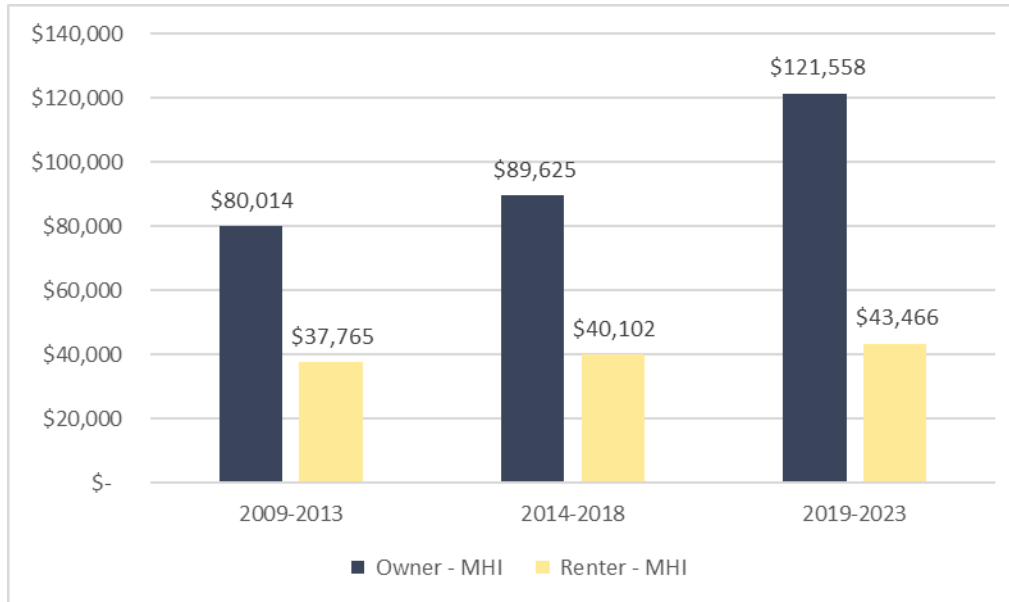
¹² American Community Survey, 5-year estimates, 2019-2023

¹³ Ibid

¹⁴ Ibid

¹⁵ American Community Survey, 5-year estimates, 2014-2018, 2019-2023

Figure 13 Median Household Income by Tenure 2013-2023, Gloucester



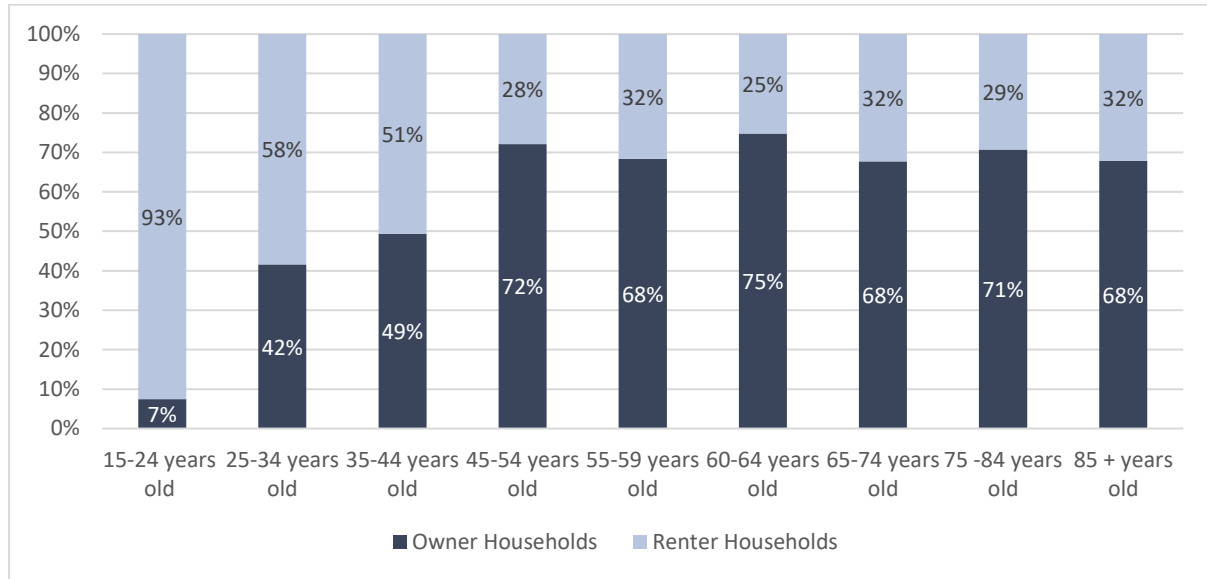
Source: American Community Survey, 5-year estimates, 2009-2013, 2014-2018, 2019-2023

Compared to context communities, the gap between renter and homeowner median incomes in Gloucester is larger than in Salem or Peabody and smaller than Ipswich and Beverly¹⁶. Renter households in Gloucester are more likely to be younger while older households are more likely to own their home¹⁷. These growing disparities play out in the dynamics of household age and tenure and shape access to housing opportunities in Gloucester.

¹⁶ American Community Survey, 5-year estimates, 2019-2023

¹⁷ American Community Survey, 5-year estimates, 2019-2023

Figure 14 Household Tenure by Age, Gloucester



Source: American Community Survey, 5-year estimates, 2019-2023

Overall, many households struggle to stay in the city if they cannot afford housing that meets their needs, and high housing costs exclude many households from calling Gloucester home. Income has generally not kept up with the cost of housing, and income for Gloucester renters has increased at a slower rate compared to homeowners, widening the wealth gap among Gloucester households along tenure lines and limiting housing opportunities for renters and young people.

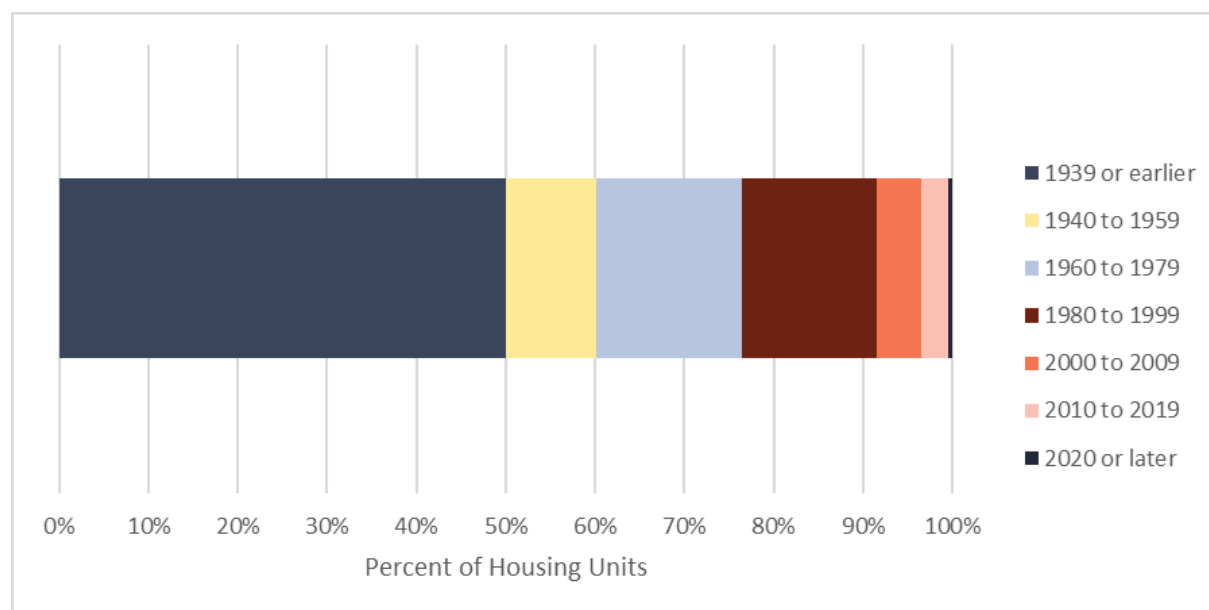
Existing Housing Supply

Much of Gloucester's existing housing supply is older as a result of decades of limited building of new homes.¹⁸ In recent years, the City has increased attention and investment towards housing needs, however through decades of limited housing production and many constraints on new development, supply has not kept up with demand. The limited housing supply puts upward pressure on housing costs across the city, disincentivizing maintenance of low-cost housing (as competition for tenants becomes unnecessary) and prompting displacement of low-income residents. Meanwhile, older homes may be undermaintained, presenting health and safety risks for their residents. Older residents with few options to downsize are more likely to stay in their homes longer, further constraining supply for younger households seeking to enter the housing market in Gloucester.

Age of Housing Stock

Much of Gloucester's housing is older. About half of Gloucester's housing stock is in buildings built before World War II (before 1940), with another 26% built before 1980¹⁹. Only 8% of the housing stock was built since 2000²⁰. In the context of increased housing demand, this limited production has meant rising rents and prices, making the shortage of housing supply a major contributing factor to the affordability crisis felt in Gloucester and across the region.

Figure 15 Housing Units by Year Built



Source: American Community Survey, 5-year estimates, 2019-2023

¹⁸ Limited housing production in Gloucester is related to complex development constraints as a coastal community with many environmentally sensitive areas and limited land that is suitable for building. These constraints are analyzed further in subsequent sections of the Housing Compass Plan.

¹⁹ American Community Survey data, 5-year estimates, 2019-2023

²⁰ Ibid

Compared to more modern units, older housing may lack heating and energy efficiencies (which add to monthly utility and maintenance costs that impact the affordability of these units for occupants). Older housing may not be code compliant, may have exposed lead paint, and is unlikely to be accessible for people with disabilities.²¹

Older housing supplies, especially two- and three-family homes are also vulnerable to speculative residential investment. Speculation is an emerging trend where private investors or companies buy properties to renovate and resell for a higher return. Not only does it take properties off the market that could otherwise be sold to families intending to live in a home, but renters often suffer higher rents or evictions without cause. This trend makes housing about profit, not people. Over the last few decades, 1,718 Gloucester homes were bought by an investor²² and 7% have been “flipped,” renovated to be resold for a return on investment²³.

One way the City manages its aging housing stock is through the Housing Rehabilitation Loan Program. The City of Gloucester uses Community Development Block Grant Funds to make 0% interest loans available to low-income homeowners and landlords of low-income tenants to renovate existing units to resolve a variety of challenges, including structural failures, code violations, accessibility accommodations, and energy efficiency upgrades. In exchange, rental units in multifamily properties that benefit from the loan funding must agree to an Affordable Housing Restriction (AHR) that deed-restricts the unit for a period of 15 years. At the time of writing, there are currently 62 units across 38 properties on the Subsidized Housing Inventory created through the program, with an additional 46 units across 11 properties in the process of being added.

Housing Size

There is a mismatch between the size of Gloucester households and the type and size of housing units available in the city. Gloucester’s existing supply of homes is mostly made up of larger, two- and three-bedroom units, with few choices for smaller homes. **Almost half (49%) of Gloucester’s housing stock is housing units with 3 or more bedrooms, while two-bedroom units make up almost one-third²⁴.** The housing stock among context communities reflects similar trends. Smaller 1- and 2-bedroom homes are a desired option for many households at different stages of life. For younger adults, a 1-bedroom rental may provide independence or a first apartment; for young families, a 2-bedroom home can act as a starter home; for seniors and older adults, smaller homes may be desired to downsize in order to age in place. Two- and three-bedroom homes are much needed in Gloucester as well, but the lack of choice and limited diversity of home sizes in Gloucester does not adequately meet the full range of household needs.

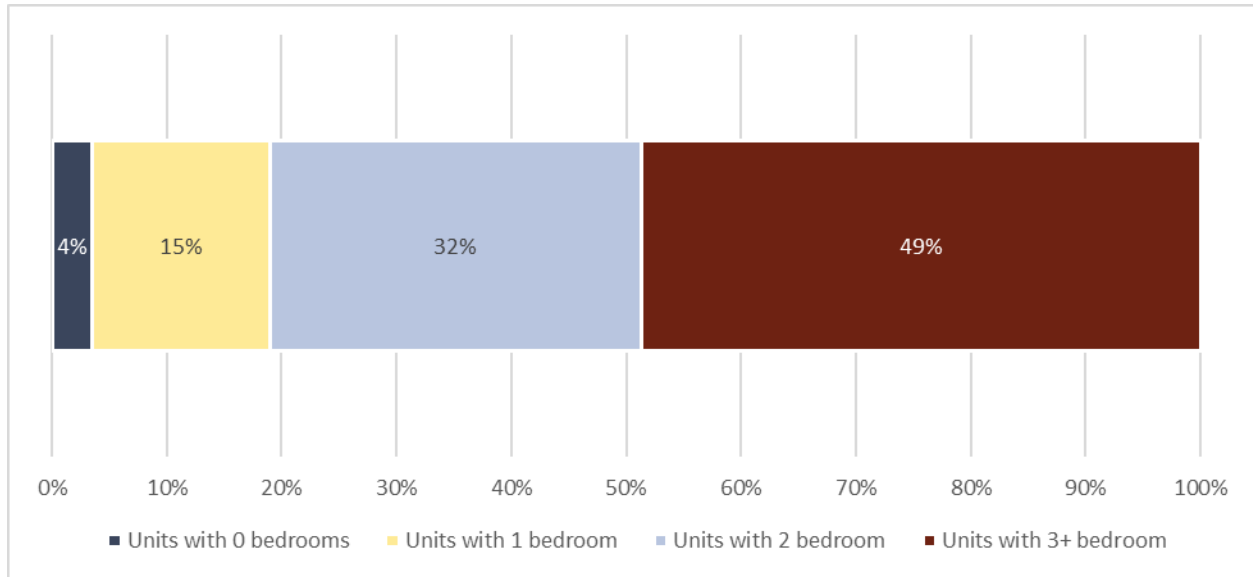
²¹ Lead paint, which is highly toxic and dangerous for children was not banned until 1978. The Americans with Disabilities Act, which provides minimum accessibility requirements for multifamily buildings, was not passed until 1990.

²² Number of investor transactions 2000-2023, MAPC Homes for Profit research

²³ Share flip transactions 2002-2021, MAPC Homes for Profit research

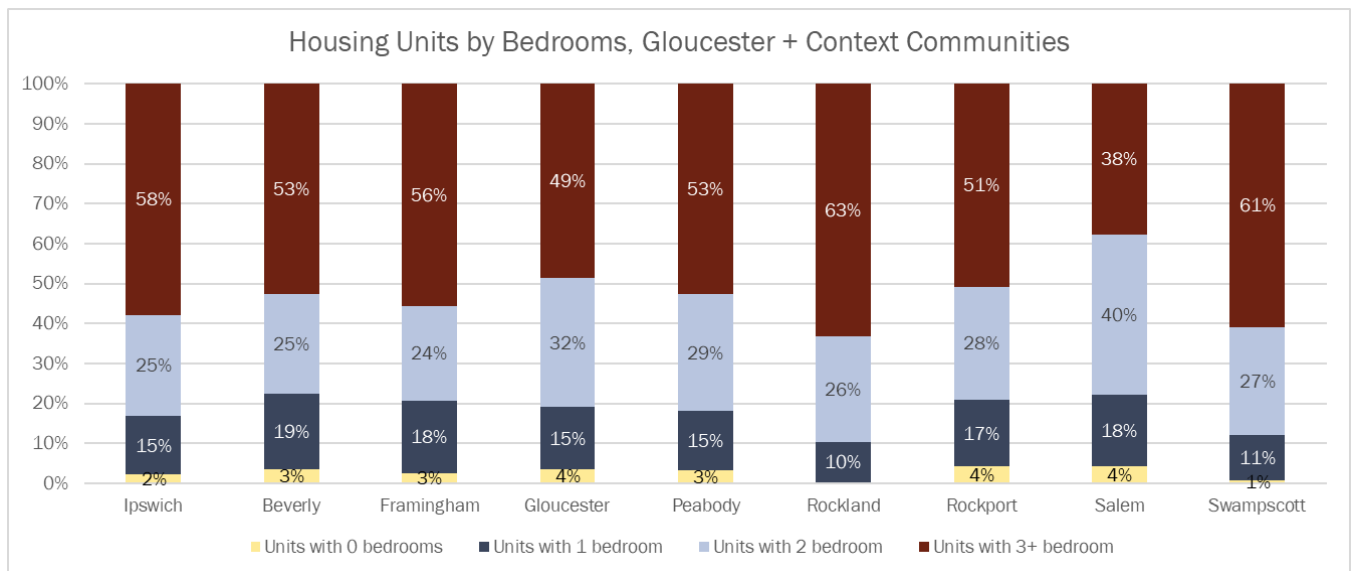
²⁴ American Community Survey, 5-year estimates, 2019-2023

Figure 16 Housing Units by Number of Bedrooms in Gloucester



Source: American Community Survey, 5-year estimates, 2019-2023

Figure 17 Housing Units by Number of Bedrooms, Gloucester & Context Communities



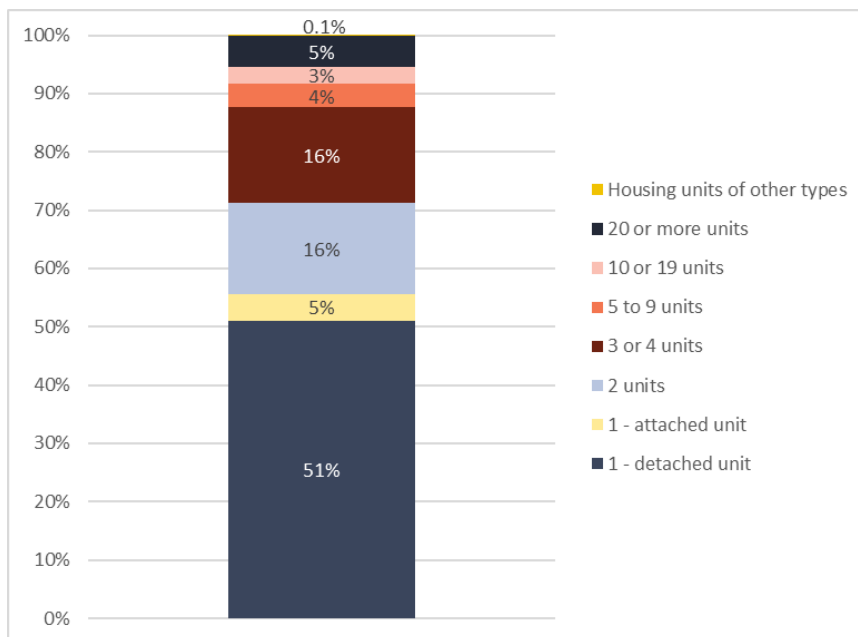
Source: American Community Survey, 5-year estimates, 2019-2023

Housing Type

Single-family homes are the most common housing type in Gloucester, making up about 56% of all housing units²⁵. Most of Gloucester's remaining housing supply is in small multifamily buildings with 2 or more units (44%), although larger multifamily buildings, such as the Halyard apartments, have been added to the stock in recent years²⁶. Most context communities have a similar share of single-family homes within their housing stock, with the exception of Salem. While single-family homes are a desired home type for many, the high price tag, generated by high demand and limited supply, is a major barrier to entry into Gloucester's housing market.

A more diverse housing supply increases choices for households in the community and reduces some demand pressure. For example, when older residents have greater choices to downsize into smaller homes, existing larger homes open up housing opportunities for younger households and future generations of Gloucester residents.

Figure 18 Housing Units by Number of Units in Structure

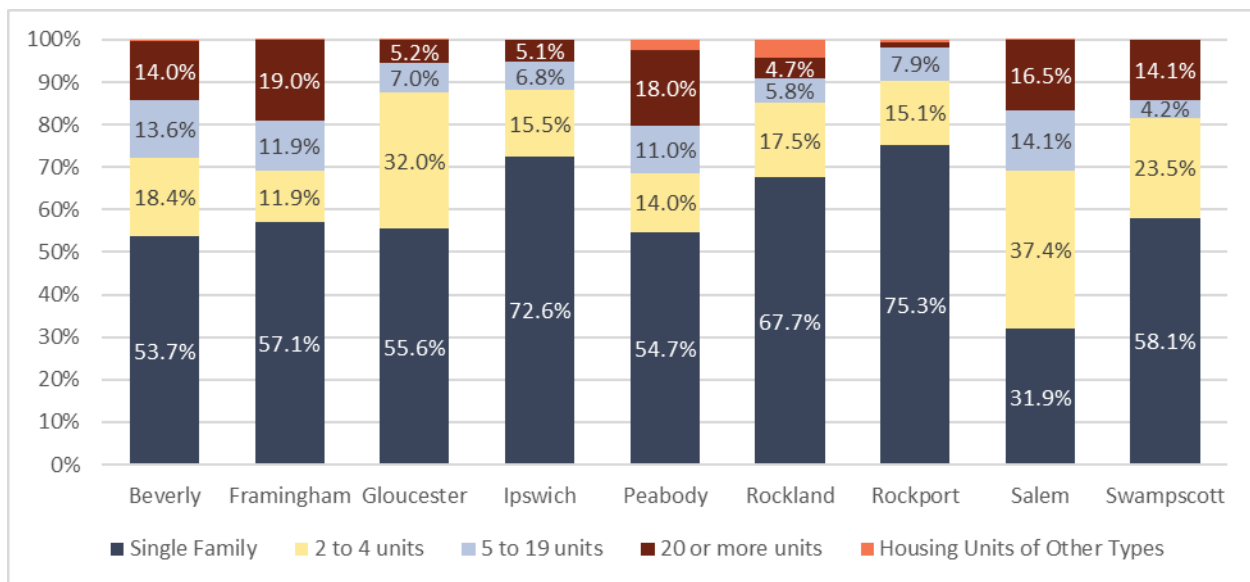


Source: American Community Survey, 5-year estimates, 2019-2023

²⁵ American Community Survey, 5-year estimates, 2019-2023

²⁶ Ibid

Figure 19 Housing Units by Building Type, Gloucester & Context Communities



Source: American Community Survey, 5-year estimates, 2019-2023

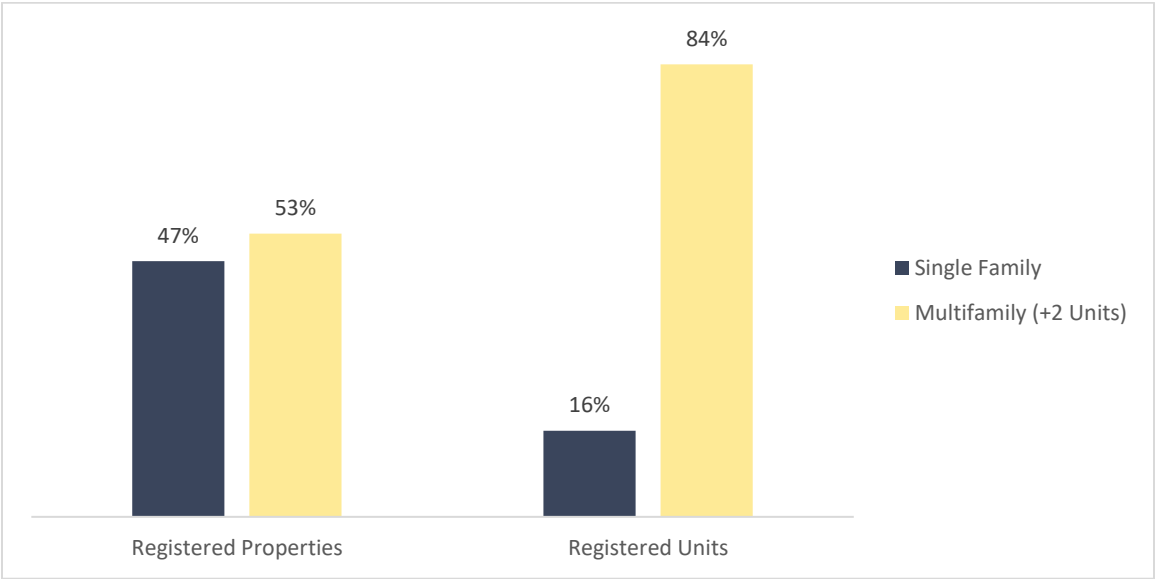
Rental Registry & Rental Supply

Information about the supply of rental homes in Gloucester is not as well defined, making it difficult to understand how that supply meets the need for rental homes in the city. In 2025, the Gloucester Board of Health approved new regulations for rental units to enhance tenant safety and support landlord-tenant relationships. The regulations require rental units to be registered with the Department of Health, creating a rental registry dataset that includes useful information about the type, infrastructure, and lease terms of rental properties in the city.

At the time of writing, approximately 1,684 properties with an estimated 4,918 units are registered with the Board of Health, representing most rented housing units in the city²⁷. While single-family homes make up nearly half of all registered rental properties, single-family homes and ADUs make up just 16% of registered rental units. Multifamily properties (properties with two or more rental units) make up roughly 84% of all registered rental units.

²⁷American Community Survey estimates for 2019-2023 show an estimated 4,833 renter-occupied housing units, with a margin of error of +/- 572 units. An additional estimated 1,114 units are for Seasonal Use, of which some may be short-term or vacation rentals.

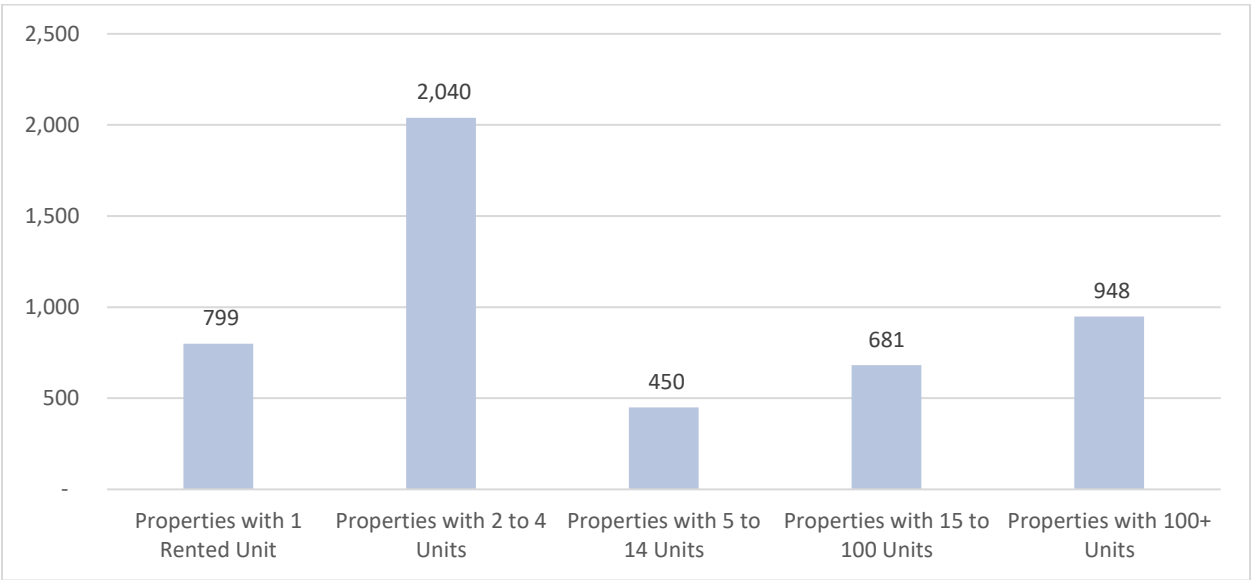
Figure 20 Registered Rental Properties and Units by Property Type



Source: City of Gloucester Rental Registry Data, December 2025

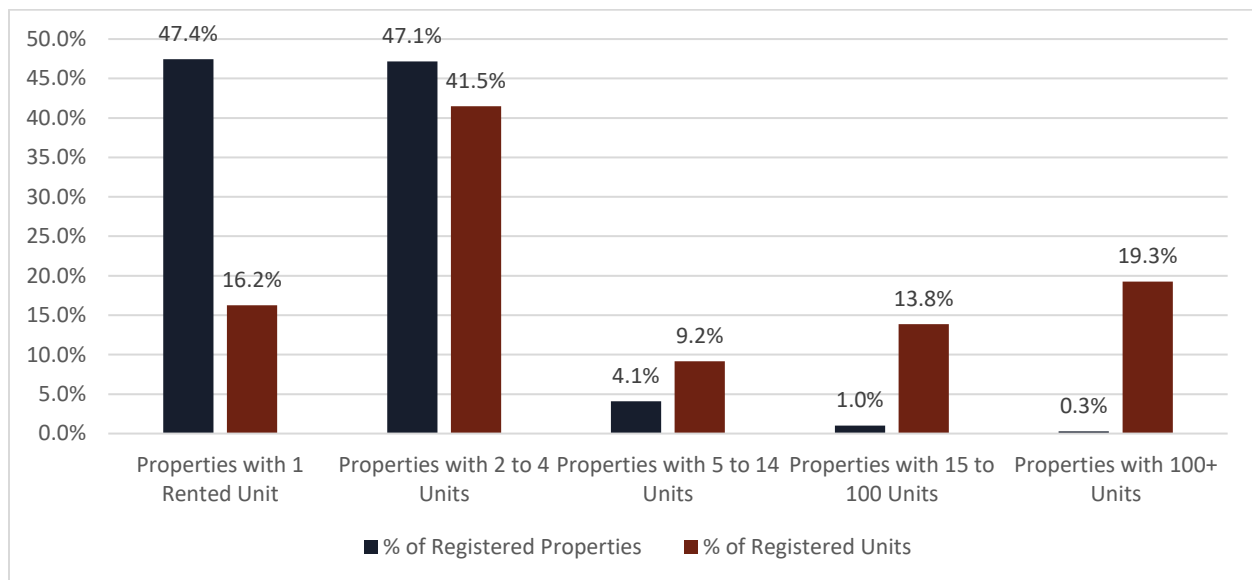
Most registered rental units are in small multifamily properties, with about 41.5% of all registered units in properties with two to four units. While properties with 5 or more units make up just 5.4% of all registered properties, units in these properties make up roughly 42% of all registered units.

Figure 21 Registered Rental Units by Number of Units



Source: City of Gloucester Rental Registry Data, December 2025

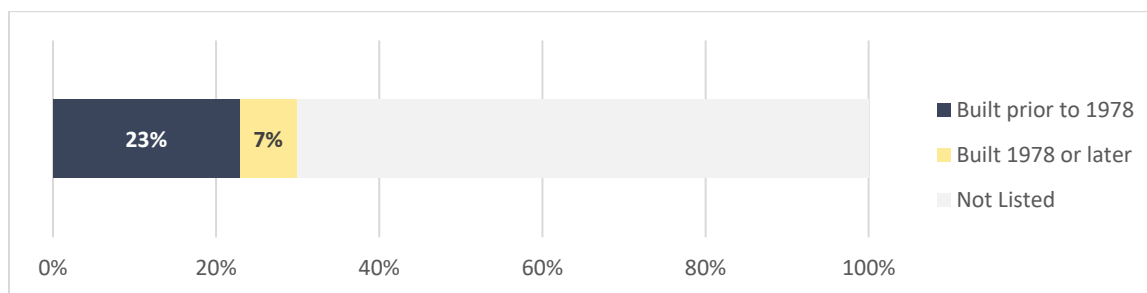
Figure 22 Share of Registered Properties and Units by Number of Units



Source: City of Gloucester Rental Registry Data, December 2025

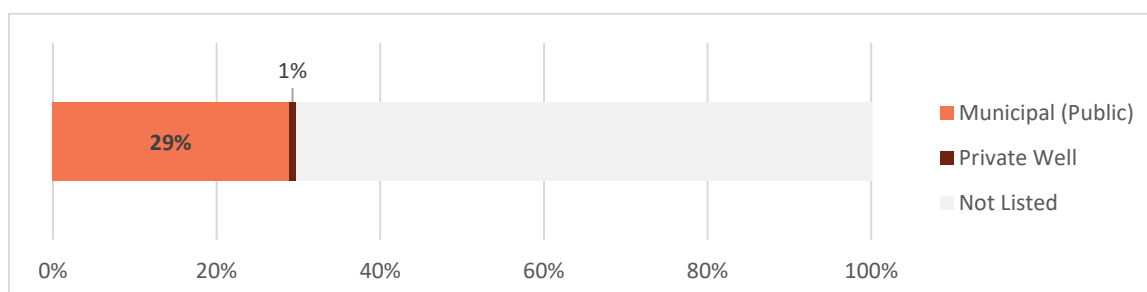
Data is not complete for every registered property, but about 30% of property registrations include additional information about the age of the property, infrastructure, and the length of the lease terms. Alongside the City's short-term rental ordinance, the rental registry can help the City to better track and understand the impacts of short-term and seasonal housing on the broader housing supply.

Figure 23 Registered Properties by Year Built



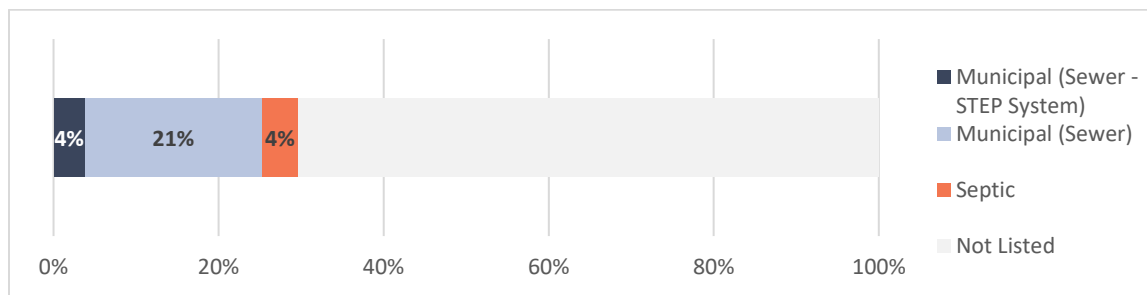
Source: City of Gloucester Rental Registry Data, December 2025

Figure 24 Registered Properties by Water Source



Source: City of Gloucester Rental Registry Data, December 2025

Figure 25 Registered Properties by Wastewater Infrastructure

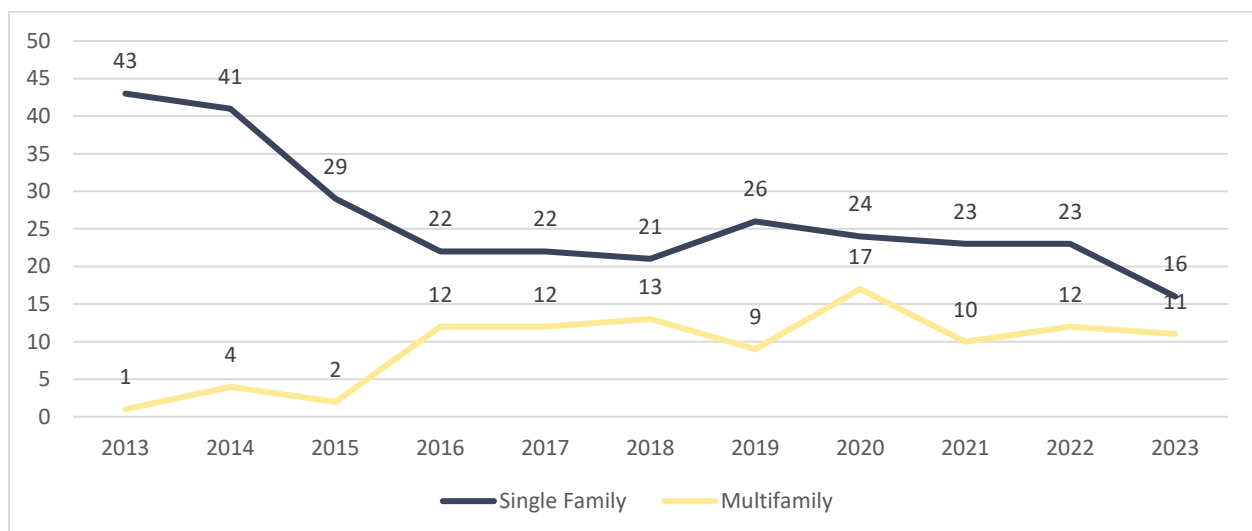


Source: City of Gloucester Rental Registry Data, December 2025

Housing Development Over Time

According to the Census Building Permit Survey, between 2013 and 2023, just shy of 400 buildings were permitted, with the majority (74%) of production being single-family homes²⁸. Over time, the number of building permits for multifamily housing has increased, while permits for single-family homes have decreased. Although the trend towards building more multifamily is promising, more housing production is needed to make up for the deficit caused by decades of limited production.

Figure 26 Count of Building Permits by Housing Type



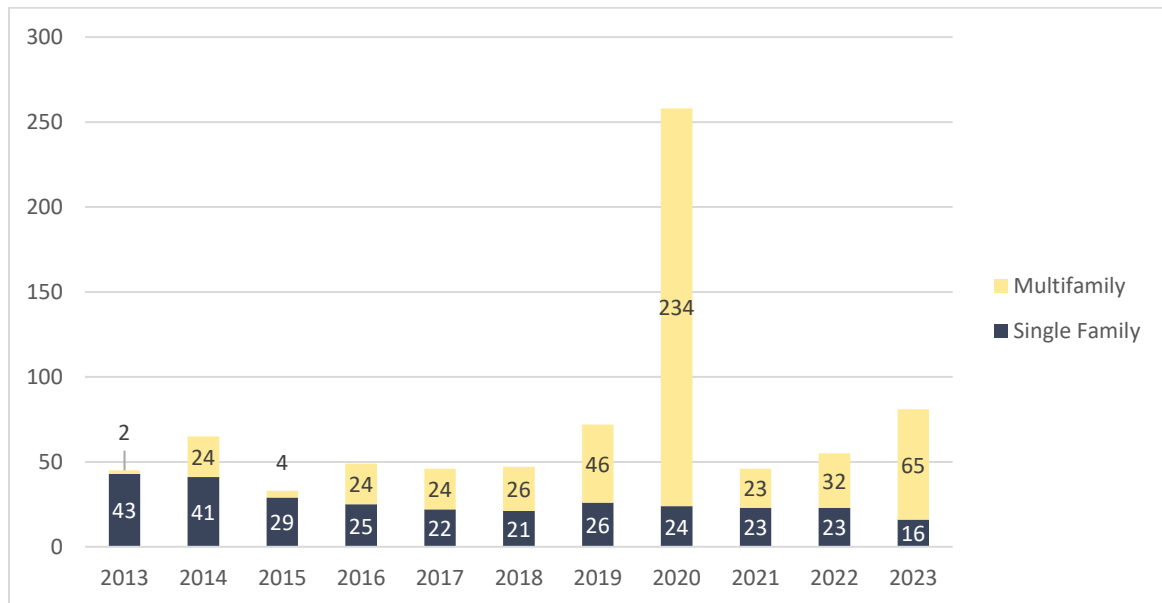
Source: Census Building Permit Survey, 2013-2023

A closer look at the type of multifamily housing shows that the majority of multifamily housing permitted over time is in buildings with 2 units²⁹. While buildings with 5 or more units make up a smaller share of permitted projects, they have produced substantially more units of housing compared to 2-unit buildings over the last ten years. Additionally, multi-unit buildings with 3 or 4 units account for only 4% of buildings permitted within the last decade and are missing as a scale of housing development in Gloucester.

²⁸ Census Building Permit Survey, 2013-2023

²⁹ American Community Survey, 5-year estimates, 2019-2023.

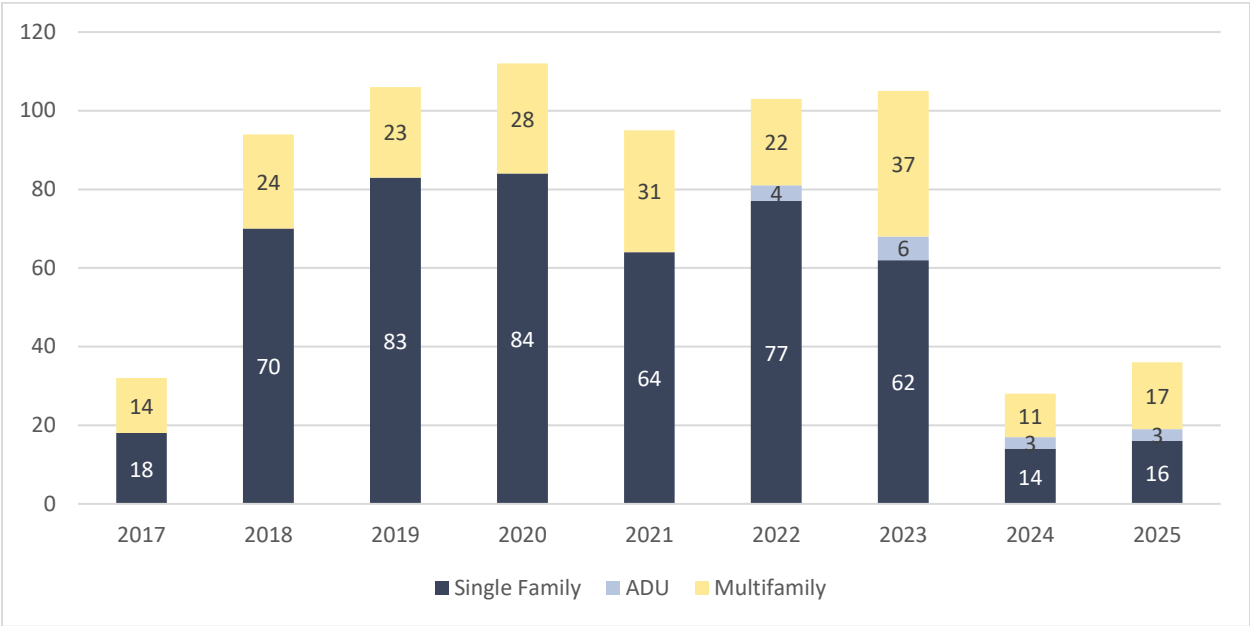
Figure 27 Units Permitted by Building Type



Source: Census Building Permit Survey, 2013-2023

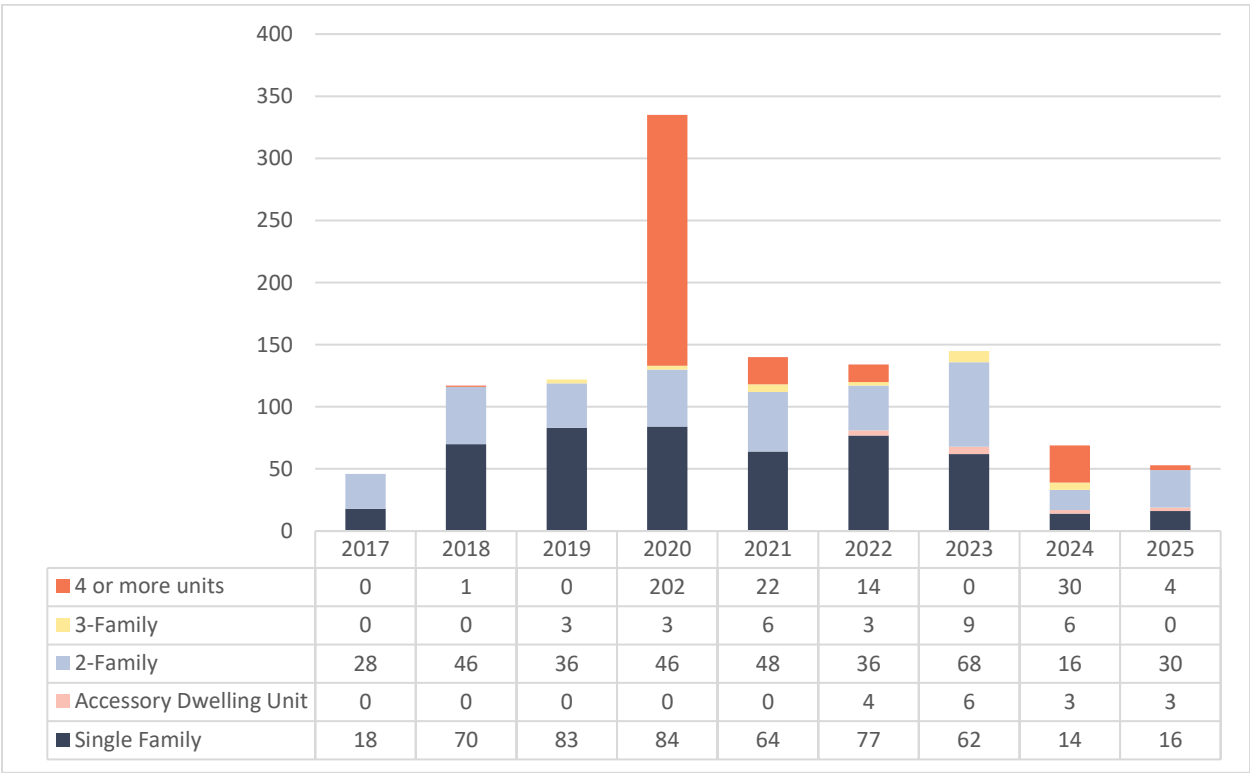
Local permitting data, maintained by the City of Gloucester, offers a more precise look into permitting trends from recent years. Data from 2024 and 2025 show a decline in building permits for both single-family and multifamily residential buildings, consistent with regional trends. In a time where funding is uncertain, interest rates are high, and building costs continue to escalate, it is not surprising that we see reduced permitting of new units, making it all the more important to encourage desired housing development. Similar to the trends highlighted in the Census Building Permit data, multifamily buildings continue to make up an increasing share of all residential building permits and represent a large share of the units permitted.

Figure 28 Residential Building Permits by Building Type, 2017-2025



Source: City of Gloucester, Building Permit Data, 2017-2025

Figure 29 Estimated Units Permitted by Building Type, 2017-2025



Source: City of Gloucester, Building Permit Data, 2017-2025

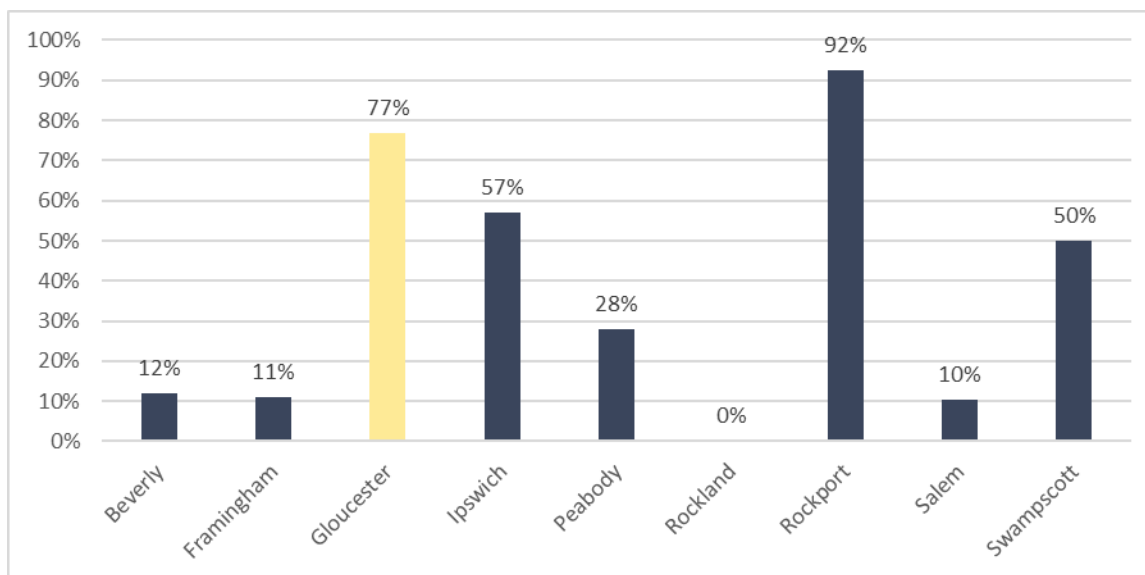
Recent permitting includes one new development (50R Maplewood, 40B Development, 30 rental units) and two conversions (58 Granite Street, 2 units to 4 units, 67 Middle Street, Affordable Housing rehabilitation from 22 to 28 units).

Seasonal Home Use

Seasonal home use and availability impact access to housing in Gloucester. The supply of homes is further limited by the number of housing units that are short-term or vacant, particularly those reserved for seasonal use. About 10% of Gloucester's housing stock is considered vacant; however, most of those units (an estimated 77%) are for seasonal or recreational use³⁰. In other words, nearly 8% of units are occupied for only part of the year, limiting options for year-round residents. Among context communities, Gloucester has the second-highest share of seasonal units, behind only Rockport.

Seasonal and short-term rentals can be difficult to identify and quantify, but anecdotal evidence and review of local rental listings indicate that many homes are rented for six months at a time. In 2025, the City began implementing a new rental registry that requires landlords to register rental properties with the City and include information about the property and units rented. Only about 30% of all registered units indicate the length of the rental term; even so, the rental units listed as short-term or seasonal make up about 10% of all registered units³¹. Census data estimates 1,114 of Gloucester's total housing units are for Seasonal Use, of which some may be short-term or vacation rentals. Compared to Census estimates for housing units for Seasonal Use, the registered units likely undercount seasonal and short-term rentals in Gloucester. Strategies are needed to balance the need to provide lodging and accommodations that support the city's tourism economy and seasonal workers with the need for more homes for year-round residents.

Figure 30 Seasonal Units as a Share of Vacant Units, Gloucester & Context Communities

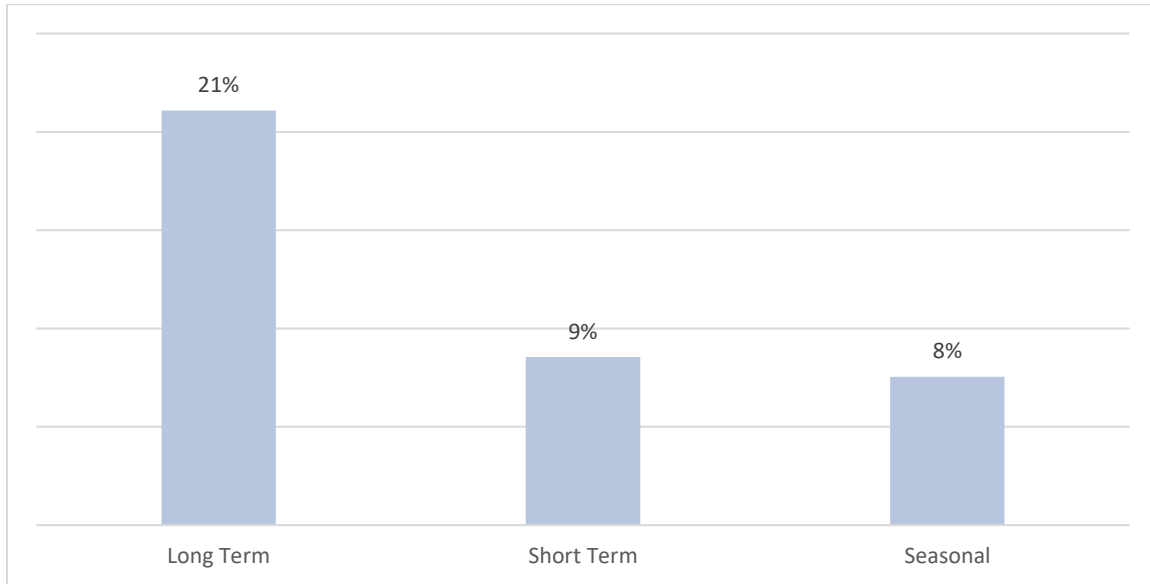


³⁰ American Community Survey, 5-year estimates, 2019-2023

³¹ City of Gloucester Rental Registry Data. The Rental Registry and Short-Term Rental Ordinance define "short-term rentals" as units that are rented for less than 30-days at a time. "Seasonal" is not defined but is generally understood to refer to units rented just in the summer or just in the off season.

Source: American Community Survey, 5-year estimates, 2019-2023

Figure 31 Registered Rental Units by Rental Type



Source: City of Gloucester Rental Registry Data, 2025. Only about 30% of all registered units indicate the rental type and among those that do indicate rental type, some properties are listed as more than one rental type.

Housing Costs & Affordability

To understand housing affordability in Gloucester, we take a closer look at how market-rate housing costs compare to what Gloucester households are able to afford. Generally, a home is considered affordable when a household spends no more than 30% of its income to cover housing costs like rent or mortgage payments, insurance, and utilities. Households that spend more than 30% of their income on housing costs are considered cost burdened by their housing. We then analyze the existing supply of deed-restricted Affordable Housing to understand the options available to Gloucester residents who cannot afford the costs of market-rate housing.

Market Housing Costs

Housing costs in Gloucester have increased rapidly in recent years, far outpacing increases in local household incomes and what the average Gloucester household can afford. This burden is felt particularly among renter households, who are more likely to have lower incomes and fewer options to choose from in the city. Likewise, rising home sale prices limit homeownership opportunities for many Gloucester households who cannot afford to make an entry into the market.

Market Rents

In 2024, median rents in Gloucester are about \$1,800 for a one-bedroom unit, \$2,200 for a two-bedroom unit, and \$2,825 for a three-bedroom unit³². According to the MAPC Rental Listings database, which pulls data from online rental listings, median rents in Gloucester increased by more than \$500 per month between 2019 and 2024 – an increase of nearly 40% for one-bedroom units and 30% for two-bedroom units. American Community Survey data is less reliable for rental figures because rents change rapidly, and this is sample data. Still, American Community Survey figures show a similar trend, estimating that median rents for one- and two-bedroom units increased by about 20% between the 2018 and 2023 5-year estimate windows.

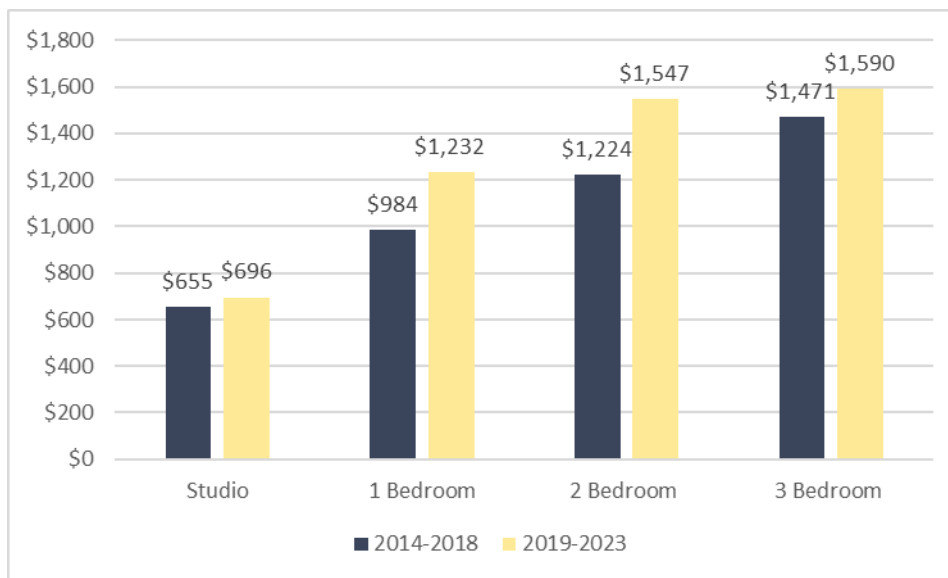
Table 1 Estimated Median Market Rents, 2024, Gloucester

Unit Size	2024 Median Rent
Studio	\$1,150
1-Bedroom	\$1,800
2-Bedroom	\$2,200
3-Bedroom	\$2,825
4-Bedroom	\$3,750

Source: MAPC Rental Listings Database, 2024 Median Rent by Number of Bedrooms

³² MAPC Rental Listings Database, 2024

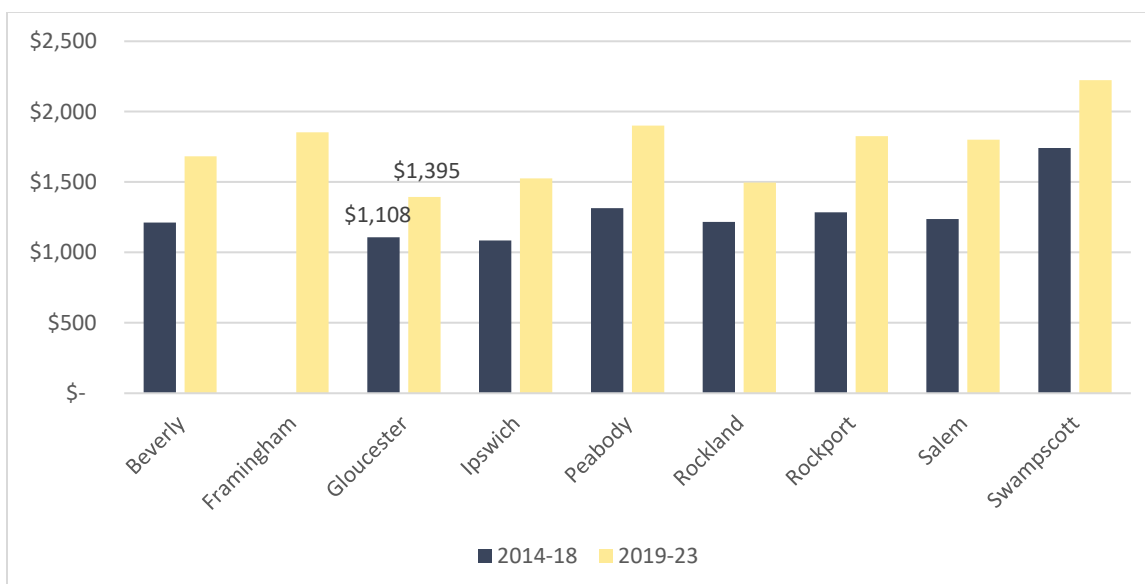
Figure 32 Median Rent by Number of Bedrooms, 5-year Increase, Gloucester



Source: American Community Survey, 5-year estimates, 2019-2023

While these increasing costs are well beyond what many Gloucester households can afford, compared to other context communities, median rents in Gloucester have increased more slowly over the last five years³³. In practice, Gloucester residents seeking more affordable rents are unlikely to find them in neighboring communities and attention is needed to create more affordable rental options for Gloucester residents to remain in the community.

Figure 33 5-year Increase in Median Gross Rent, Gloucester & Context Communities



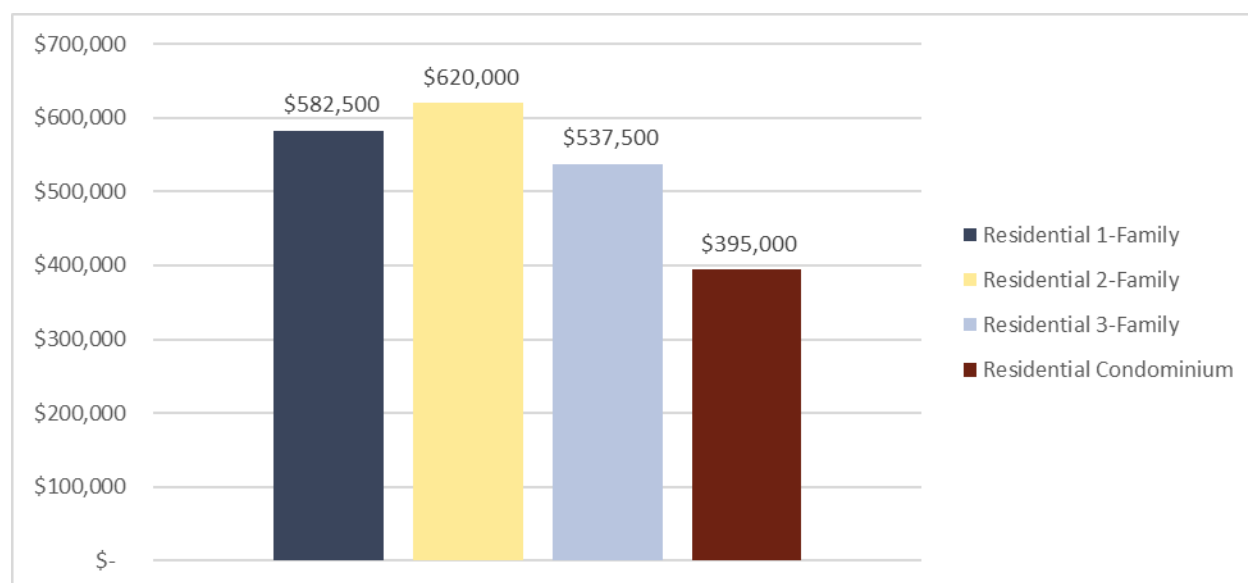
Source: American Community Survey, 5-year estimates, 2014-2018, 2019-2023

³³ American Community Survey, 5-year estimates, 2014-2018, 2019-2023

Market Home Sale Prices

As in many communities across the region, the cost to buy a home in Gloucester has increased significantly over time and rapidly in recent years. In 2025, the median sale price for a single-family home was around \$715,000³⁴. Between 2013 and 2023, the median home sale price for a single-family home in Gloucester increased by nearly 48%, an increase of about \$188,200³⁵.

Figure 34 2023 Median Home Sale Price by Sale Type, Gloucester



Source: Warren Group Data; values are shown in 2023 dollars

Home sale prices in Gloucester have been steadily increasing since 2013, with a more rapid increase in median home sale prices between 2019 and 2022³⁶. Median home sales peaked in 2022, with the median sale price for single-family, two-family, and three-family homes all above \$600,000³⁷. In general, home sale prices have increased regionally since 2020, in part due to the COVID-19 pandemic. During the pandemic, lower interest rates and more opportunities for remote work increased housing demand, particularly in communities further from Boston. Increasing demand in communities like Gloucester, coupled with limited supply and availability of homes, drives up home prices and prices out many Gloucester households from purchasing a home in the city.

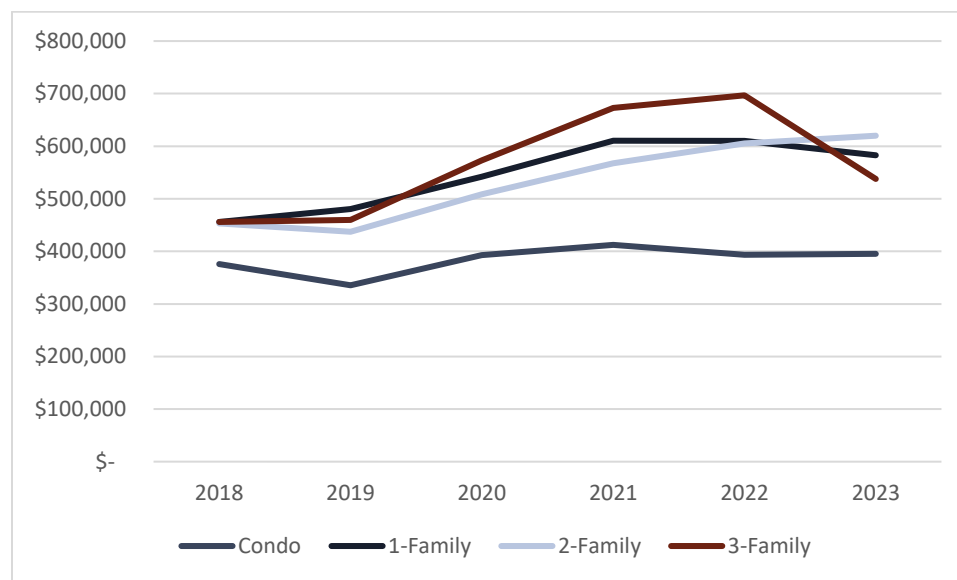
³⁴ Warren Group, December 2025 YTD Median Sale Price for Single Family Homes, Gloucester

³⁵ Warren Group Data 2003-2023; values are adjusted for inflation and calculations are in 2023 dollars

³⁶ Ibid

³⁷ Ibid

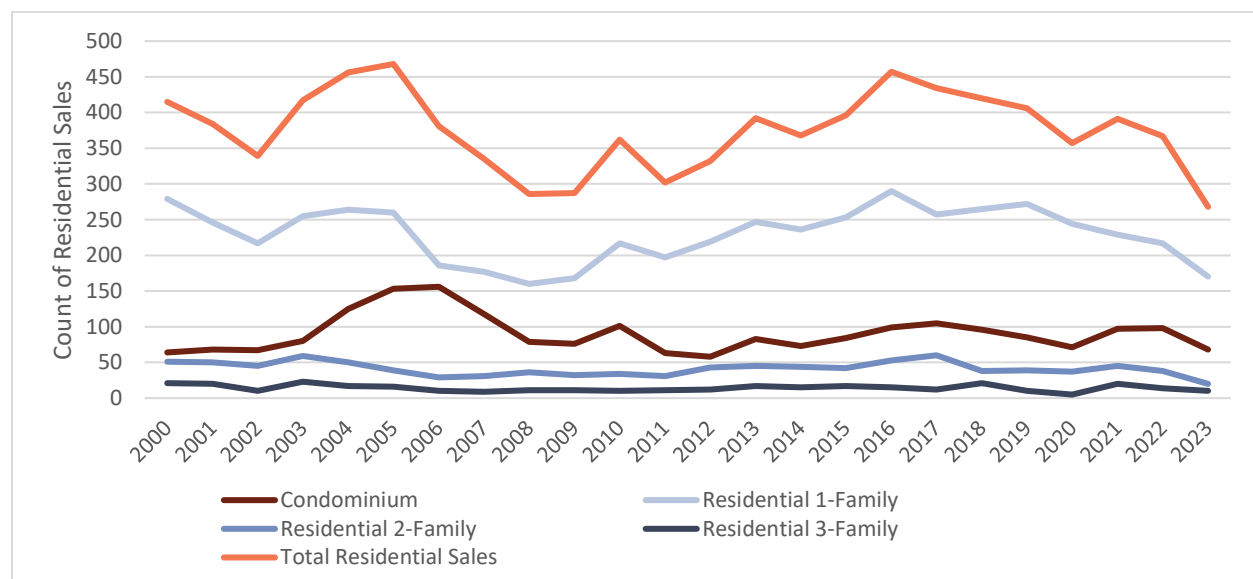
Figure 35 Change in Median Home Sale Prices by Sale Type 2018-2023, Gloucester



Source: Warren Group Data; values are adjusted for inflation and shown in 2023 dollars

Between 2000 and 2023, the annual count of residential sales in Gloucester has remained relatively consistent, ranging from 268 to 468 sales in any given year. Since 2020, the annual count of sales saw a peak in 2021 and has decreased slowly through 2023. Climbing interest rates likely contributed to the significant drop in the total count of residential sales in 2023³⁸. Notably, 2023 has the lowest count of sales of any year in the twenty-year period from 2003 -2023.

Figure 36 Count of Residential Sales by Sale Type, 2000-2023, Gloucester



Source: Warren Group Data, 2000-2023

³⁸ Warren Group Data 2003-2023; values are adjusted for inflation and calculations are in 2023 dollars

As with market rents, median home sale prices in Gloucester are moderate compared to context communities. Even so, these prices put homeownership out of reach for many Gloucester households. To afford the median home sale price in Gloucester in 2025, a household would need an income of at least \$183,000 per year and around \$143,000 in savings for a standard 20% downpayment³⁹. In the next section, we take a closer look at households by income type and what Gloucester households can afford.

Figure 37 2023, 2025 Median Single-Family Home Sale Price, Gloucester & Context Communities



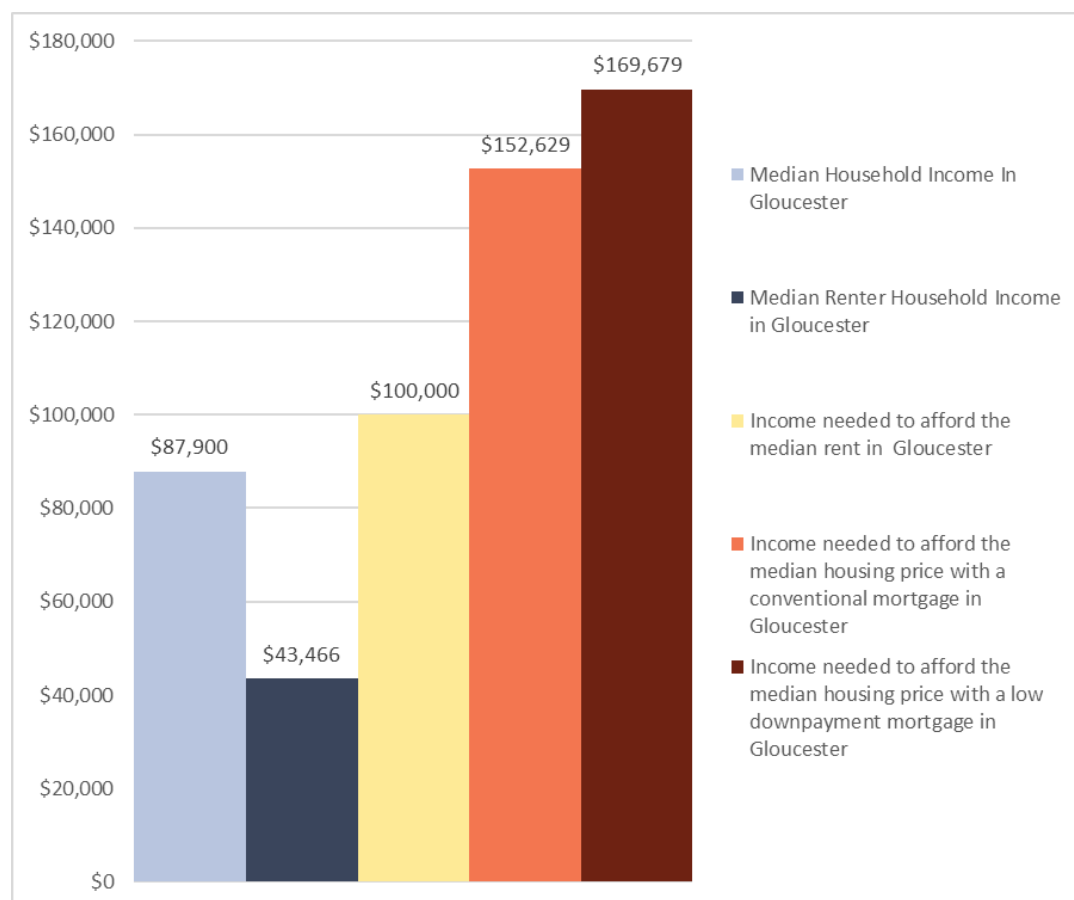
Source: Warren Group Data 2023, 2025; values are not adjusted for inflation

³⁹ The Warren Group, 2025; MAPC calculations. The affordability calculation budgets \$300 per month for utilities, \$100 per month for insurance, and assumes property taxes at a rate of \$9.72 per \$100,000 of assessed values, where the assessed value is equal to home price.

Income & Housing Costs

To understand what households in Gloucester can afford, we take a closer look at household incomes. In 2023, the median household income in Gloucester is estimated at \$43,466 for renter households (about 37% of households) and \$121,558 for homeowner households (about 63% of households)⁴⁰. The chart below shows the gap between median household incomes in Gloucester and the income needed to afford market rate housing costs in the city. The income needed to afford market rents is more than double the median household income for renters, and the income needed to afford the median home sale price is more than three times the median renter income. The median homeowner household, with a household income around \$120,000, is likely able to afford median rental costs, but likely could not afford to purchase a home at the median sale price in Gloucester. In practice, this means that some homeowner households are unlikely to be able to purchase a home to relocate within Gloucester. This issue has a big impact on seniors and older adults who may wish to downsize but cannot afford other homes in Gloucester, keeping them in homes that may no longer meet their needs and preventing those homes from transitioning to the next generation of homeownership in Gloucester.

Figure 38 Gloucester Affordability Gap



Source: American Community Survey 5-year estimates, 2019-2023; MAPC Rental Listings Database, 2024; The Warren Group, 2023; MAPC calculations

⁴⁰ American Community Survey, 5-year estimates, 2019-2023

Median household income in Gloucester is lower than the Area Median Income. Area Median Income, or AMI, is the standard used to describe household income levels and determine eligibility for most housing assistance programs, including deed-restricted Affordable Housing units and various voucher programs, and represents a regional median (rather than a local one). For Gloucester in 2023, the Area Median Income used to determine eligibility and set affordable rents for deed-restricted units was \$149,300⁴¹. Importantly, this is higher than the local median income for both homeowners and renters in Gloucester and roughly \$60,000 more than the median household income⁴². The Area Median Income changes annually. The chart below shows the HUD Area Median Family Income Limits for FY2025 increasing to \$169,900, an increase of about 8% from FY2023.

Table 2 FY2025 HUD Area Median Family Income Limits

2025 HAMFI		1-Person Household	2-Person Household	3-Person Household
\$160,900	30% AMI Extremely Low-Income	\$34,750	\$39,700	\$44,650
	50% AMI Very Low-Income	\$57,900	\$66,200	\$74,450
	80% AMI Low-Income	\$92,650	\$105,850	\$119,150

Source: U.S. Department of Housing and Urban Development FY2025, Boston – Cambridge-Quincy, MA-NH HUD Metro FMR Area

Low-Income Households

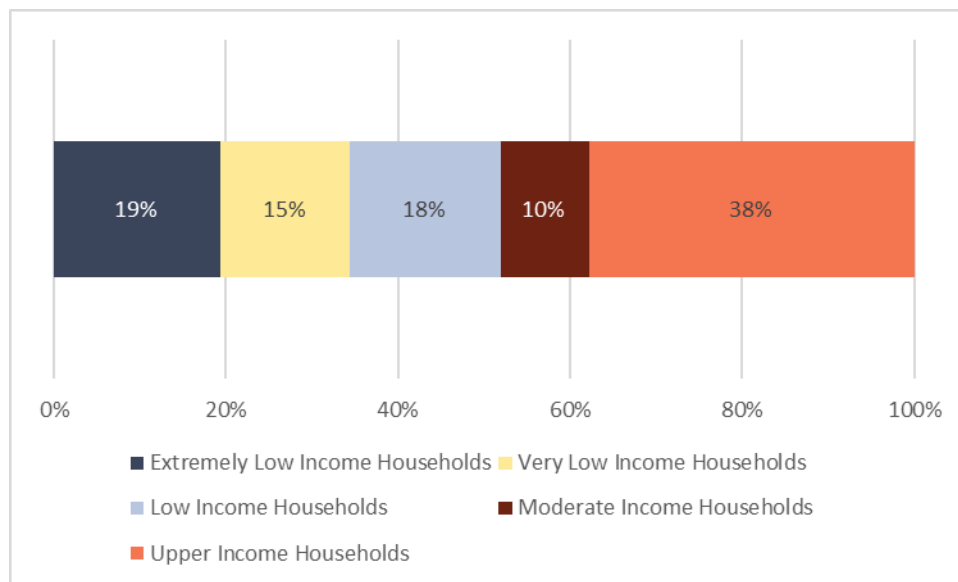
More than half of households in Gloucester have incomes that make them eligible for deed-restricted Affordable Housing. An estimated 6,835 households (about 52% of all Gloucester households) qualify as low income under the federal definition, with 19% of all households defined as extremely low-income⁴³. Because household incomes in Gloucester are lower than household incomes region wide, many Gloucester households, including many of the city’s essential workers, meet the low-income threshold and are potentially eligible for Affordable Housing based on their income. Additionally, because rents for deed-restricted Affordable Housing are often set by calculating a rent that is affordable to a household at 50-80% of the Area Median Income, even “Affordable Housing” is not affordable for many Gloucester households.

⁴¹ U.S. Department of Housing and Urban Development (HUD), Boston-Cambridge-Quincy, MA-NH HUD Metro FMR Area; FY2023 value is used to compare to most recent ACS data (2019-2023 5-year estimates)

⁴² American Community Survey, 5-year estimates, 2019-2023

⁴³ Comprehensive Housing Affordability Strategy (CHAS), 5-year estimates, 2017-2021; extremely low-income refers to households with incomes at or below 30% of AMI.

Figure 39 Households by Income Type, Gloucester



Source: Comprehensive Housing Affordability Strategy (CHAS), 5-year estimates, 2017-2021

Among low-income households, need is split across income types, with the greatest need among Extremely Low-Income households⁴⁴. Households making 80% AMI are around 18% of all low-income households. Very Low-Income households (50 to 80% of AMI) make up 15% of Gloucester households⁴⁵ and earn between \$57,000 and \$74,000, depending on household size. 19% of Gloucester households are considered Extremely Low-Income⁴⁶, meaning households with incomes around \$44,000 or less. Moderate-Income households represent the smallest proportion of households, indicating widening wealth gaps among Gloucester households. Moderate-income households may struggle to remain in the city.

In Gloucester, “low-income” households include many of the city’s essential workers and people at the heart of Gloucester’s economy. Data available through the North America Industry Classification System (NAICS) indicates that the Manufacturing, Health Care and Social Services, Retail Trade, and Accommodation and Food Service industries make up the largest shares of employment in Gloucester. The table below shows the average weekly wages for workers by industry and estimates affordable monthly housing costs for those workers based on 30% of their estimated wages. Average wages place workers across many of Gloucester’s largest industry sectors at or below the “low-income” threshold. Unless these workers are in a household with a higher income person, they likely struggle to afford housing costs in the city.

⁴⁴ Comprehensive Housing Affordability Strategy (CHAS), 5-year estimates, 2017-2021

⁴⁵ Ibid

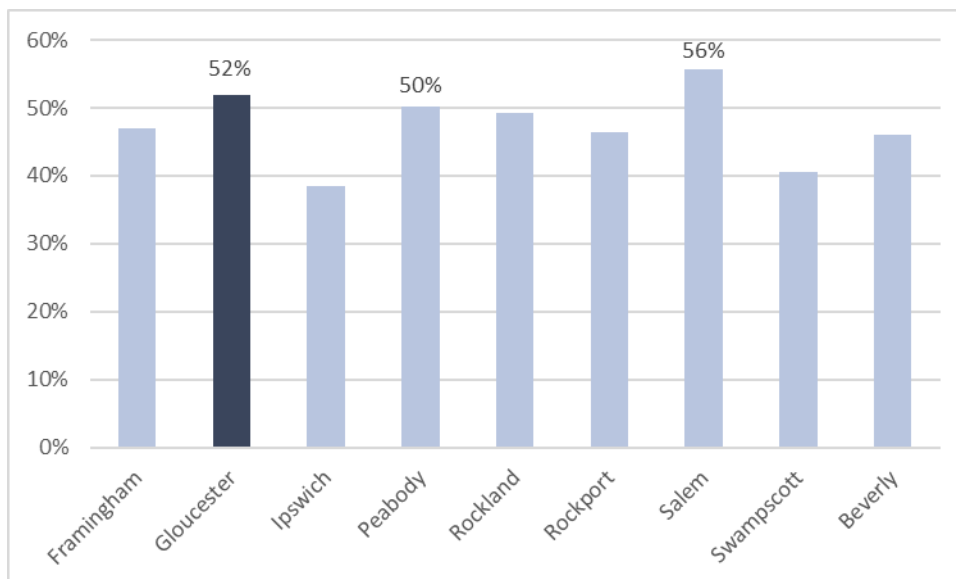
⁴⁶ Ibid

Figure 40 Average Weekly Wages among top Industries in Gloucester, 2022

NAICS Industry	2022 Average Weekly Wages	Est. Annual Wages	Est. Affordable Monthly Housing Costs
Manufacturing	\$2,321	\$120,692	\$3,017
Health Care & Social Assistance	\$1,056	\$54,912	\$1,373
Retail	\$757	\$39,364	\$984
Accommodation & Food Services	\$631	\$32,812	\$820
Public Administration	\$1,518	\$78,936	\$1,973
Arts, Entertainment, and Recreation	\$1,013	\$52,676	\$1,317

Source: NAICS Employer and Wages by Industry, Gloucester, 2022, MAPC Calculations⁴⁷

Figure 41 Share of Low-Income Households, Gloucester & Context Communities



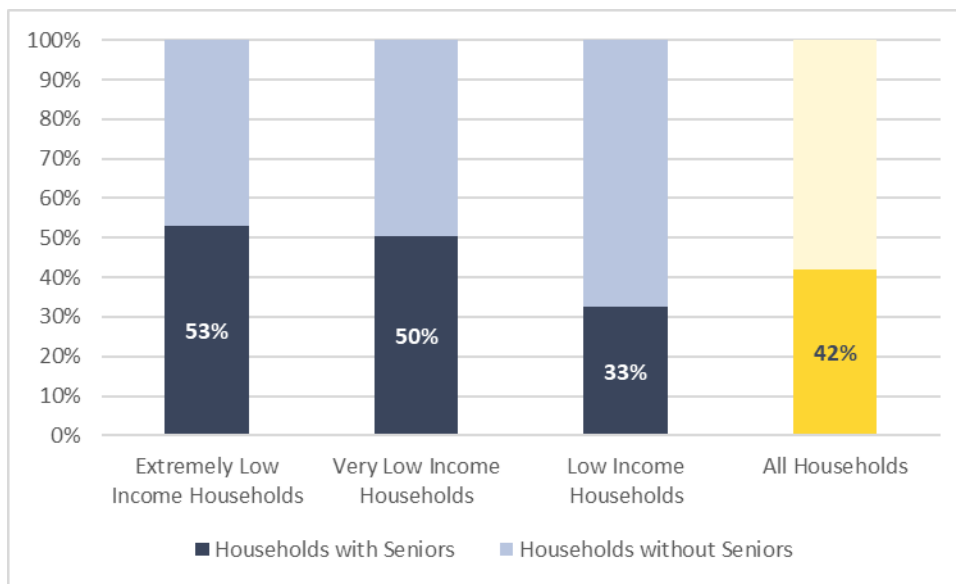
Source: Comprehensive Housing Affordability Strategy (CHAS), 5-year estimates, 2017-2021

Older adult and senior households make up a significant share of low-income households. While households with seniors make up about 42% of *all* Gloucester households⁴⁸, households with seniors make up about 45% of *all low-income households*, including more than half of Extremely Low- and Very Low-Income households. Seniors and older adults on fixed incomes often struggle to pay for escalating costs of homeownership and can't cover the costs to downsize based on what is available in the marketplace.

⁴⁷ Housing costs, inclusive of rent or mortgage payments, insurance, and utilities, are considered "affordable" when those costs make up no more than 30% of a household's monthly income. To estimate "Affordable Monthly Housing Costs" we calculated 30% of the estimated monthly wages for each industry (estimated annual wages divided by twelve). These numbers are estimates to demonstrate generally what could be considered affordable to people in different industries with different incomes and is not intended to reflect individual circumstances.

⁴⁸ American Community Survey, 5-year estimates, 2019-2023

Figure 42 Share of Low-Income Senior Households



Source: Comprehensive Housing Affordability Strategy (CHAS), 5-year estimates, 2017-2021

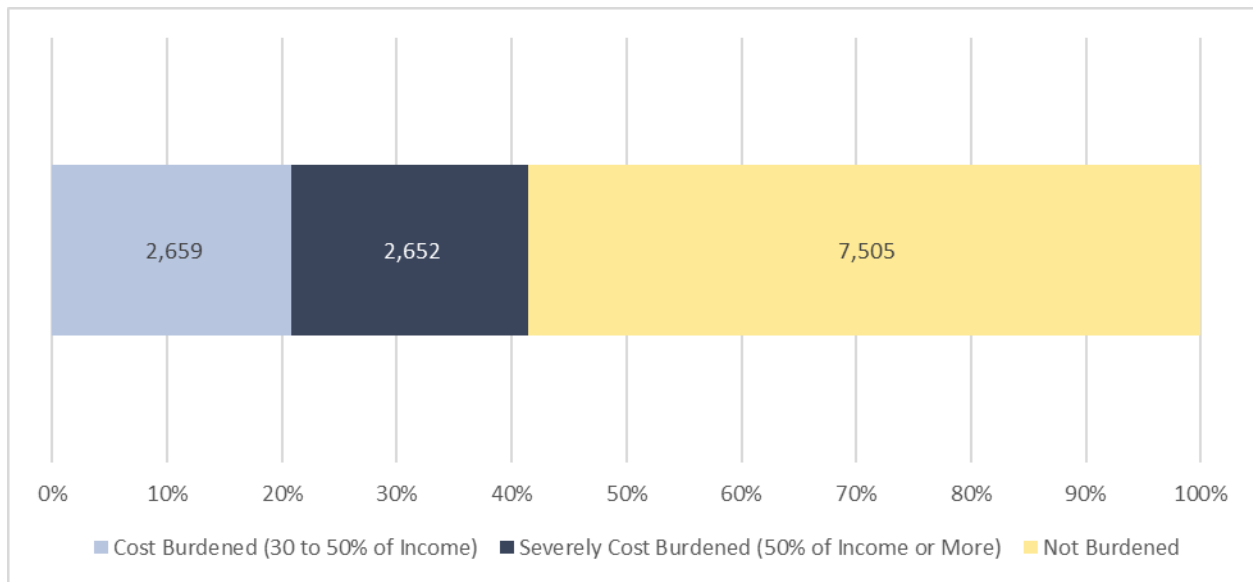
Housing Cost Burden

Many Gloucester households pay more than they can afford for housing. A household is considered cost burdened when it spends more than 30% of household income on housing costs, like rent or mortgage payments and utilities. A household is considered severely cost burdened when it spends more than half of household income on housing costs. **In Gloucester, 41% of all households are cost burdened. Among cost burdened households, half are severely cost burdened – paying more than half of household income towards housing costs⁴⁹.** Despite comparatively more moderate market housing costs, ACS data estimates that Gloucester has the second highest rate of housing cost burden among context communities.

Cost burdened households are more vulnerable to displacement or loss of housing, as one unexpected expense, change in financial situation, or rapid increase in housing costs can easily destabilize household finances and force households to make difficult choices between paying for housing and other essential needs like groceries or health care. Increasing the supply of housing that is affordable to Gloucester households works to reduce housing cost burden and, by extension, improve housing stability in the community.

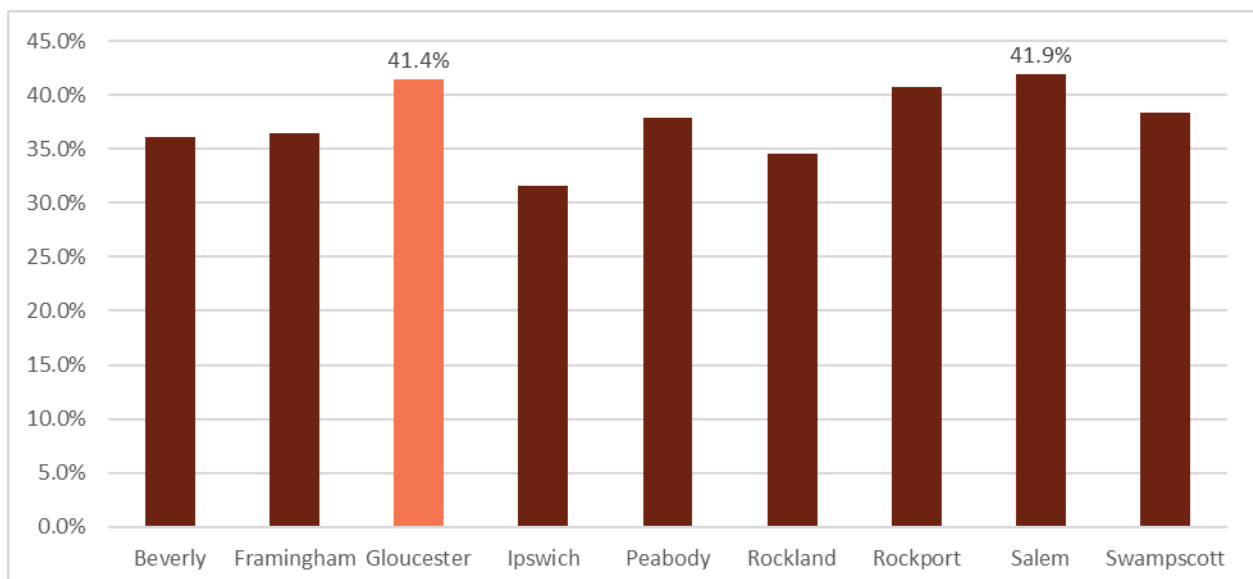
⁴⁹ American Community Survey, 5-year estimates, 2019-2023

Figure 43 Cost Burdened Households, Gloucester



Source: American Community Survey, 5-year estimates, 2019-2023

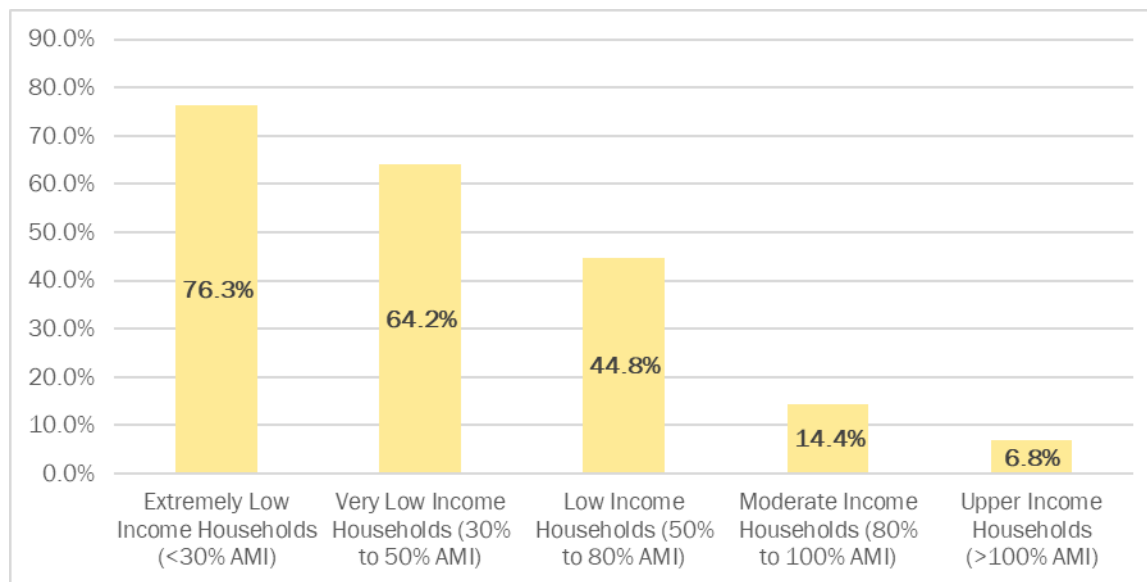
Figure 44 Rates of Cost Burdened Households, Gloucester & Context Communities



Source: American Community Survey, 5-year estimates, 2019-2023

Low-Income households in Gloucester are more likely to be cost burdened by housing. About 76% of Extremely Low-Income households, or households with income below 30% of AMI, experience housing cost burden in Gloucester. For households in this income level, housing cost burden can be particularly destabilizing and often places these households not just at risk of displacement, but of experiencing homelessness as their housing costs become increasingly unaffordable. Importantly, in Gloucester, households with seniors make up a disproportionate share of households with incomes at or below 30% of the Area Median Income.

Figure 45 Rate of Household Cost Burden by Income Type



Source: *Comprehensive Housing Affordability Strategy (CHAS)*, 5-year estimates, 2017-2021

Both homeowners and renters experience housing cost burden in Gloucester. While homeowners make up about half of all cost burdened households (54%), renter households see much higher rates of cost burden compared to homeowner households with about 50% of all renter households experiencing some form of cost burden compared to just 35% of homeowner households⁵⁰. Recent analysis by Harvard’s Joint Center for Housing Studies shows that housing cost burden among homeowner households is increasing nationwide⁵¹, with significant growth in burdens among older homeowners. The research suggests that “while mortgages remained the largest single housing expense for most homeowners, non-mortgage costs of home insurance, property taxes, utilities, and routine home maintenance have increased more rapidly since the pandemic”⁵². The estimated rate of housing cost burden among homeowner households in Gloucester is most similar to Swampscott and is the highest among context communities⁵³. In Gloucester, many families pass down homes between generations as a way for people of modest means to stay in the city; this may also contribute to Gloucester’s high rate of cost burden among homeowner households. Strategies and solutions are needed to address housing cost burden for both renter and homeowner households in Gloucester.

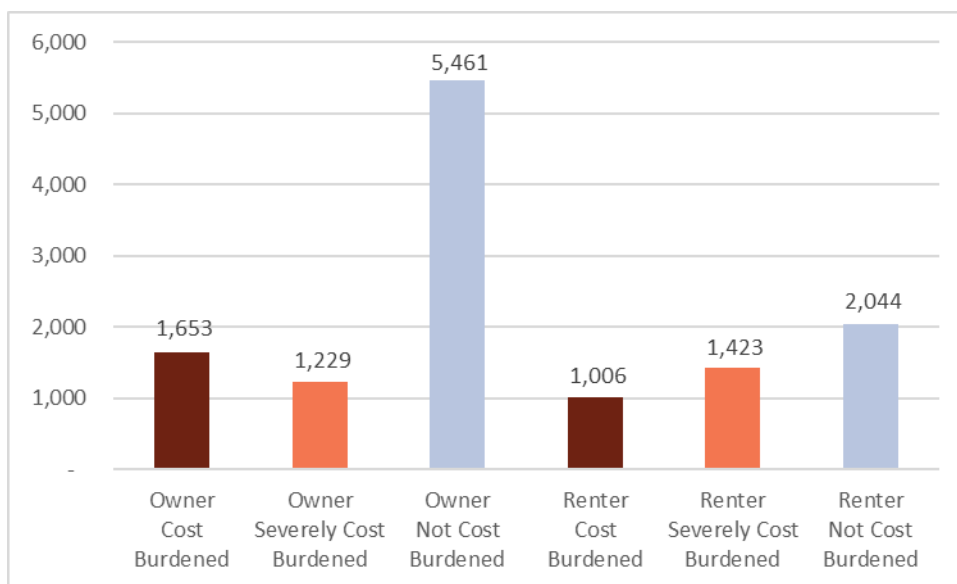
⁵⁰ American Community Survey, 5-year estimates, 2019-2023

⁵¹ Daniel McCue, Whitney Airgood-Obrycki, Peyton Whitney, [“Rising Costs of Homeownership Are a Growing Burden.”](#) February 2025

⁵² Ibid

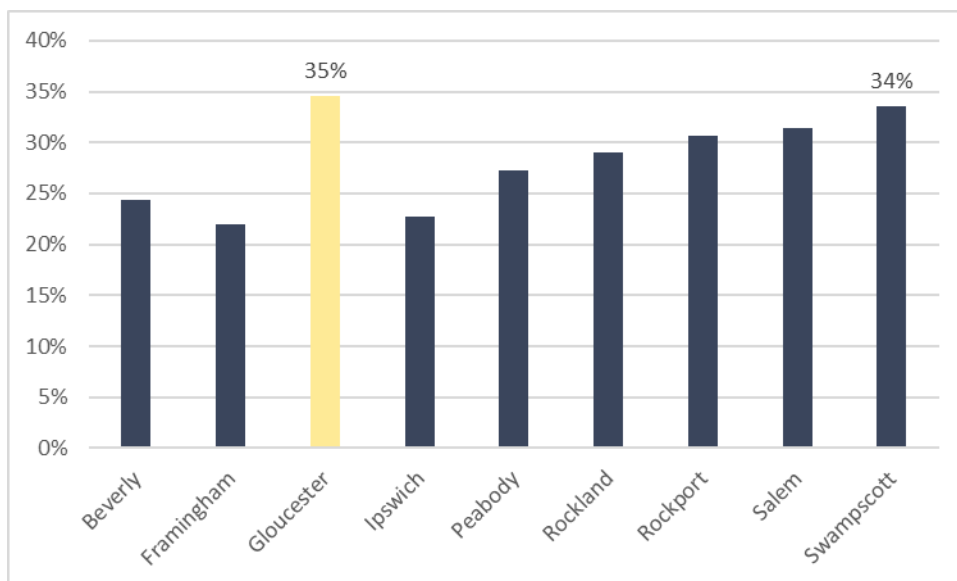
⁵³ American Community Survey, 5-year estimates, 2019-2023

Figure 46 Estimated Households by Tenure and Cost Burden, Gloucester



Source: American Community Survey, 5-year estimates, 2019-2023

Figure 47 Rate of Homeowner Cost Burden, Gloucester & Context Communities



Source: American Community Survey, 5-year estimates, 2019-2023

Affordable Housing & Low-Income Residents

Since the City's last Housing Production Plan in 2017, Gloucester has made progress towards increasing its supply of Affordable Housing, with more than 150 units added to the Subsidized Housing Inventory (SHI) since 2017. However, a supply gap remains and Gloucester's supply of deed-restricted Affordable Housing units can only provide housing for about one in six eligible local households. Gloucester has an estimated 6,835 low-income households who could potentially qualify for and benefit from access to deed-restricted Affordable Housing, but only about 1,117 deed-restricted Affordable Housing units on

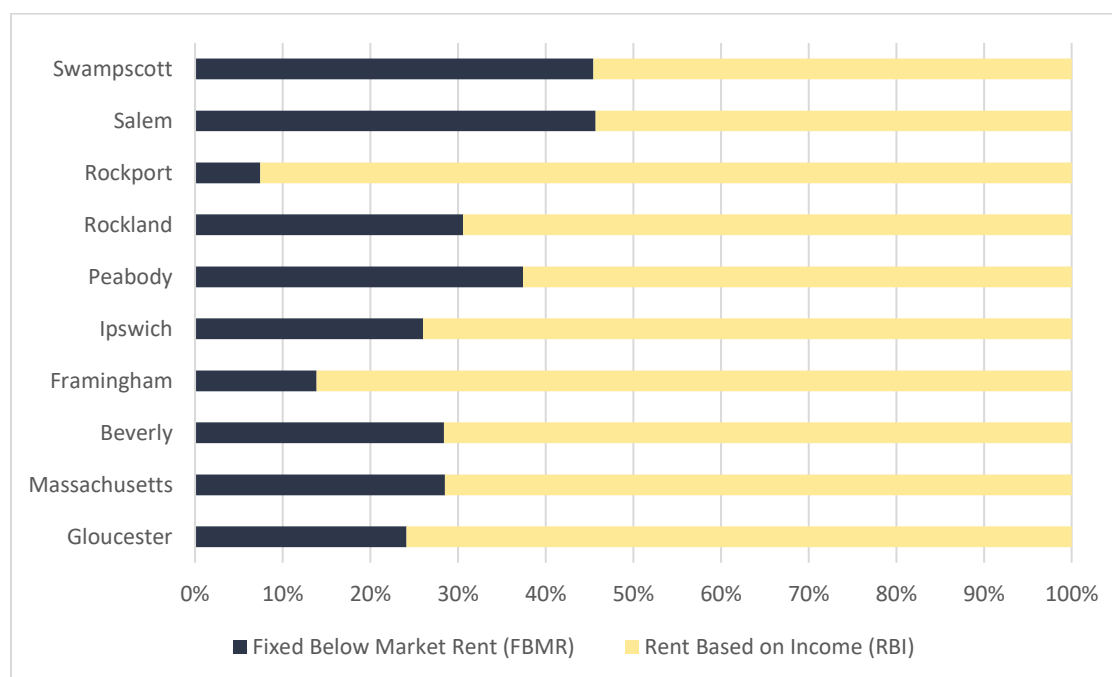
the SHI⁵⁴. For households not housed in deed-restricted Affordable Housing and without a housing voucher, many live in lower cost private housing (that is typically older and sometimes poorly maintained) or pay more than they can afford for housing.

[Housing Navigator Massachusetts](#) offers additional detail about the supply of affordable homes throughout the region and in Gloucester. Housing Navigator identifies affordable rents in two types: Fixed Below Market Rent (FBMR) and Rent Based on Income (RBI).

In FBMR units, rents are set at a fixed below-market rate, typically determined relative to the Area Median Income (AMI). FBMR units are often created through inclusionary zoning policies or 40B developments, setting rents to be affordable to households at 30-80% of AMI depending on the development. FBMR units can create challenges for low-income tenants to remain in their housing, as fixed-below market rents are subject to increase as the AMI increases – regardless of whether or not the tenant’s income increases. In contrast, in units with Rent Based on Income (RBI), rent is set based on the tenant’s income such that a household does not pay more than 30% of their income on rent and utilities. RBI units are most commonly public housing units administered by the Housing Authority, though some senior Affordable Housing is structured in this way to accommodate households on fixed incomes.

In Gloucester, about 75% of Affordable Housing units have Rent Based on Income and 25% of Affordable Housing units have Fixed Below Market Rents⁵⁵. This is a relatively high share compared to context communities.

Figure 48 Affordable Housing Units by Rent Type, Gloucester & Context Communities



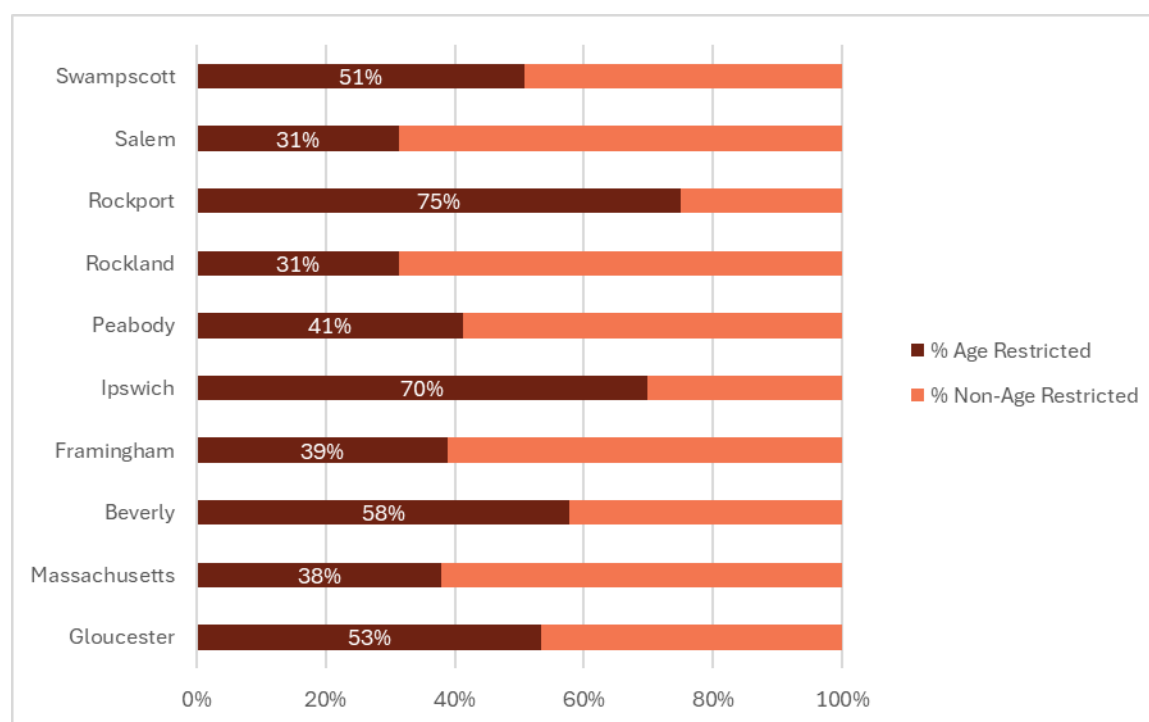
Source: Housing Navigator Data Updated December 31, 2024

⁵⁴ American Community Survey, 5-year estimates 2019-2023, EOHLC 2025 Subsidized Housing Inventory (SHI).

⁵⁵ Housing Navigator Data, 2024

About 485 of Gloucester’s Affordable Housing units (53%) are age-restricted⁵⁶. This is a significantly higher share compared to the Commonwealth as a whole (38%), but comparable to other context communities of Swampscott (51%) and Beverly (58%). While it is critical to address the need for Affordable Housing among senior households in Gloucester, age-restrictions do not always accomplish this goal. Occupancy restrictions and application requirements may prevent couples from living together, an older adult living with a family member or caretaker, or older adults who may be caregivers for grandchildren or others, creating unintended consequences and barriers to access for the people the housing is intended to serve⁵⁷. Additionally, by restricting access to the already limited supply of Affordable Housing, households at all stages of life are left with even fewer choices for affordable homes in Gloucester.

Figure 49 Affordable Housing by Age-Restricted Status, Gloucester & Context Communities



Source: Housing Navigator Data Updated December 31, 2024

Expiring Affordability

There are approximately 100 units on Gloucester’s Subsidized Housing Inventory with affordability restrictions that are set to expire in the next five years. These units represent about 10% of Gloucester existing supply of deed-restricted Affordable Housing and, if lost, could result in a 0.7% decrease in the City’s current SHI⁵⁸. Previous plans have identified limited municipal capacity to monitor and maintain compliance for existing deed-restricted units as a primary challenge to preventing expirations. When deed restrictions expire, the units can be converted into market-rate rentals or sales. The City of

⁵⁶ Housing Navigator Data, 2024

⁵⁷ Housing Navigator, MAPC, June 20, 2025 [“Data Opens Doors: Measuring the Affordable Housing Gap in Massachusetts”](#)

⁵⁸ Subsidized Housing Inventory, 2023

Gloucester can try to maintain these affordability restrictions through negotiation with property owners and additional subsidies, but property owners are typically free to convert units to market-rates without state intervention.

Gloucester Housing Authority & Rental Vouchers

The Gloucester Housing Authority serves an estimated 1,300 Cape Ann residents through Public Housing, Rental Assistance, Homeownership, and Resident Services programs. The Gloucester Housing Authority owns and manages **522 units of state-aided family and elderly housing**, where residents pay a rent based on 25-30% of their adjusted monthly income, **89 units of federally funded public housing**, and **52 SRO units funded through HUD**⁵⁹. The Housing Authority is authorized to administer **638 Section 8 Housing Choice Vouchers** and **48 MRVP vouchers**⁶⁰.

Broadly speaking, a housing voucher is a form of government subsidy that can be used to reduce the cost of housing to make it more affordable for households with lower incomes. Most vouchers allow households to pay a fixed portion of their monthly income towards housing costs, typically around 30%, and the remainder of the rent is paid by a government agency (depending on which agency administers the voucher).

Some households using a voucher may live in deed-restricted Affordable Housing while others live in housing on the open market. As market rents continue to increase, residents report it is increasingly difficult to find a unit they can afford, even with a voucher.

Homelessness

While it is difficult to track with quantitative data⁶¹, we know from conversations with residents and service providers that Gloucester has a sizable unhoused community. Experiencing homelessness is not an individual failing but rather a symptom of a societal failure to provide access to enough safe, healthy, and affordable homes nationwide and throughout the region. While many people think of homelessness as the visible phenomenon of unhoused people, it reflects a diverse set of conditions and experiences that are difficult to track at a population level. Individuals experiencing homelessness may include unsheltered people living in public spaces, people living in shelters and emergency housing, and those sleeping in their cars or at the homes of friends and family.

Gloucester has a strong network of organizations that provide support. Agencies and advocacy groups that provide support services are essential for identifying housing opportunities for their constituents and helping them retain long-term stable housing. In a focus group with residents who access services through Action Inc., it was clear that while the services currently provided are critical and life-changing for those who are able to access support, there remain unmet needs among the unhoused community. There are many vulnerable households in Gloucester, including many elders, with little barrier between escalating housing costs and facing the loss of their home. Providing more Affordable Housing opportunities, especially to Gloucester's most vulnerable households is of utmost importance.

⁵⁹ Gloucester Housing Authority

⁶⁰ Ibid

⁶¹ The most recent available point in time count is from 2020, conducted by the Continuum of Care (CoC), and includes Gloucester, Haverhill, and Salem/Essex County.