The Boston Blobe Globe West November 17, 2005

Apartments are answer for many

Availability called necessity for workers

By Emily Shartin

Coming from San Francisco, where real estate is among the country's priciest, Neena Arora was unfazed by Greater Boston's high housing costs.

But as she and her family searched for a place to rent when her husband changed jobs earlier this year, what did strike her was how little the suburbs seemed to offer in the way of apartments.

"It just seemed like there wasn't a lot of supply," Arora said.

Real estate developers and observers said that has begun to change. With several large rental complexes under discussion or construction across Boston's western suburbs — including projects in Newton, Needham, Franklin, Marlborough, Northborough, and Shrewsbury — apartment hunters are gaining a host of new options, sometimes with perks such as common areas, fitness rooms, and wireless Internet access.

Tom Meagher of Acton-based Northeast Apartment Advisors, which tracks rental housing, estimated that, with as many as 50,000 new apartments in the pipeline, the Boston area is poised to gain the largest amount of new multifamily housing since the late 1980s.

The question now is whether the suburbs — for better or worse, the land of single-family homes and private backyards — will produce enough people to fill the new units, many of which have been in the planning stages for several years.

Apartments seen critical in attracting businesses

► APARTMENTS
Continued from Page 1

Apartments attract everyone from empty-nesters to the newly single to young professionals who don't want to be tied down to a piece of property. Many say the new stock would help satisfy "pent-up demand," but they also say the future of the suburban rental market depends on variables like regional job growth, as well as rising interest rates and home prices, which could conspire to keep some people from buying.

"As long as the cost of housing remains high, the demand for rentals will remain high as well," said Curtis Kemeny, president of Boston Residential Group, which recently renovated its Linden Square town house development in Wellesley. He believes renters nowadays expect more quality for their money.

Aaron Gornstein, executive director of the Citizens' Housing and Planning Association, noted that many would-be renters have been wooed in recent years by low interest rates that have allowed them to buy condos. He said that demand for affordable rental units remains high but questioned whether people are still seeking expensive ones.

"The demand just isn't as strong as it once was," Gornstein said.

The average rent for an apartment in the MetroWest region, which includes several communities near Framingham, was \$1,169 in the third quarter of 2005, according to Meagher. Along Interstate 495 near the Massachusetts Turnpike and stretching down to the Rhode Island border, it was \$1,232. Near Route 128 and its intersection with the Mass. Pike, it was \$1,708, he said.

Not long ago, as the economy staggered, many apartment complexes were offering concessions such as a month's rent to attract new tenants. Those practices have 'As long as the cost of housing remains high, the demand for rentals will remain high. . .'

Curtis Kemeny Boston Residential Group

dropped off as the state has seen modest job growth, said Bill Mc-Laughlin, senior vice president with AvalonBay Communities, which is building apartments in Newton and Shrewsbury and has proposed a development in Northborough. In September, the state reported that jobs were up 28,700 over the previous year.

"New demand is directly correlated to new jobs," McLaughlin said.

Like many developers, Avalon-Bay builds under the state's affordable housing statute, known as Chapter 40B. Because communities often do not have laws that allow for multifamily housing, developers say one of the only ways to build apartments is by using the controversial law, which allows developers to sidestep local zoning restrictions if a portion of the proposed housing sells or rents at below-market prices.

Jay Doherty, president of Cabot, Cabot and Forbes, which wants to build 350 apartments under 40B in the New England Business Center in Needham, believes the lack of housing options for workers is limiting job growth in Massachusetts. The new Needham housing would not only attract workers from the business center but from up and down Route 128, he said.

"It's all part of a whole," Doherty said.

But not all communities necessarily want more apartments. Developer John Marini removed the rental component from his proposal for a project combining homes and businesses in Franklin after the town said it would prefer condominiums.

Carol Harper, Franklin's director of planning and community development, said the town has enough rentals and would rather focus on other options for seniors and young families. A 300-unit apartment complex called Union Place is under construction in town.

"We don't want any apartments," said Harper. "We really want homeownership where possible."

But given the cost of housing, Harper said she recognizes the general need for apartments in the suburbs, which offer many families entry into certain school districts. "It is some people's only option," she said.

Judith Shea moved to Linden Square Townhomes in Wellesley after a divorce 20 years ago.

"I thought it 'a good temporary place until I find something better," said Shea, 59. "I thought 'Well, maybe I'll move next year."

But after coming to appreciate the community and realizing she probably couldn't buy in town, she has chosen to stay in the spacious but cozy apartment. She enjoys her neighbors and being close to the town's commercial center and public transportation.

Arora and her family, who also found a place to rent at Linden Square, also enjoy the community at the complex.

"There are quite a few families around," said Arora, who has two young daughters. She said her family will eventually need more space and is looking to buy. But given the local housing prices, she's not sure whether the town will be an option.

"It is coming down a little bit, but Wellesley's pretty expensive," she said.