

A SNAPSHOT OF URBAN CONTRASTS

Boston and the bordering cities and towns of
Brookline, Cambridge, Chelsea, Milton, Somerville, and Watertown



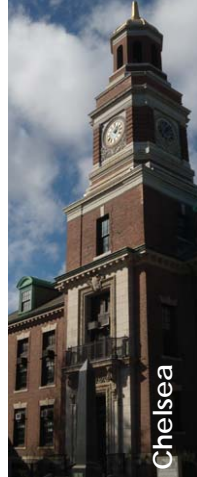
Boston



Brookline



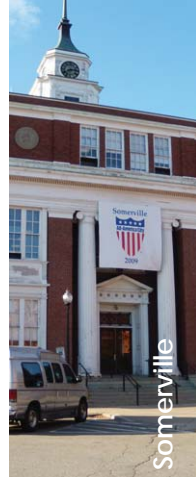
Cambridge



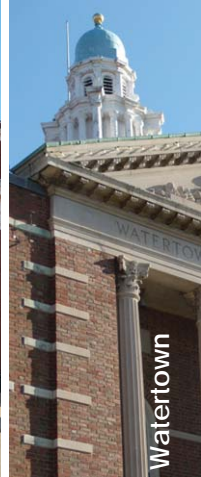
Chelsea



Milton



Somerville



Watertown

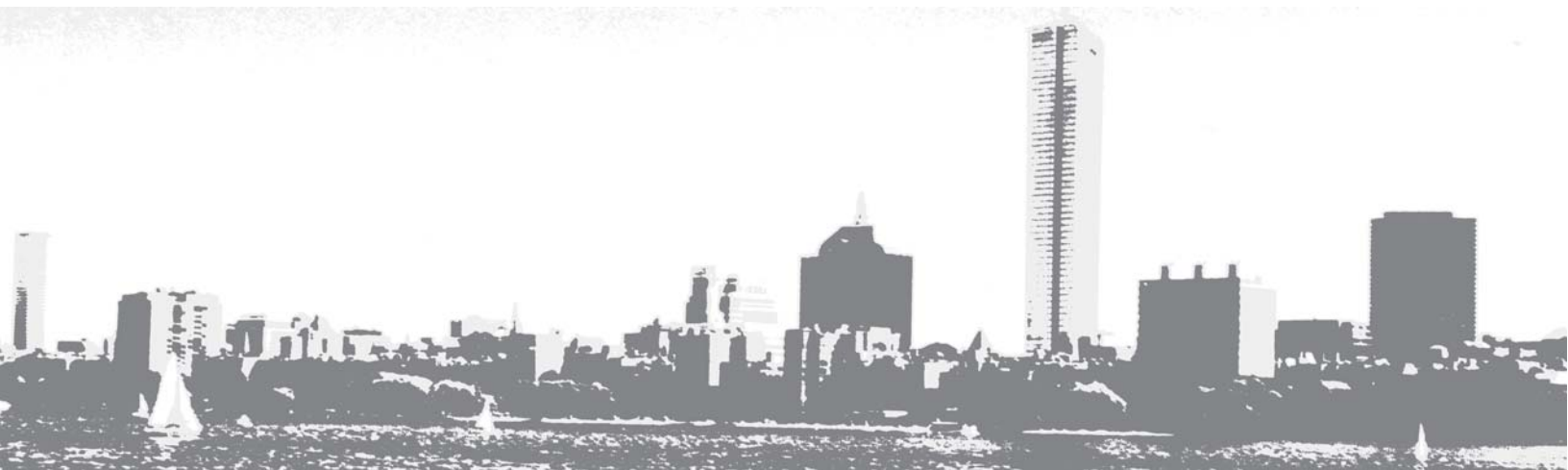
A Graphic Informational Profile of Seven Boston Area Cities and Towns

Boston Studies Group
April 12, 2010

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THE PURPOSE

This comparative profile illustrates some of the major characteristics of a select group of cities and towns in an objective yet graphically compelling way. Individuals and organizations - whether they are in the public, non-profit, or private sectors, and whether they are engaged in planning, business, or economic, real estate or social development - need this kind of good, clearly presented, and relevant information if they want to understand and be successful in these communities and in their endeavors.

This profile contains the attributes of communities that are most frequently used, but there are many others that could have been selected (data on employment, educational attainment, social amenities, business trends, etc.) The framework is adaptable, however, and can be customized to present whatever data attributes are chosen to illustrate various thematic subjects in various geographies.

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"Towns, suburbs, and even little cities
are totally different organisms from great cities."
Jane Jacobs

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OVERVIEW

The profile of these seven cities and towns, all within 2 to 5 miles of downtown Boston, offers a picture of economic, social, and residential diversity so common in the urban tapestry of New England. Capturing these attributes within a comparative infographic

view enables any user - city planners, property developers, business or non-profit organizations - to better understand the similarities and differences of these physically close communities and make better decisions.



City/Town	Total Population	Total Households	Land (Sq.Miles)
Boston	589,884	241,027	48.4
Brookline	54,685	24,528	6.8
Cambridge	102,229	42,979	6.4
Chelsea	31,175	10,365	2.5
Milton	25,869	9,083	13.3
Somerville	73,568	30,092	4.1
Watertown	31,924	14,392	4.2

Boston



Brookline



Cambridge



Chelsea



Milton



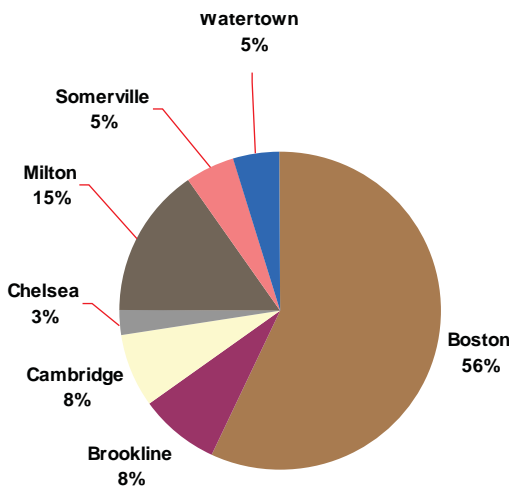
Somerville



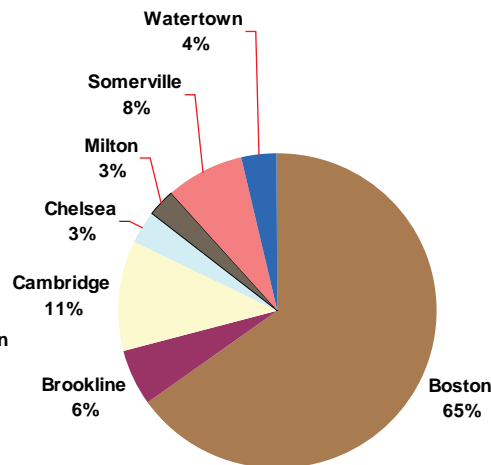
Watertown



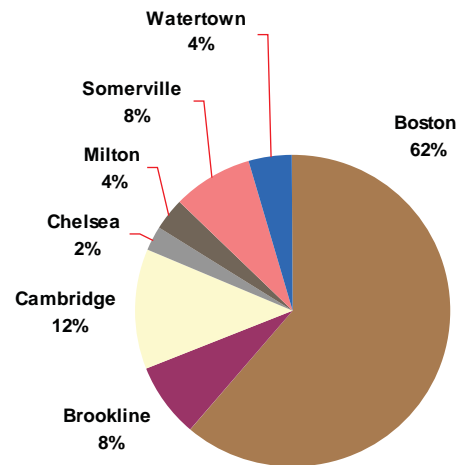
Land Area Proportions - 2008



Population Proportions - 2008



Demand (Consumer Expenditures) - 2008



SEVEN URBAN LOCALITIES (Cities and Towns)

Boston is the economic, political and historic center of gravity of the New England region, and one of the most livable cities in the country for families, students and professionals alike. By far the largest city in New England, it is a service center for a large number of businesses in the metropolitan area and beyond.

Brookline is a blend of urban and suburban, possessing quality residential neighborhoods within walking distance to upscale shops and parks and recreational areas. Its location, accessibility and top-notch school system attract many academic and scientific professionals and business executives.

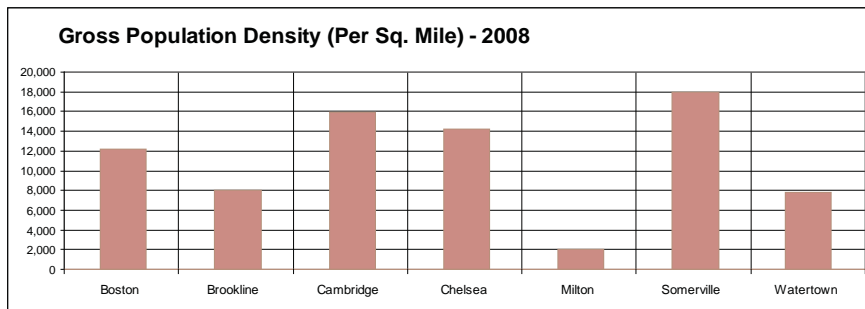
Cambridge boasts two of the top universities in the country in Harvard and M.I.T. and a high proportion of student population. Heavy investment in biotech and life sciences has made Kendall Square a major location for emerging technologies. Yet, Cambridge is able to maintain a healthy diversity of race, class, and age.

Chelsea's is also a city of high residential density. Its predominantly middle and lower income residents are employed in local industries, at nearby Logan Airport, and in the hotels. After its recent fiscal crisis, Chelsea has improved its standing through effective administration and strategic economic investments.

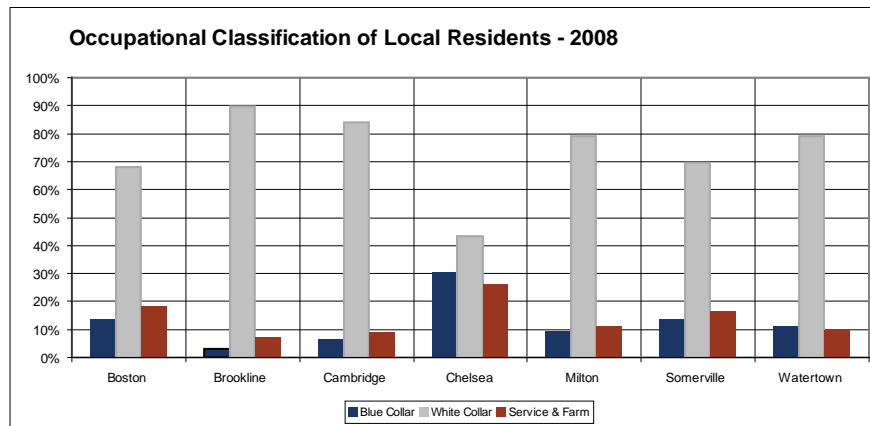
Milton, ranked the fifth best community in the country in 2009 by Money Magazine in its livability rankings, is a popular residential area for business staff and professionals. Its low residential density and a high proportion of home-ownership are enhanced by recreational and open areas such as the Neponset estuary and the Blue Hills reservation.

Somerville is a more affordable option than Cambridge for college students and young families, and has become one of the popular neighborhoods in Boston for immigrants, spawning a large number of ethnic groceries and restaurants in recent years. Somerville has the highest residential density for towns or cities in Massachusetts.

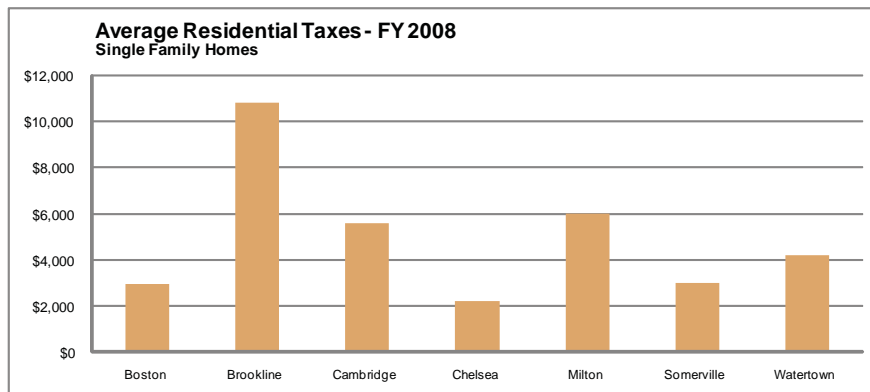
Watertown is an attractive and affordable community with excellent accessibility to Boston, Cambridge and many suburban communities. The Charles River Conservation Area, with its fringed landscapes, is an added attraction. Among the towns residents are a large number of Armenian-Americans.



Milton, partly because of the nature of its housing stock and partly due to the presence of the Blue Hills Reservation and other open space, registers a very low residential density. Somerville, on the other hand, ranks highest in residential density among the communities profiled, followed closely by Cambridge and Chelsea.



Except for Chelsea, all the cities and towns profiled here have a high proportion of white collar jobs. Brookline, in particular, has a relatively low percentage of blue collar and service jobs, a reflection not just of the affluence of its residents but also the high cost of housing in that community.



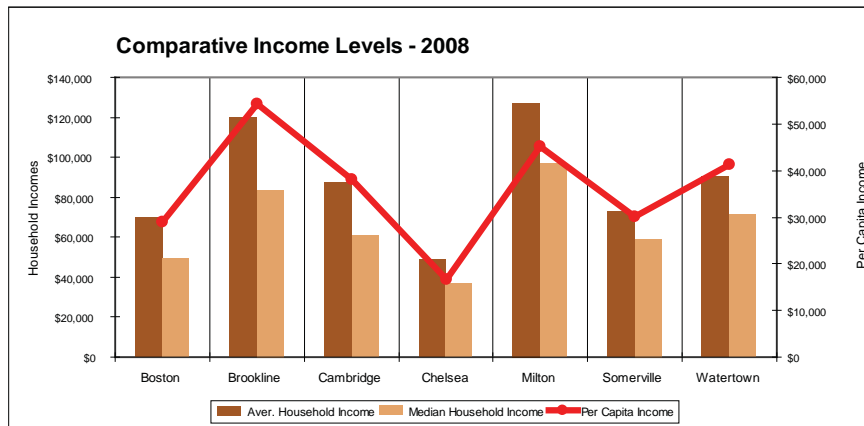
The average residential taxes on single family homes can indicate not only the high cost of housing within a community but the high degree of municipal services provided. High taxes may reflect a communities desirability or be a factor in inhibiting business and housing development.

INCOME

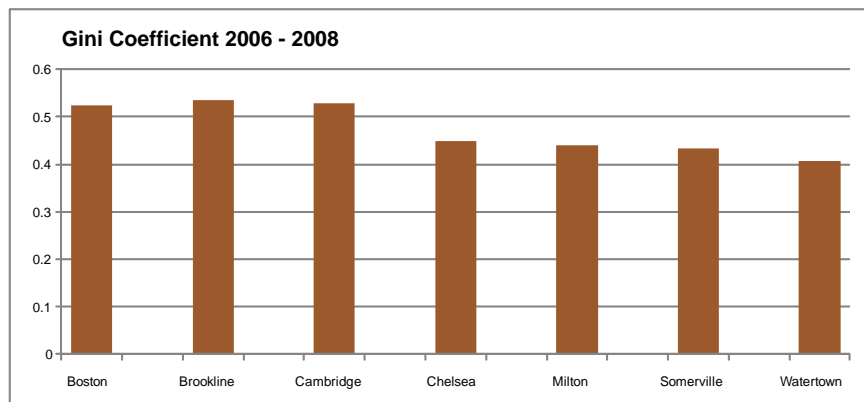
Income levels in these communities profiled fall into three tiers, with Milton and Brookline in the highest level, Chelsea by itself in the lowest, and Boston and the other three communities in the middle. Due to its much larger population, Boston contains nearly 60% of the aggregate wealth in the profiled area

Three different characteristics are presented here: a set of measures reflecting income levels, the homogeneity of income distribution, and the aggregate income of area households.

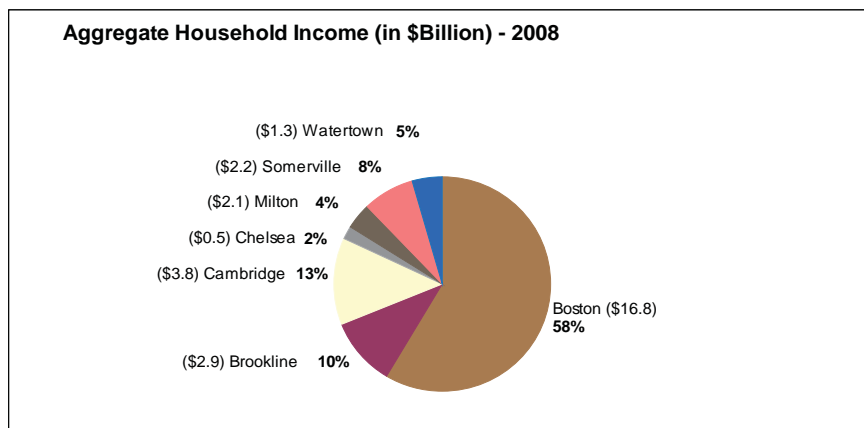
Spatial sectors of Boston's core area, the selected cities and towns, show markedly different income attributes, which correlate with the locality's economic health, social institutions, cultural facets and community well-being. The income attributes become a critical basis for numerous areas of decision-making, be it public policy or private investment.



It is interesting to note the overall similarities in the income characteristics of Watertown and Cambridge, even though Cambridge contains niches of high-income residential areas that Watertown does not. The data show that Brookline and Milton lead all of the communities in all three income indicators.



GINI Coefficient is a measure of homogeneity of income distribution for any community. The higher the GINI value, the less homogenous the income distribution. The graph shows that Watertown is the most homogeneous of the communities profiled.



The aggregate household income of a community is dependent on the relative size of the community and can reflect its economic well-being. This measure of community wealth is useful for small business start-ups in developing develop strategies based on spending potential, which can also be reflected by lifestyle characteristics.

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RETAIL MARKET: DEMAND AND SUPPLY

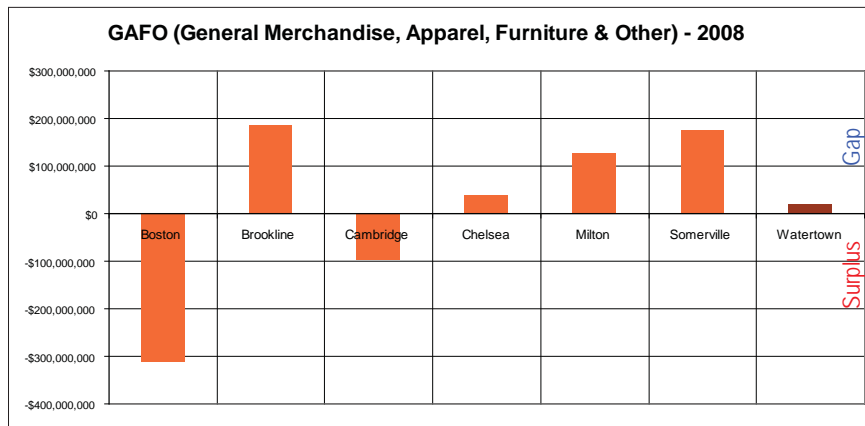
Opportunities for small business investment, growth and targeting of customers are best strategized and implemented with retail market information on important attributes of trade area: consumer buying power, customer life style, store amenities, quality of storefront, etc. Data on consumer expenditure (or demand) by specific merchandise and sales (or supply) information by business categories give a very useful break-down of gaps or surplus in demand or supply of goods and services in any specified business area.

According to Nielsen Claritas, one of the leading retail market data sources, Demand is defined as consumer expenditures. In other words, demand is the estimated dollar amount spent by a household who resides in the area of analysis in a specified retail store type or merchandise line item. Supply is defined as retail sales. In other words, supply is the estimated total retail sales for a retail store type or merchandise line item.*

Estimates are available on demand for and supply of a wide range of goods and services for the retail market within a town or city (also custom boundaries, drive time areas or ZIP codes). Also available are life style characteristics of residents that give clues on shopping habits and the potential demand for goods and services.

Only few items of expenditure are presented here to illustrate the conceptual basis of surplus/gap in business items in the district and point either to a potential for new business, or a saturation of certain type of business. When looking at some of the indicators, the contrasts among the towns and cities are striking, reflecting the variation in shopping habits, disparate quality of life and wealth of the area. But major cities such as Boston draw customers many times more than the residents, particularly tourists and regular visitors from all over and it is reflected in the high expenditure levels in the area.

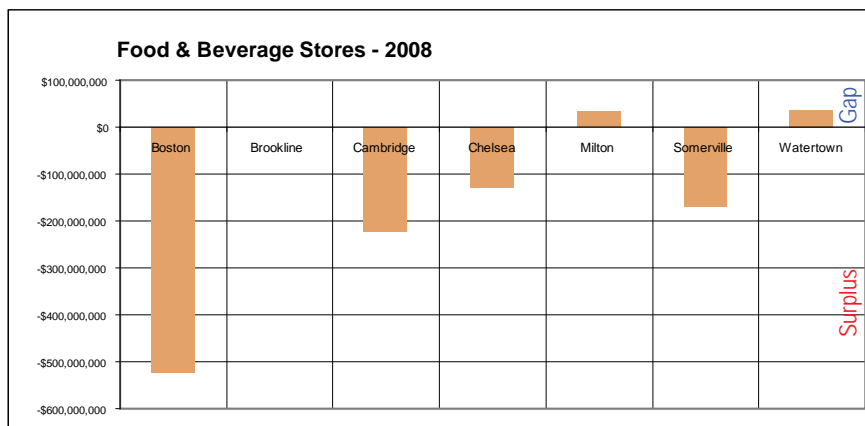
* - http://www.claritas.com/collateral/data/household-and-consumer-expenditures_r3027.pdf



Boston and Cambridge, the two largest communities, show surpluses in GAFO (General Merchandise, Apparel, Furniture & Other) sales, in keeping with their larger customer base extending beyond their city limits. The smaller communities, show gaps in merchandise such as GAFO, suggesting that a proportion of the demand for goods and services from residents is supplied elsewhere. The data on such "Gaps" show that Brookline and Somerville, in particular, might benefit from promoting businesses that can help to minimize the "leakage" of their resident retail customers.



These data suggest a gap exists for clothing and clothing accessories in some areas. A decision to opens such a business, however, should be made only after factoring in the competition offered in this area by the neighboring markets of Boston and Cambridge.



Compared to other retail market items profiled here, Somerville has a relatively higher surplus of food and beverage stores.

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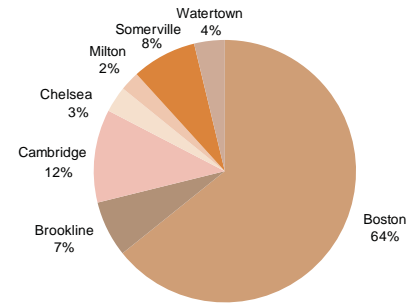
HOUSING

No other factor is as important as housing in determining the economic and social characteristics of a community. Consumers, investors, and brokers look at a variety of factors in assessing a community's housing market. They include median price for single-family and multi-unit houses, age of housing stock, proportion of

home ownership, ratio of owner-occupied units to rental units, average rental prices, and rented units, gross rent, and property tax rates. Housing prices are also affected by its quality of life, other amenities, and its proximity - or distance - from the central city.

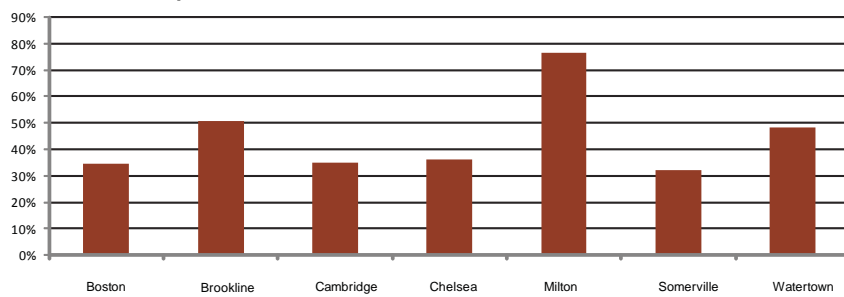
Proportion of Housing Stock (2006-2008)

Town or City's Share in the Seven Area Total



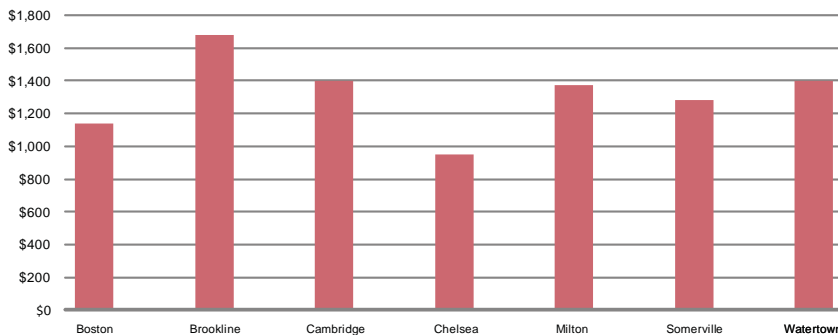
Boston's housing stock constitutes almost two-thirds of the total housing stock in the communities profiled here.

Owner-Occupied 2006-2008



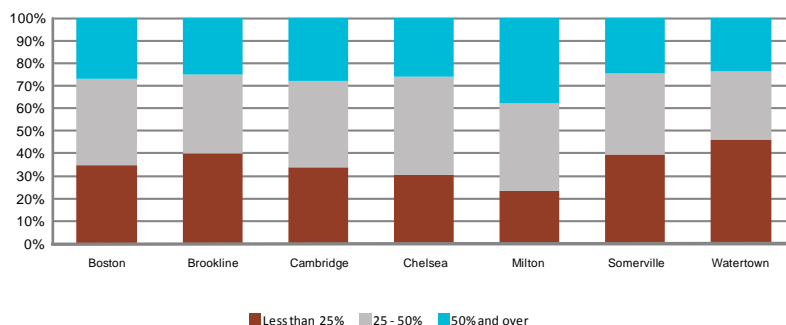
Milton has one of the highest owner-occupancy levels of any city or town in the Commonwealth of Massachusetts.

Median Gross Rent 2006 - 2008



Brookline's rental housing market enjoys the highest gross rent levels among the cities and towns profiled here. Watertown is on a par with Cambridge in terms of its rental market, but offers lower prices in a convenient location for middle-class homeowners.

Gross Rent as a Percentage of Household Income 2006 - 2008

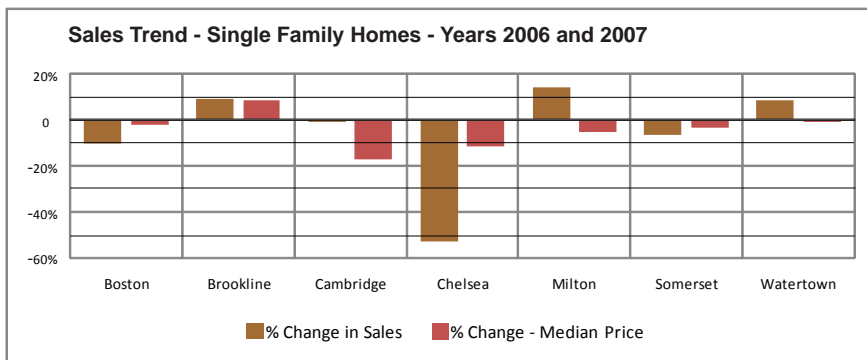
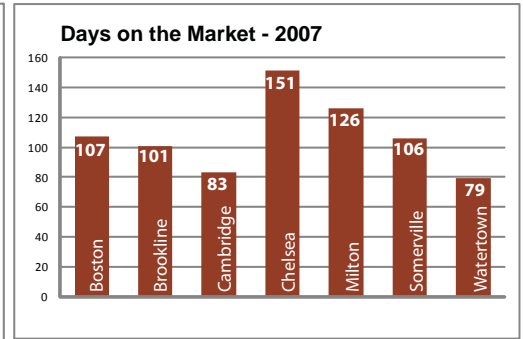
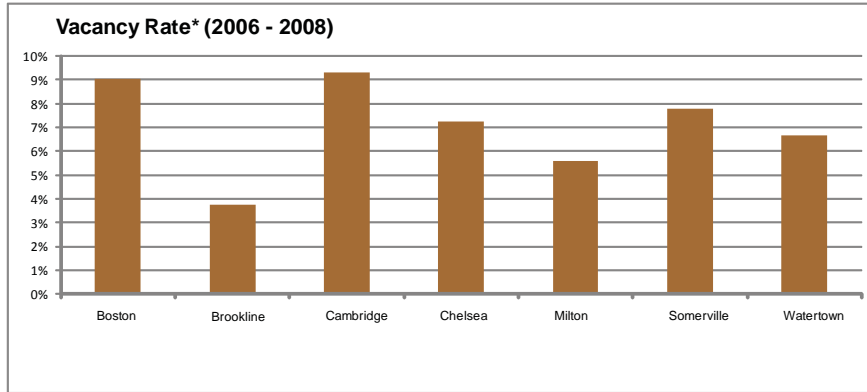


In Watertown, nearly 45% of renters pay less than 25% of their income for rent. Brookline and Somerville also show fairly low ratios of income to rent. In Chelsea and Milton, on the other hand, 40% of the households pay 25 to 50% of the income as gross rent.

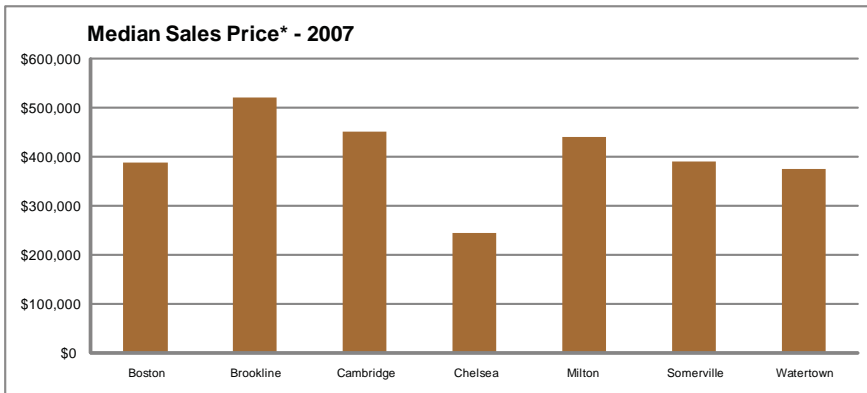
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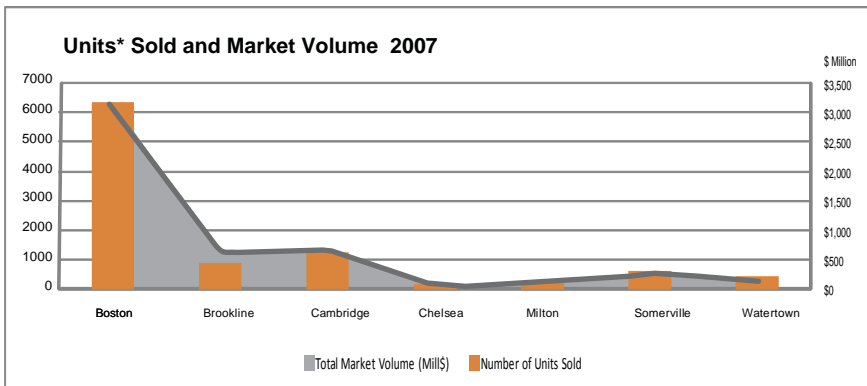
HOUSING



The price of single-family homes showed significant price appreciations in Milton, Brookline and Watertown. Watertown ranked first in the shortest number of days that homes for sale were on the market, followed closely by Cambridge.



With the exception of Chelsea, the median sales price for all types of homes in the communities profiled remain relatively high. In Brookline, the \$1.0 million median sales price for single-family homes shown in the previous graph (based on the Boston Globe report) becomes a lower median price for all residential units, offset by lower-price condos.



The graph gives a clear picture of a highly disparate residential real estate market of the communities. The sizes of the markets are, not surprisingly, high in Boston on the one end and relatively small in Milton and Chelsea on the other.

Note: * - All Residential Units

POSTSCRIPT

While the cities and towns profiled here are in some ways extensions of Boston, they are also heterogeneous communities, each with its own particular attributes in areas such as consumer buying power, housing prices, occupational categories, incidents of housing foreclosures, median prices of residential units or the rents that residents pay. There is also much more to these communities' identity – in areas like their histories, culture, and public policies - than these data-dependent graphs suggest.

All these diverse factors shape different types of markets, from buyers of homes and other properties, to buyers of goods and services. It is the very diversity of these cities and towns that is integral to a vibrant urban setting and that encourages thriving businesses of all sizes, eclectic cultural and social phenomena, and a willingness to embrace innovation and change. Understanding this diversity is critical to success for any individual or organization already engaged or looking to be engaged with these communities. ■

OTHER PUBLICATIONS (These are brief one to two page profiles)

RETAIL MARKET CHARACTERISTICS IN SELECTED BOSTON AREA NEIGHBORHOOD BUSINESS DISTRICTS-2008

Brief Profiles of Trade Areas of half a mile radius from the business centers of Bunker Hill (Charlestown), Coolidge Corner (Brookline), Dudley Square (Roxbury), and Maverick Square (East Boston)

2006 AMERICAN COMMUNITY SURVEY: Boston and USA

Highlights from US Census Bureau Data

BOSTON PUBLIC SCHOOLS

Trends in Enrollment, Drop-out, and Boston's Citywide Educational Attainment

BOSTON - SAN FRANCISCO PROFILE 2007

