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Barney Heath  
Director

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**MEMORANDUM**

**DATE:** October 4, 2024

**TO:** Councilor R. Lisle Baker, Chair, Zoning & Planning Committee  
Members of the Zoning & Planning Committee

**FROM:** Barney Heath, Director, Department of Planning and Development  
Jennifer Caira, Deputy Director, Department of Planning and Development  
Zachery LeMel, Chief of Long-Range Planning  
Nora Masler, Planning Associate

**RE:** **#85-24 Request for discussion and possible amendments to enhance the preservation of existing homes.** COUNCILORS BAKER, OLIVER, MALAKIE, KALIS, GETZ, LUCAS, LOBOVITS, AND WRIGHT requesting a discussion and possible amendments to Chapter 30 Zoning or other City Ordinances to enhance the preservation of existing homes over their replacement by larger and more expensive structures.

**#41-24 Amend the setbacks in the MR zones to encourage preservation of existing buildings** COUNCILORS ALBRIGHT, DANBERG, KRINTZMAN, AND LEARY seeking a discussion with the Planning Department to consider ordinance amendments that would revise the metrics in the multi-residence (MR1, MR2 and MR3) zones, to regulate the size of new buildings better, enable a wider range of housing options close to public transit, and better incentivize preservation and renovation of existing housing stock.

**Meeting:** October 10, 2024

**CC:** City Council  
Planning Board  
Jonathan Yeo, Chief Operating Officer  
Alissa O. Giuliani, City Solicitor

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**Overview**

Landwise, Utile and the Planning Department will join the Committee to provide a presentation of their economic analysis of the current residential zoning and the factors that can lead to redevelopment. The presentation will include:

- Analysis of the primary differences between homes that are sold and maintained compared with homes that are sold and demolished;
- Analysis of representative case studies of homes that were demolished and rebuilt including developer research and project proformas; and
- A high-level overview of the relationship between new growth, property taxes and city finances.

### **Summary of Economic Analysis**

*City-wide Teardown Analysis:* To understand characteristics of properties that increase the likelihood of redevelopment, the Planning Department conducted an analysis of home sales in the past five years (2017-2022) comparing homes sold and maintained vs. homes sold and demolished for redevelopment. This analysis showed smaller homes built after the 1940s on larger lots were more likely to be demolished than larger and older homes. In addition, sales of both categories have stayed fairly consistent over the years with approximately 10% sales per year resulting in a demolition.

*Case Studies:* Through builder interviews Landwise has identified themes in decision making of builder's when purchasing properties for demolition and redevelopment. Landwise has also provided more in-depth information on redevelopment financing including sample proformas accounting for land costs, construction costs, developer profit, carrying costs, and sales commission.

*Residential Properties and City Finances:* The Planning Department with the assistance of the Assessor's Department conducted a high-level analysis of the proportion of tax revenue generated from residential property, new residential growth, and revenue generated through building permits, focusing on the past 10 years.

### **Next Steps**

Following this presentation and discussion of economic factors shaping residential development in Newton, the Planning Department and their consultants, will identify aspects of the existing zoning resulting in Council and community concerns to then research and present updates to zoning and other relevant ordinances.

**Attachment A**          Residential Districts Economic Analysis Presentation



City of Newton  
Zoning & Planning Committee

# Residential District Zoning Review: Economic Analysis

October 10, 2024

# Content

## 1. Introduction

## 1. City-wide Teardown Analysis

- a. Overview
- b. Findings

## 1. Residential Properties and City Finances

- a. Property Taxes
- b. New Growth

## 1. Case Studies

- a. Builder/Developer Research
- b. Project pro formas

## 2. Next Steps

# Why We're Here

To review new development, and identify trends, within Newton's residential neighborhoods.

We are here to analyze the factors that contribute to property teardowns, including issues related to zoning and non-zoning regulations, as well as the market-related pressures that impact development decisions.

Today, we'll review additional data analysis of home sales, the role of residential properties in city finances, and an economic analysis of our case studies.

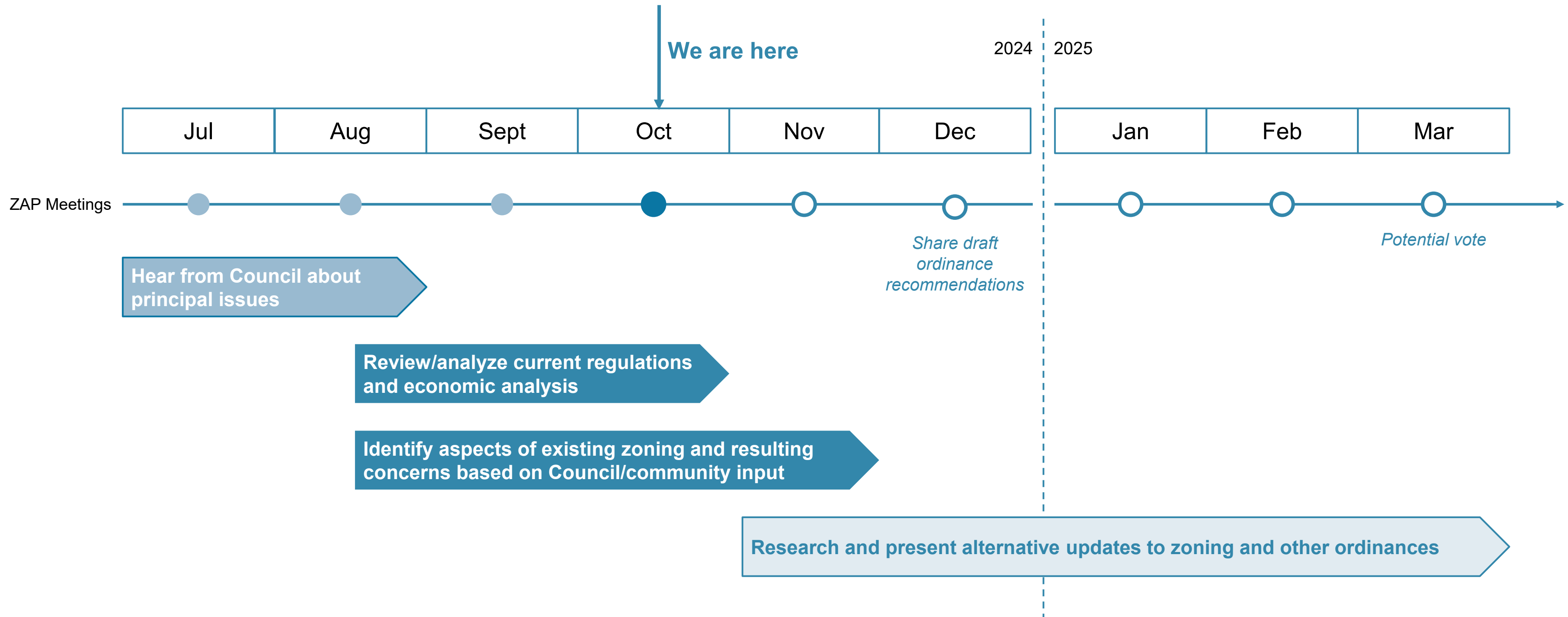
**Before**



**After**



# Timeline



# City-wide Teardown Analysis

## 1. Introduction

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- a. Overview
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### 1. Residential Properties and City Finances

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## 2. Next Steps

As a built-out city, new development in Newton typically involves the demolition of an existing building. The following analysis looks at property sales, those resulting in a demolition vs. maintained, to identify patterns within each of these categories.

\* See Newton Tax Classification Booklet FY2024 - <https://www.newtonma.gov/home/showpublisheddocument/114342/638360778890500000>

# Overview of Home\* Sales Maintained Vs. Demolished

## What were we comparing?

- Characteristics of single and two-unit homes built before \*1987 and sold in a 5 year period *(2017 to 2022)*
  - Sales of homes that were maintained (4,480)
  - Sales of homes that were permitted for demolition (440)

## What do we hope to understand?

- Specific characteristics that make a demolition more likely after a sale.

\* For this analysis, home is defined as a single- or two-unit property

\*Only homes built before 1987 were analyzed because no home sold and permitted for demolition between 2017 and 2022 were built after 1986.



# Demoed Homes: Smaller Homes on Larger Lots

## Smaller Marketable Finished Area

On Average **~520 sq. ft. less** marketable finished space than homes sold and not demolished

## Larger Lot size

On Average **~1,770 sq. ft. larger** than homes sold and not demolished

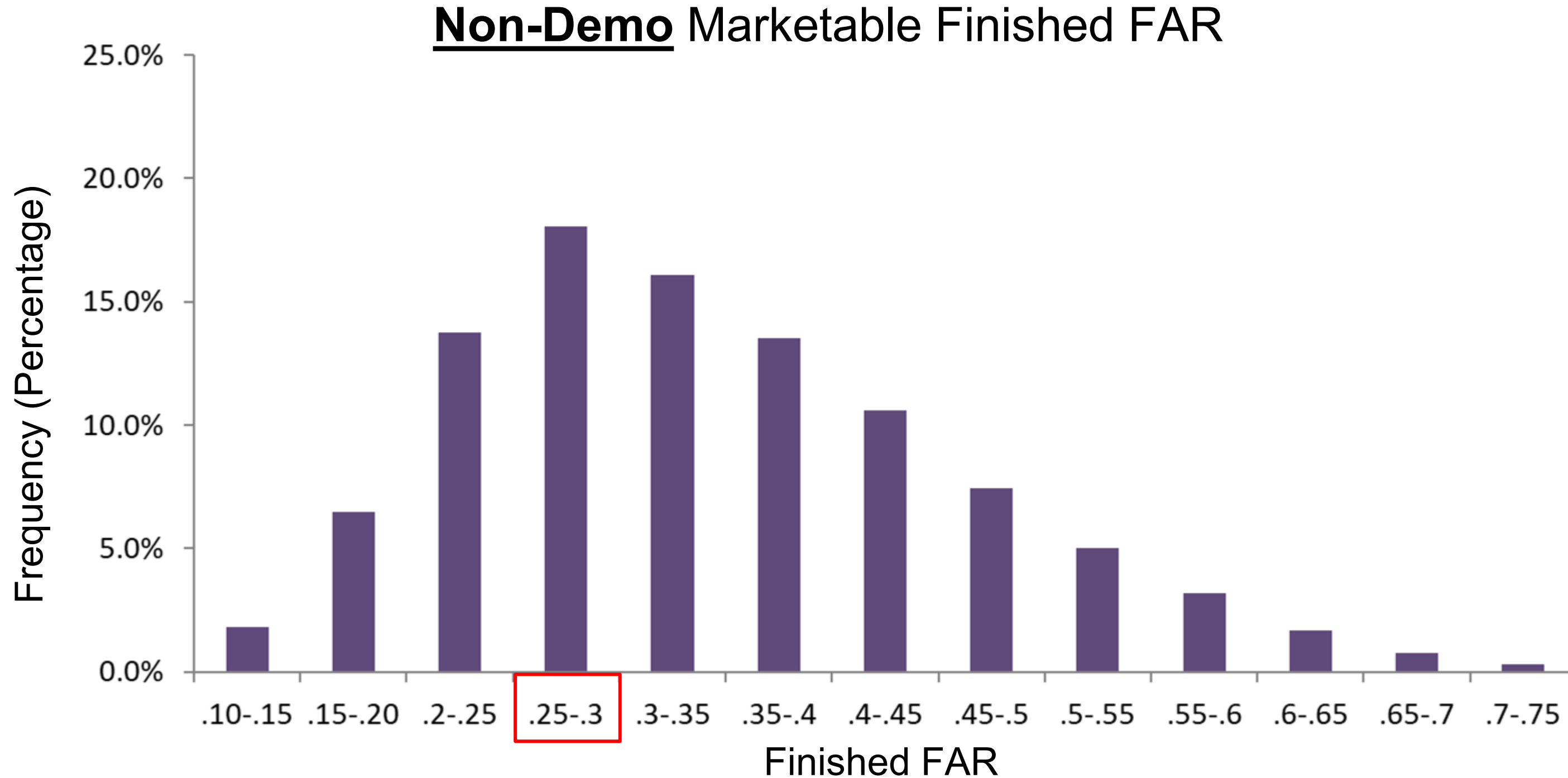
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## Smaller Marketable Finished FAR

On Average **.10 less** than homes sold and not demolished

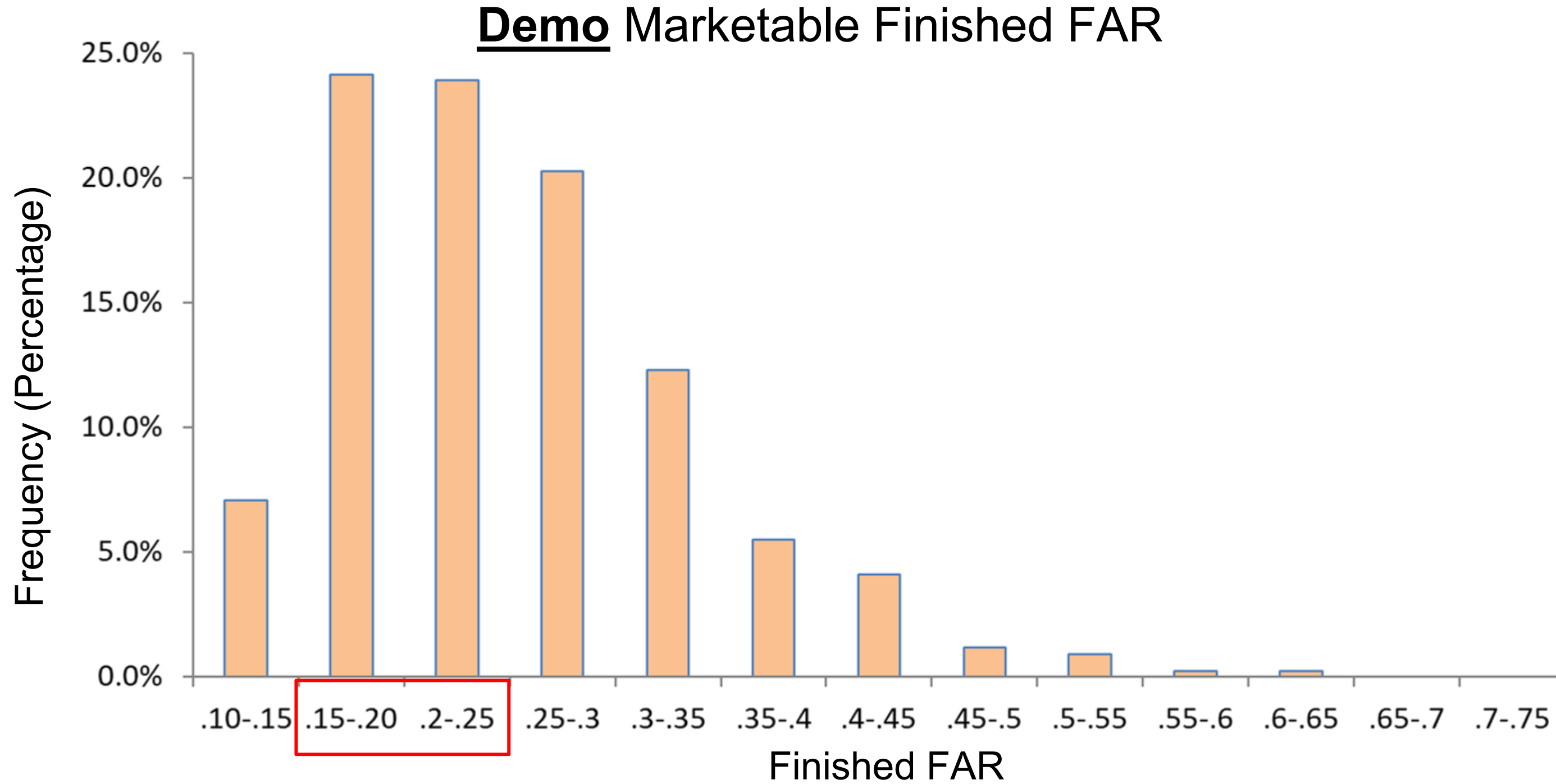
Marketable Finished Area Includes: Living Space Finished attic, Finished basement and Attached garage.  
Source: City of Newton Assessors Database

# Non Demo homes are larger and on smaller Lots



Source: City of Newton Assessors Database

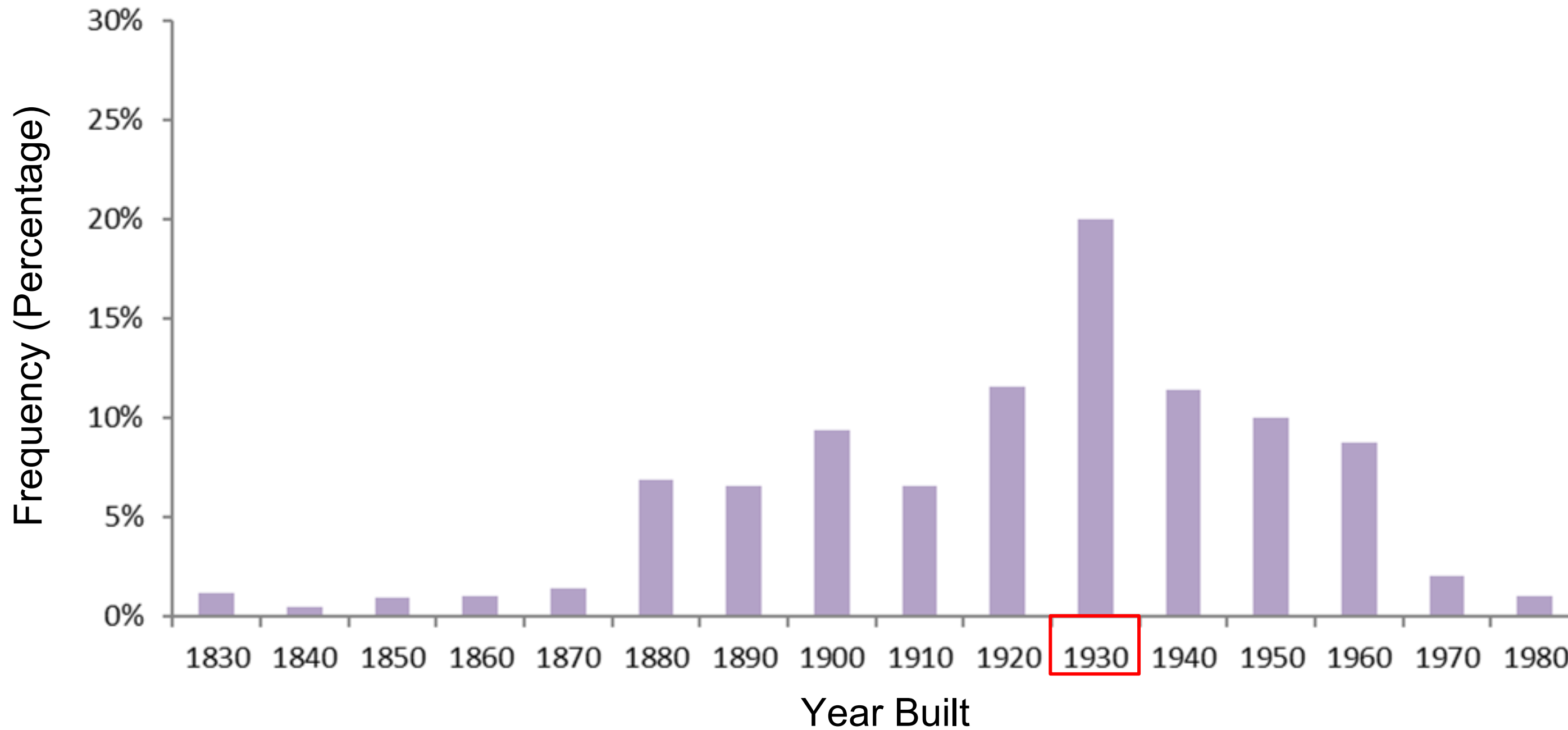
# Demo homes are smaller on larger lots



Source: City of Newton Assessors Database

# Non-demo homes are more often built pre-WWII

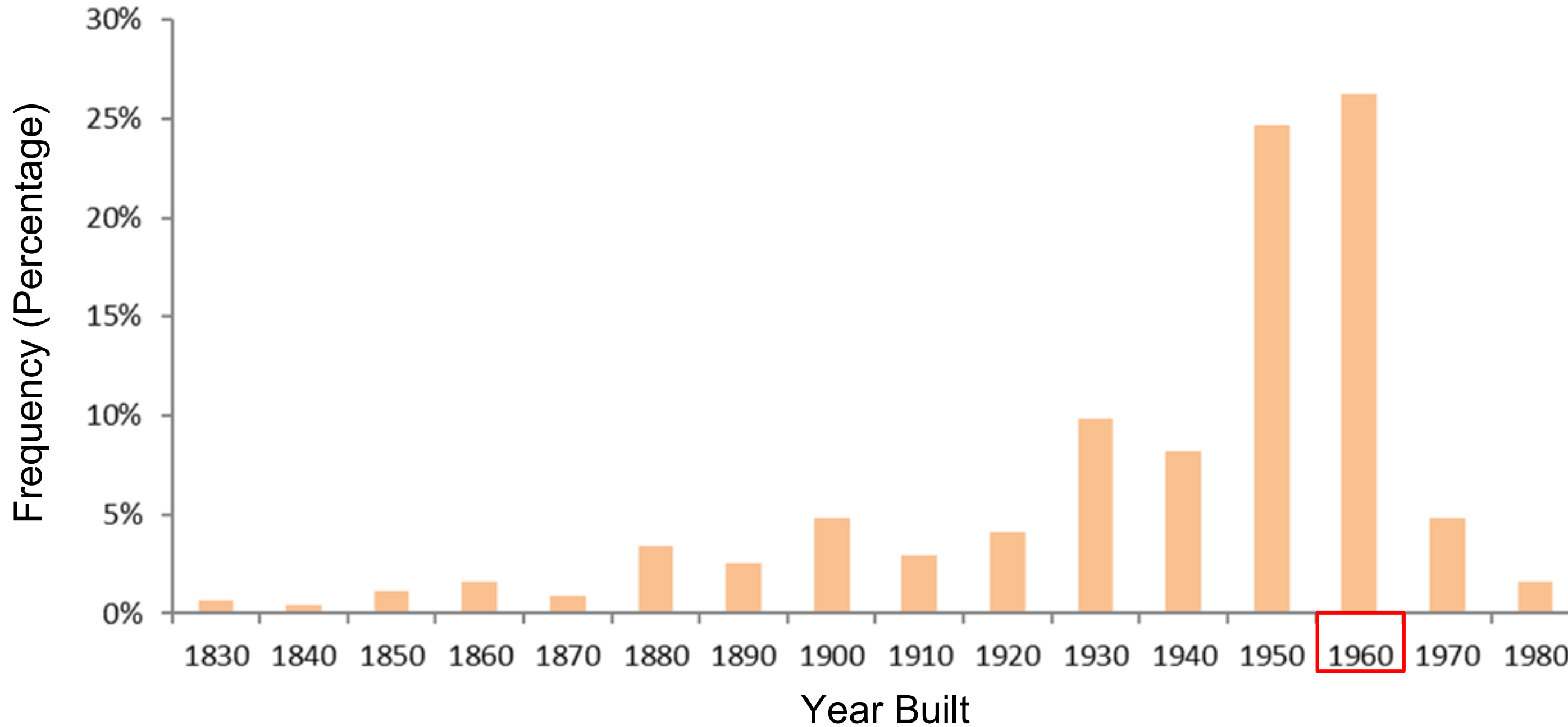
## Non-Demo Year Built



Source: City of Newton Assessors Database

# Demo homes are more often built post WWII

## Demoed Year Built



Source: City of Newton Assessors Database

Case Studies

# Citywide Teardown Analysis



1. 9-11 Oak Ave



2. 49 Fairway Dr



3. 35 Dalby St



4. 117-119 Norwood Ave



5. Doris Circle



6. 728 Walnut St



7. 180 Allen Ave



8. 33-35 John St



9. 58 Cottage St



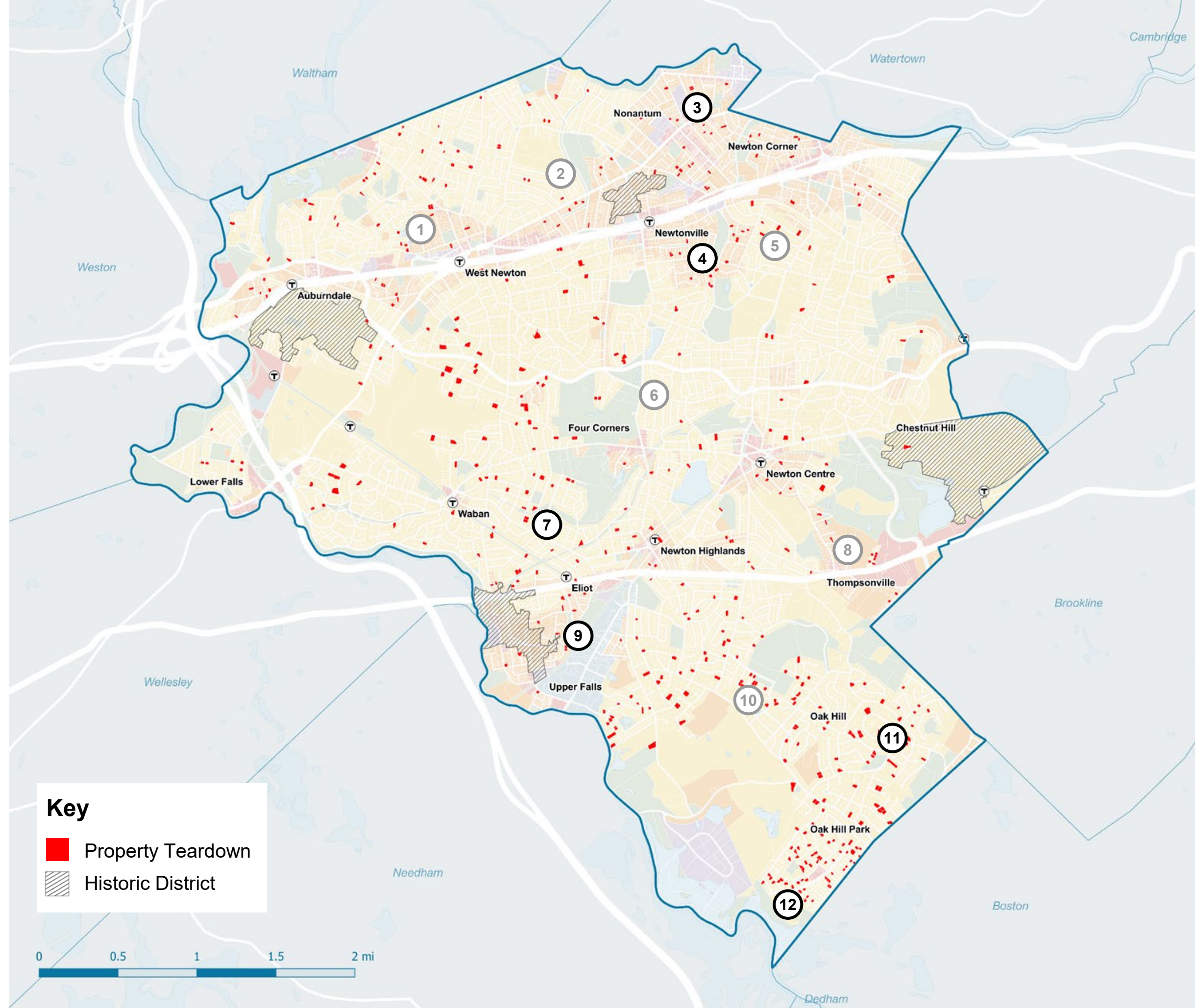
10. 263 Arnold Rd



11. 197 Baldpate Hill



12. 10 Spiers Rd



# 197 Baldpate Hill Road

Oak Hill

Zone: SR1  
Lot Size: 25,269 SF  
Frontage: 120'



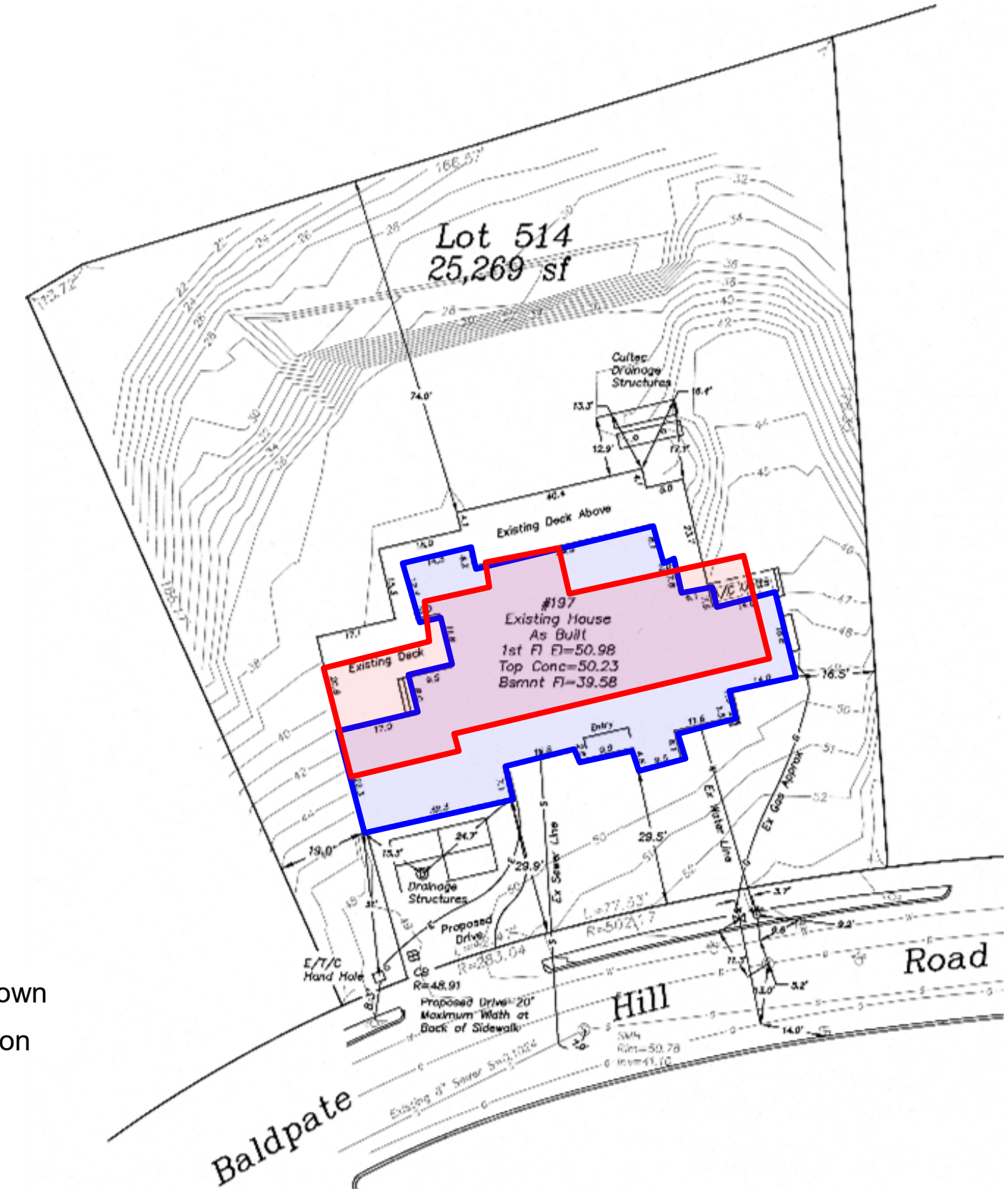
**Before:** One-Unit Home, built 1960



**After:** One-Unit Home, built 2019

# 197 Baldpate Hill Rd: Summary

	Before	After
Year Built	1960	2019
Front Setback	46.5'	29.5'
Side Setback	24.5'; 23.5'	19'; 16.5'
Building Height	1 story	2 stories
Building Footprint	2,390 SF	3,360 SF
Marketable Finished Area	3,746 SF	7,896 SF
Marketable Finished FAR	0.15	0.31
Zoning FAR allowed, max.	-	0.26 / 6,570 SF
Zoning FAR built	-	0.26 / 6,494 SF
Facade Build Out	78%	81%
Number of Units	1	1
Sale Date / Price	2019 / \$1,500,000	2020 / \$4,515,000





# 180 Allen Ave

Waban

Zone: SR2  
Lot Size: 15,000 SF  
Frontage: 100'



**Before:** One-Unit Home, built 1960

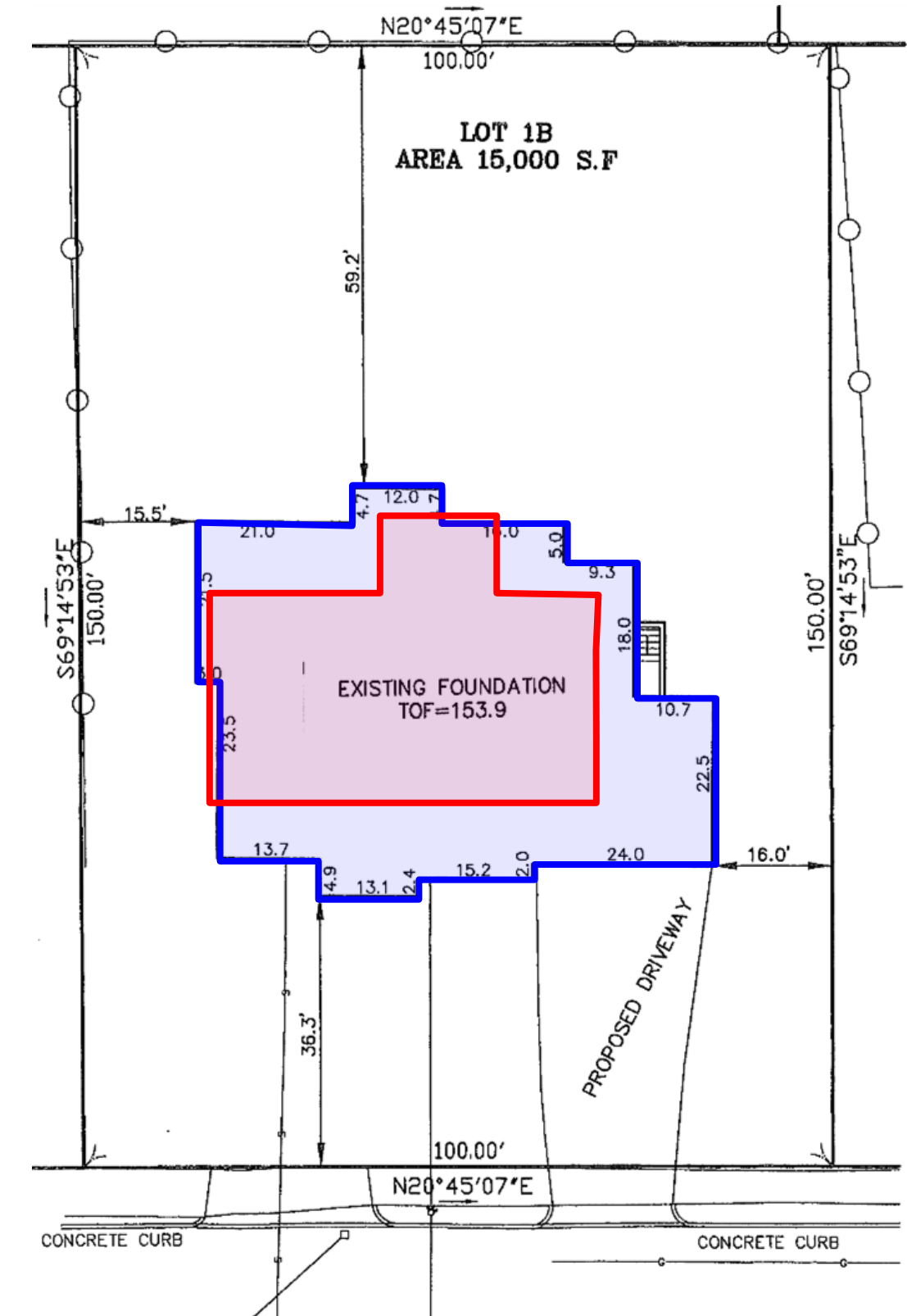


**After:** One-Unit Home, built 2021

# 180 Allen Ave: Summary

Zone: SR2  
 Lot Size: 15,000 SF  
 Frontage: 100'

	Before	After
Year Built	1960	2021
Front Setback	44'	36'
Side Setback	16'; 21'	15.5'; 16'
Building Height	1 story	2 stories
Building Footprint	1,780 SF	2,851 SF
Marketable Finished Area	1,712 SF	7,097 SF
Marketable Finished FAR	0.11	0.47
Zoning FAR allowed, max.	-	0.33 / 4,950 SF
Zoning FAR built	-	0.33 / 4,930 SF
Facade Build Out	61%	69%
Number of Units	1	1
Sale Date / Price	2020 / \$1,450,000	2022 / \$4,250,000



**Key**

- Property Teardown
- New Construction

# 10 Spiers Rd

Oak Hill Park

Zone: SR3  
Lot Size: 8,100 SF  
Frontage: 130'



**Before:** One-Unit Home, built 1950

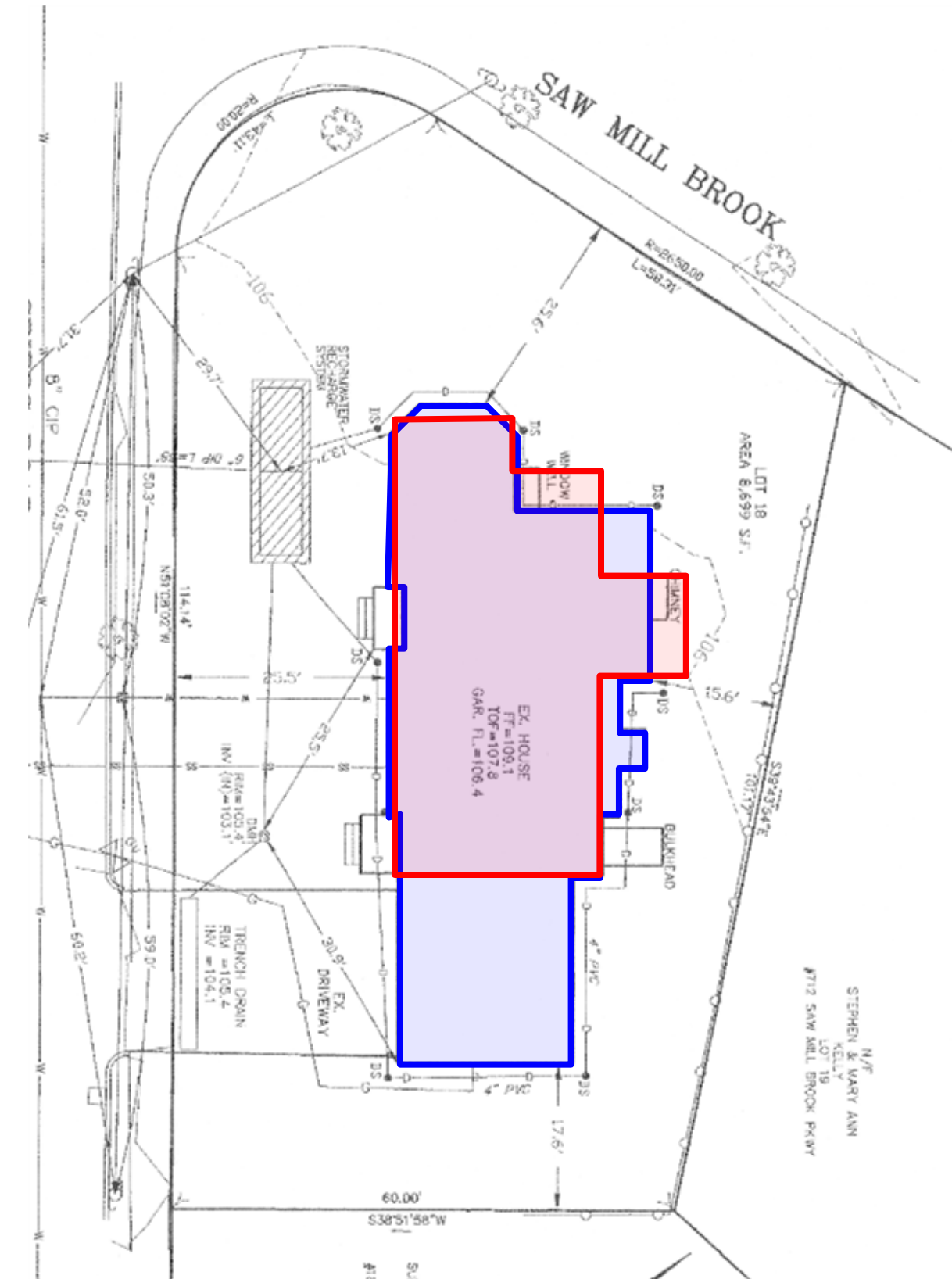


**After:** One-Unit Home, built 2018

# 10 Spiers Rd: Summary

Zone: SR3  
 Lot Size: 8,100 SF  
 Frontage: 130'

	Before	After
Year Built	1950	2018
Front Setback	26'; 25'	25.5'; 25.6'
Side Setback	35'; 12'	15.65'; 17.6'
Building Height	1 story	2 stories
Building Footprint	1,440 SF	1,905 SF
Marketable Finished Area	1,236 SF	4,980 SF
Marketable Finished FAR	0.15	0.61
Zoning FAR allowed, max.	-	0.44 / 3,827.5 SF
Zoning FAR built	-	0.44 / 3,826 SF
Facade Build Out	42%	61%
Number of Units	1	1
Sale Date / Price	2017 / \$700,000	2019 / \$2,015,419



**Key**  
 Property Teardown  
 New Construction

Case Studies

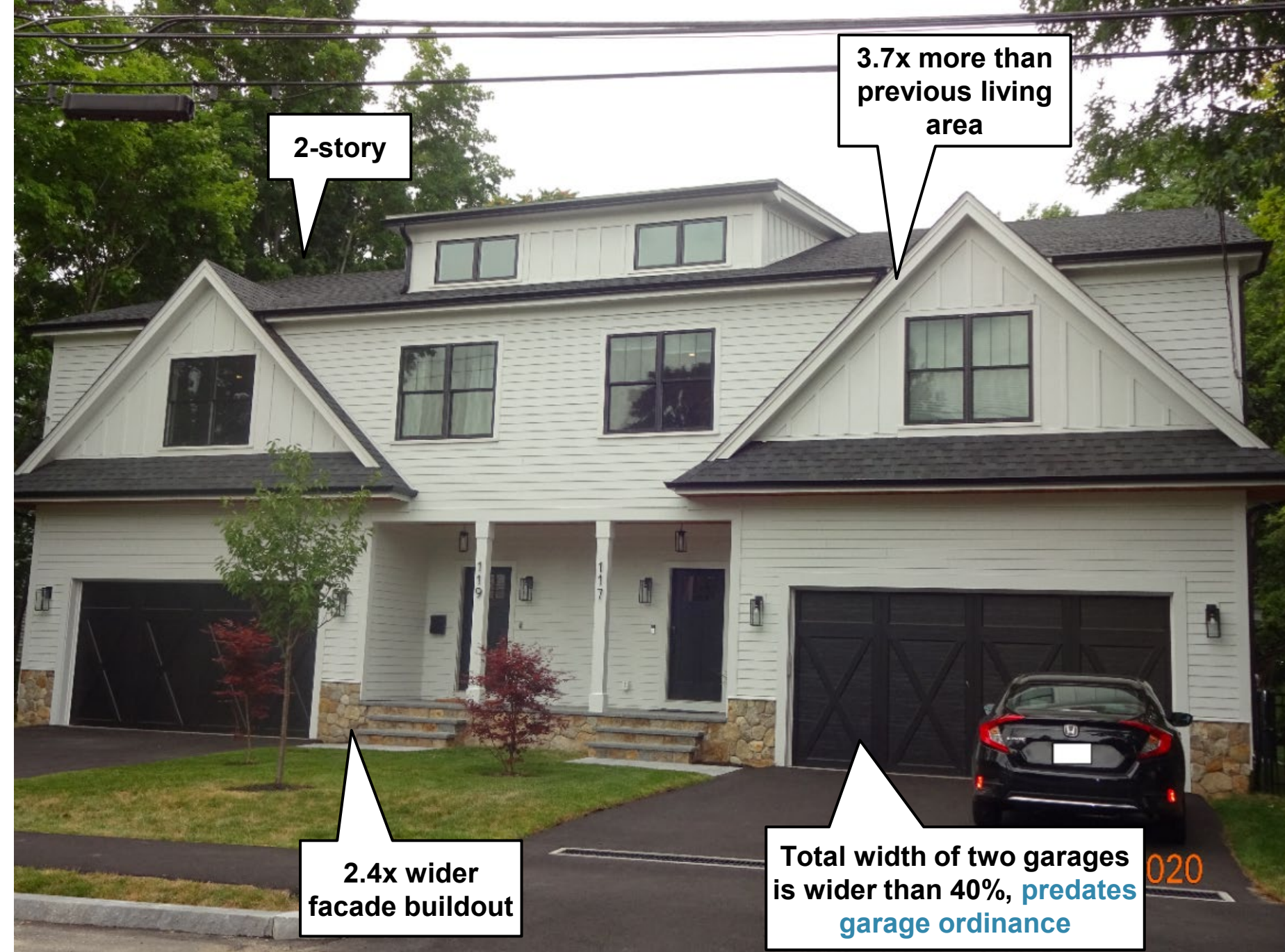
# 117-119 Norwood Ave

Newtonville

Zone: MR1  
Lot Size: 14,343 SF  
Frontage: 80'



**Before:** Two-Unit Home, built 1900



**After:** Two-Unit Home, built 2019

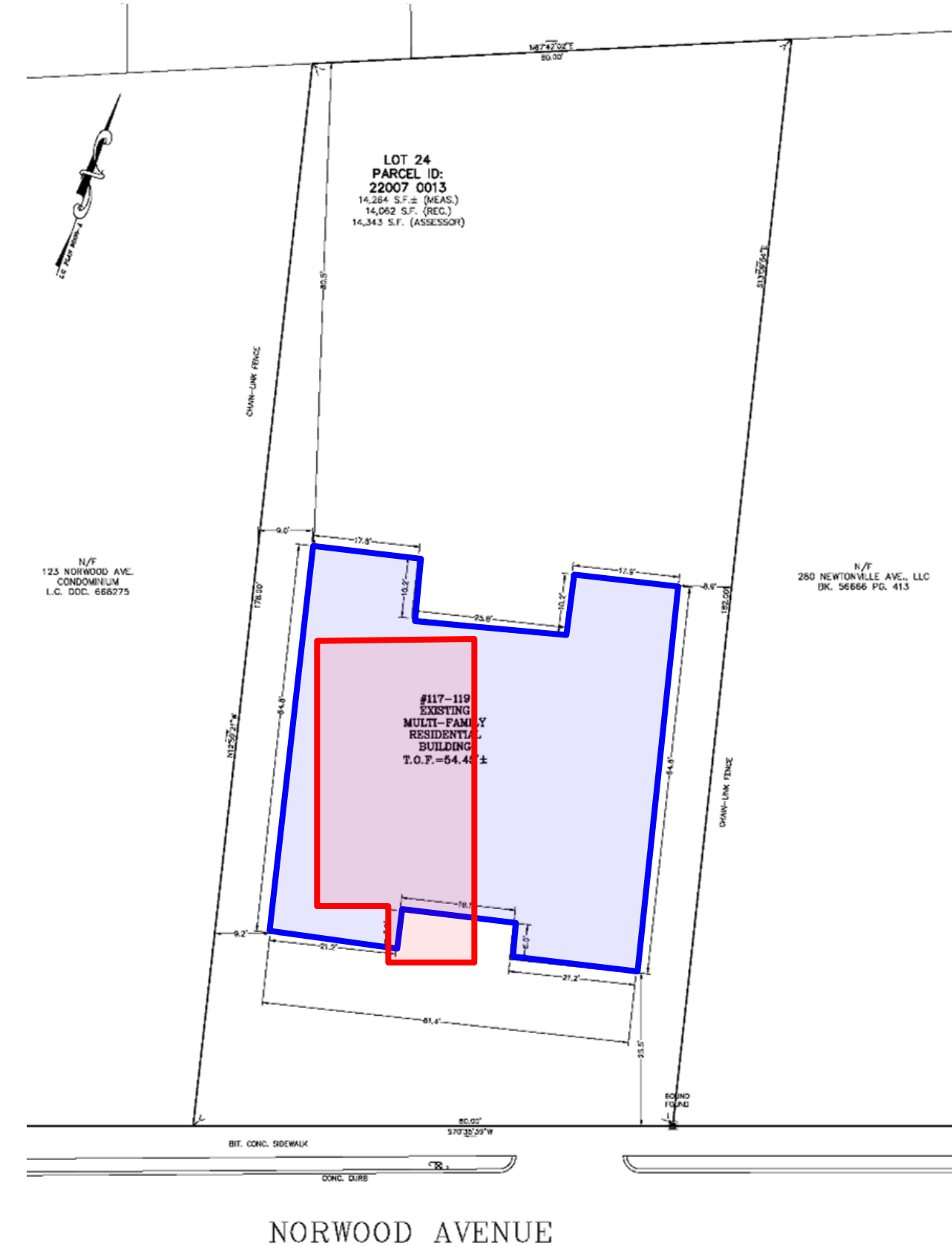
# 117-119 Norwood Ave: Summary

Zone: MR1  
 Lot Size: 14,343 SF  
 Frontage: 80'

	Before	After
Year Built	1900	2019
Front Setback	26.5'	25.5'
Side Setback	12'; 36'	9'; 9'
Building Height	2 stories	2 stories
Building Footprint	1,235 SF	3,726 SF
Marketable Finished Area	2,452 SF	9,115 SF
Marketable Finished FAR	0.17	0.64
Zoning FAR allowed, max.	-	0.48 / 6,885 SF
Zoning FAR built	-	0.46 / 6,546 SF
Facade Build Out	32%	77%
Number of Units	2	2
Sale Date / Price	2019 / \$1,260,000	2020 / \$3,650,000*

**Note:**

- The sale price reflects the summary of both unit sales



**Key**

- Property Teardown
- New Construction

Case Studies

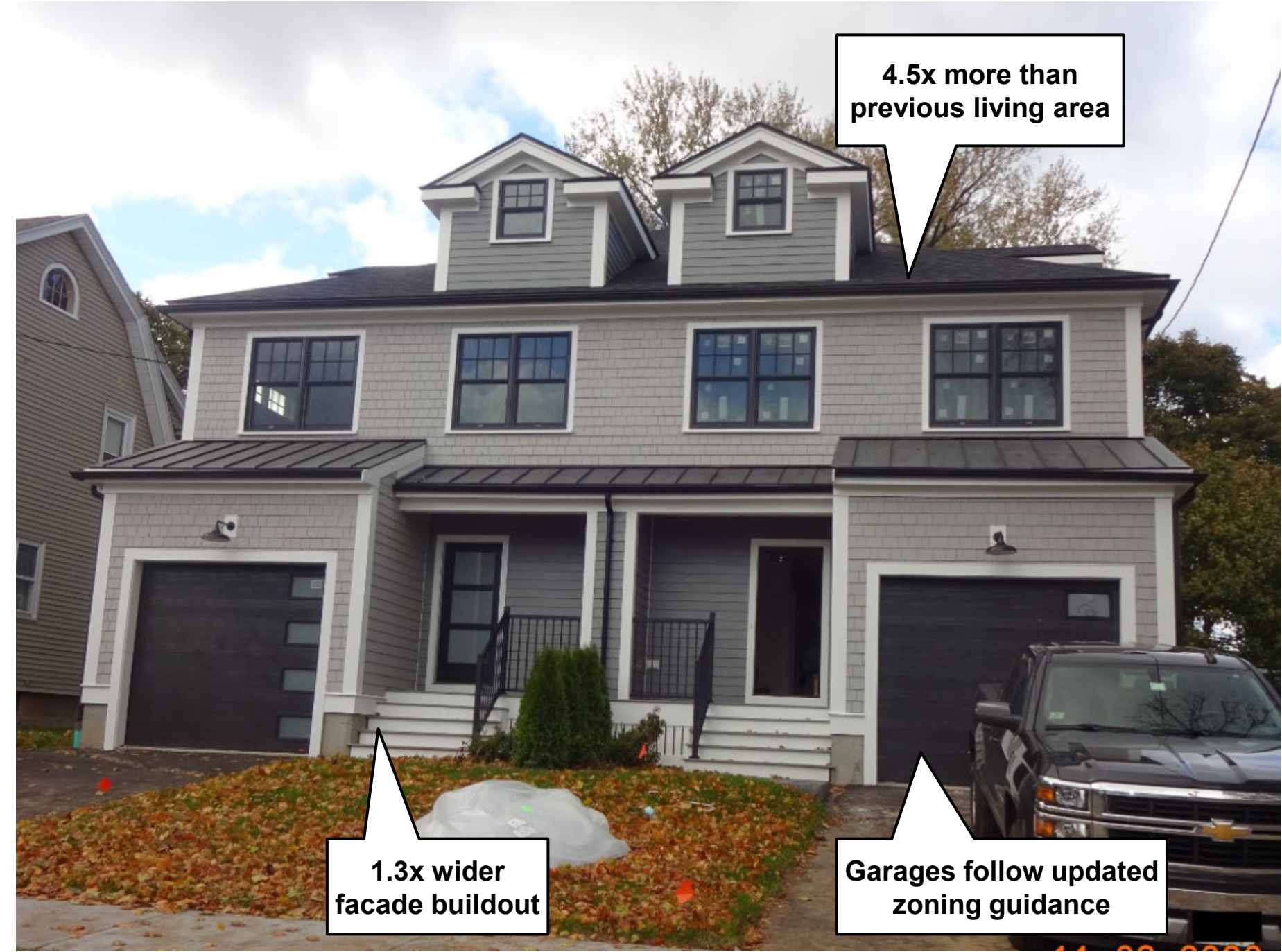
# 35 Dalby St

Nonantum

Zone: MR2  
Lot Size: 8,364 SF  
Frontage: 60'



**Before:** Two-Unit Home, built 1927



**After:** Two-Unit Home, built 2020

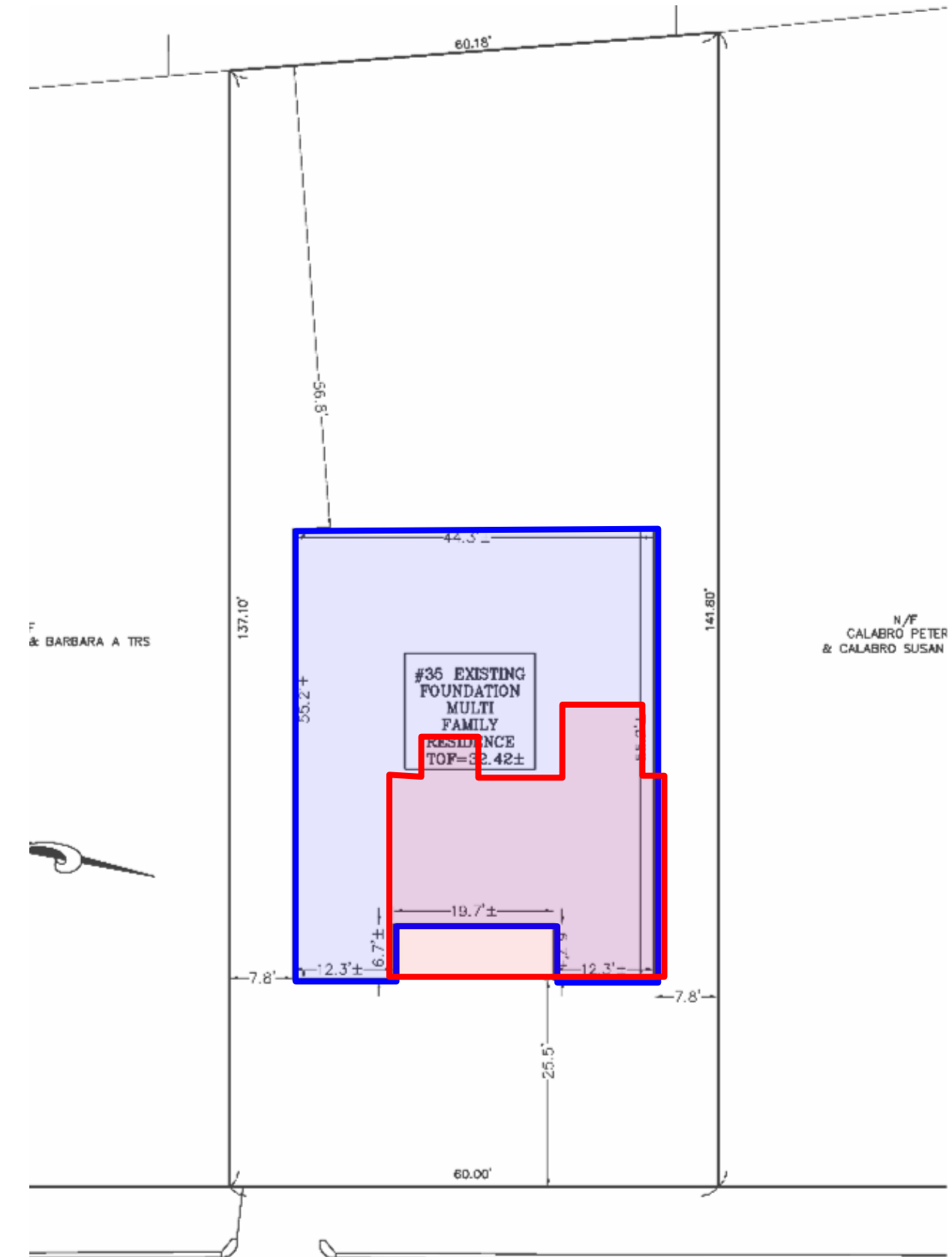
# 35 Dalby St: Summary

Zone: MR2  
 Lot Size: 8,364 SF  
 Frontage: 60'

	Before	After
Year Built	1927	2020
Front Setback	26.5'	25.5'
Side Setback	19.5'; 7.4'	7.8'; 7.8'
Building Height	2 stories	2 stories
Building Footprint	930 SF	2,384 SF
Marketable Finished Area	1,699 SF	7,737 SF
Marketable Finished FAR	0.20	0.93
Zoning FAR allowed, max.	-	0.53 / 4,433 SF
Zoning FAR built	-	0.53 / 4,420 SF
Facade Build Out	56%	74%
Number of Units	2	2
Sale Date / Price	2019 / \$835,000	2021 / \$2,700,000*

**Note:**

- The sale price reflects the summary of both unit sales



**Key**

- Property Teardown
- New Construction



# 58 Cottage St

Upper Falls

Zone: MR1  
Lot Size: 9,800 SF  
Frontage: 68'



**Before:** One-Unit Home, built 1860



**After:** Two-Unit Home, built 2020

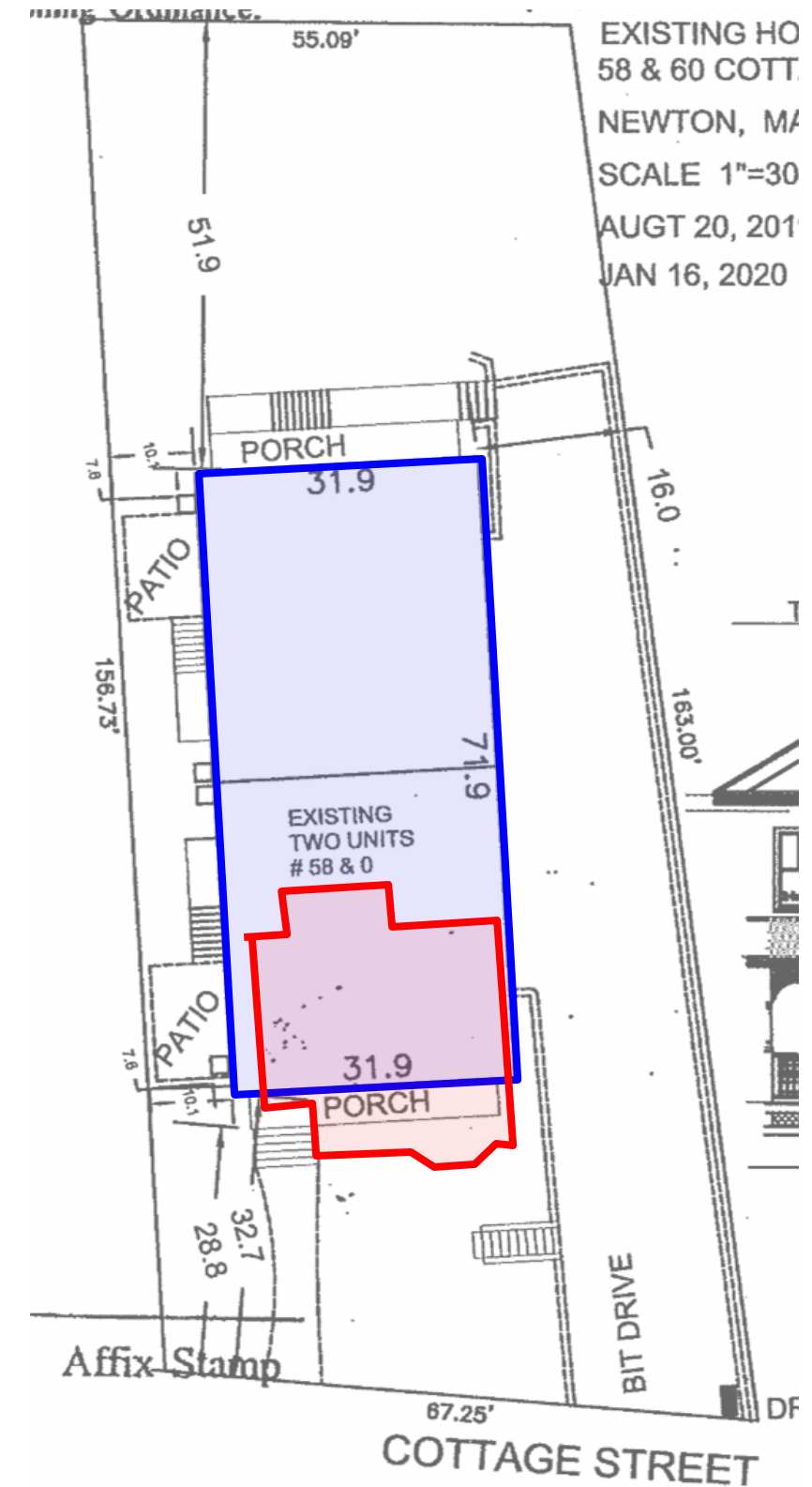
# 58 Cottage St: Summary

Zone: MR1  
 Lot Size: 9,800 SF  
 Frontage: 68'

	Before	After
Year Built	1860	2019
Front Setback	27'	32.7'
Side Setback	12'; 23'	10'; 16'
Building Height	2 stories	2.5 stories
Building Footprint	790 SF	2,304 SF
Marketable Finished Area	1,520 SF	8,758 SF
Marketable Finished FAR	0.16	0.89
Zoning FAR allowed, max.		0.5 / 4,900 SF
Zoning FAR built		0.47 / 4,608 SF
Facade Build Out	42%	47%
Number of Units	1	2
Sale Date / Price	2017 / \$850,000	2020 / \$2,895,000*

**Note:**

- The sale price reflects the summary of both unit sales



**Key**

- Property Teardown
- New Construction

# Analysis of Homes Sales Maintained Vs. Demolished

## Key Findings - Approximately 10% of home sales result in demolition

Demolished homes were more often:

- Smaller
- Built post WWII
- On larger lots



# Residential Properties and City Finances

## 1. Introduction

## 1. City-wide Teardown Analysis

- a. Overview
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## 1. Residential Properties and City Finances

- a. Property Taxes
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## 1. Case Studies

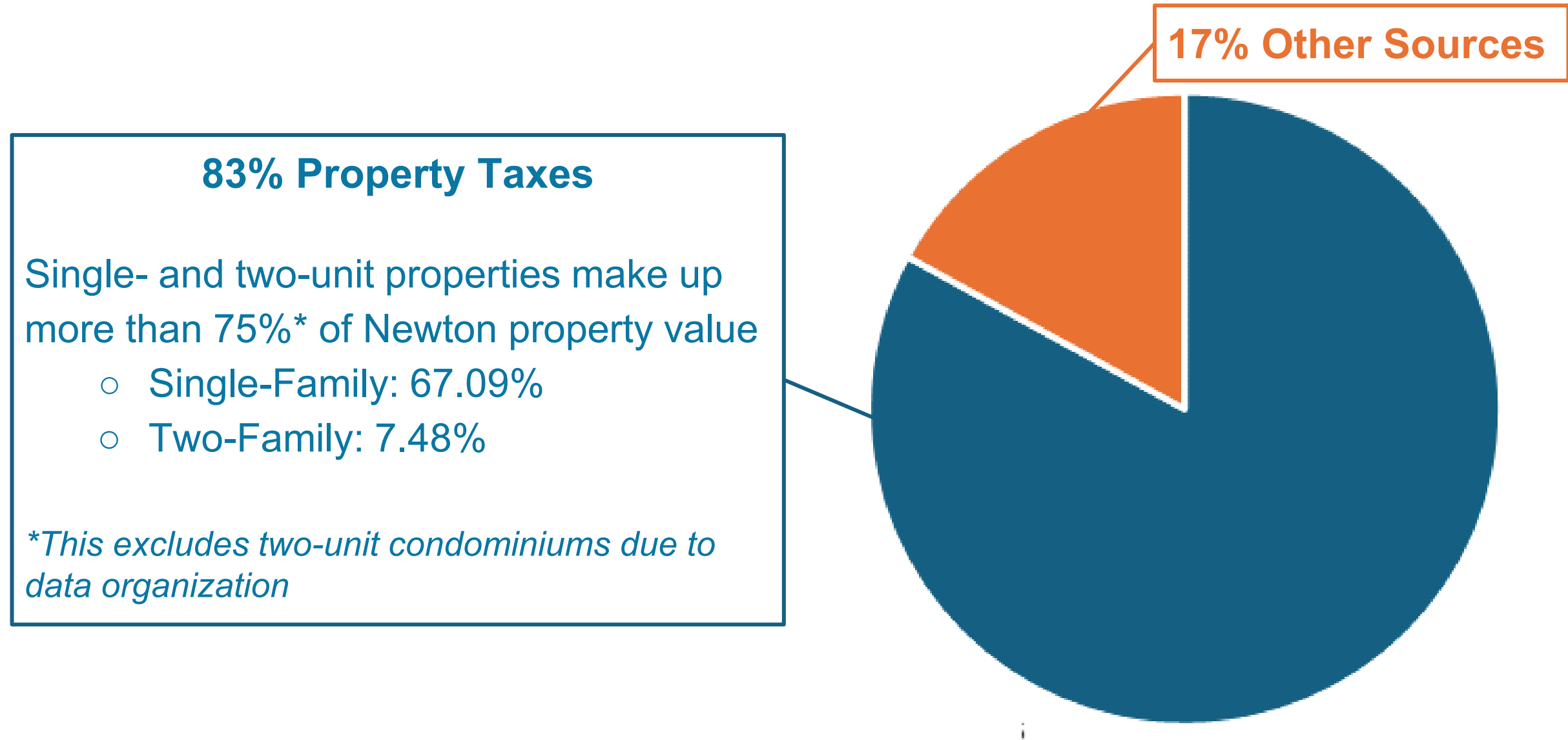
- a. Builder/Developer Research
- b. Project pro formas

## 2. Next Steps

Property taxes make up the majority of Newton's funding sources for the annual budget. Because of this, as well as legal limits on taxing, new residential growth is a significant portion of the annual revenue increases need to maintain city services.

# Residential Property Tax, Predominant City Funding Source

**Projected FY2025 Revenue Sources = \$524.4M**



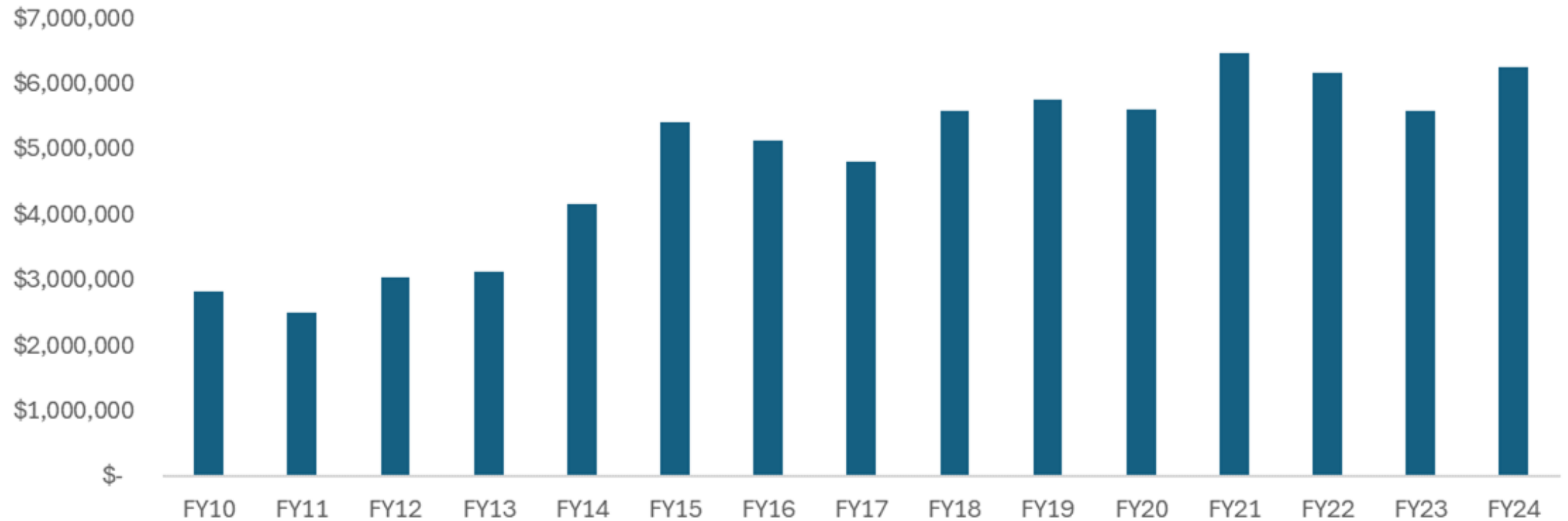
Source: Newton FY2025 Budget - <https://www.newtonma.gov/government/comptroller/budget/-folder-3857>

\* See Newton Tax Classification Booklet FY2024 - <https://www.newtonma.gov/home/showpublisheddocument/114342/638360778890500000>.

# New Growth, Essential to Maintain Level of City Services Each Year

## New Growth Revenue (New Construction and Redevelopment)

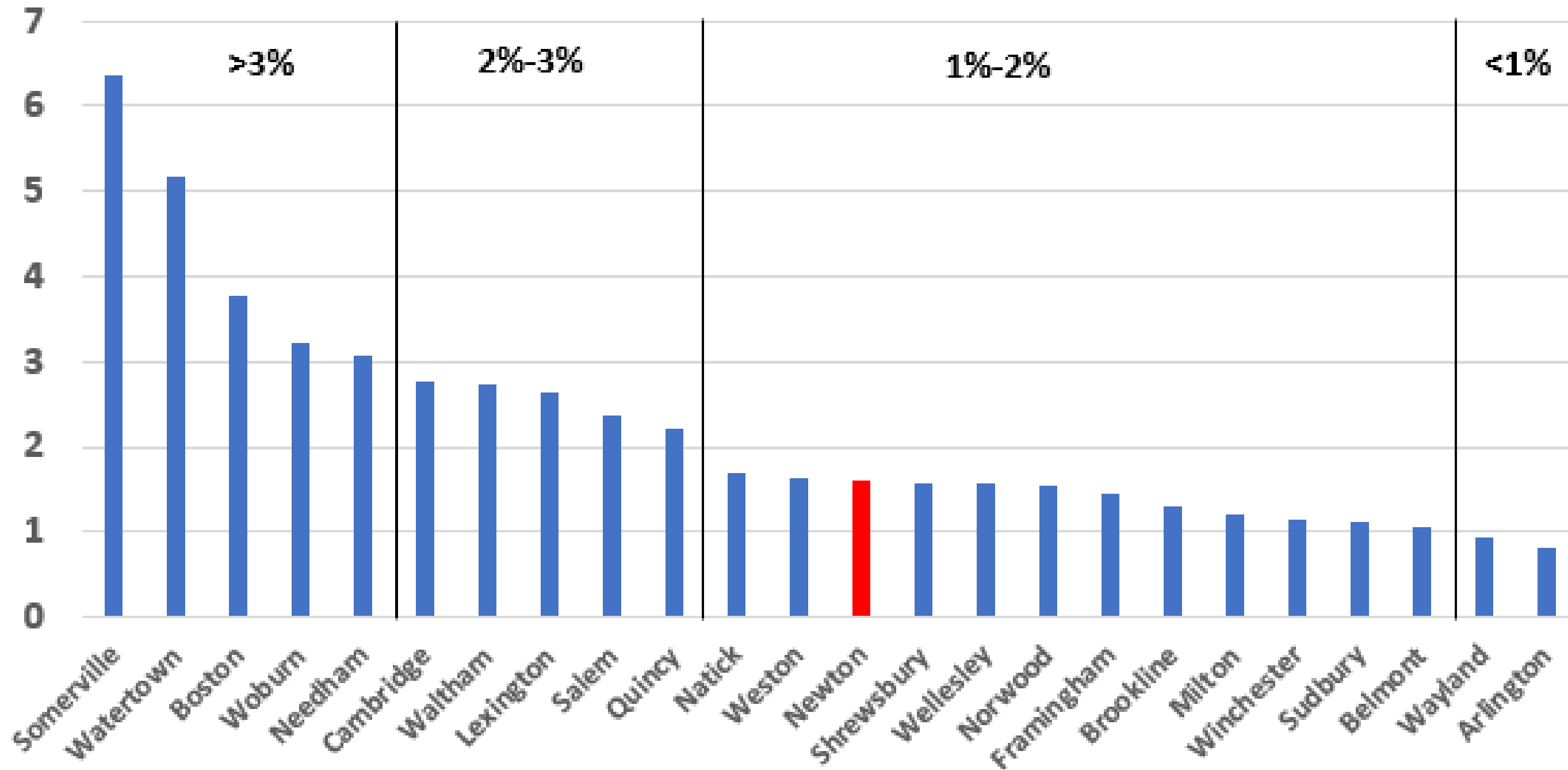
**1.4%**  
of the 30-year average annual increase is attributable to “**new growth and redevelopment**” as a percent of the tax levy.



Source: Newton Tax Classification Booklet FY2024 - <https://www.newtonma.gov/home/showpublisheddocument/114342/638360778890500000>.

# Newton is not a high new growth community

## FY20-FY25 Average New Growth



# Single- and Two-Unit Development is Large % of Permit Revenue

Building Permit Revenue (FY23 and FY24)			
	Total Revenue	Single- and Two-Unit Revenue (\$)	Single- and Two-Unit Revenue (%)
FY23	\$9.98 million	<b>\$3.39 million</b>	<b>34%</b>
FY24	\$10.3 million	<b>\$4.22 million</b>	<b>41%</b>

Source: Newton Inspectional Services Department



# Residential Properties and City Finances

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### 1. City-wide Teardown Analysis

- a. Overview
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### 1. Residential Properties and City Finances

- a. Property Taxes
- b. New Growth

### 1. Case Studies

- a. Context
- b. Builder/Developer Interviews
- c. Pro Forma Analysis

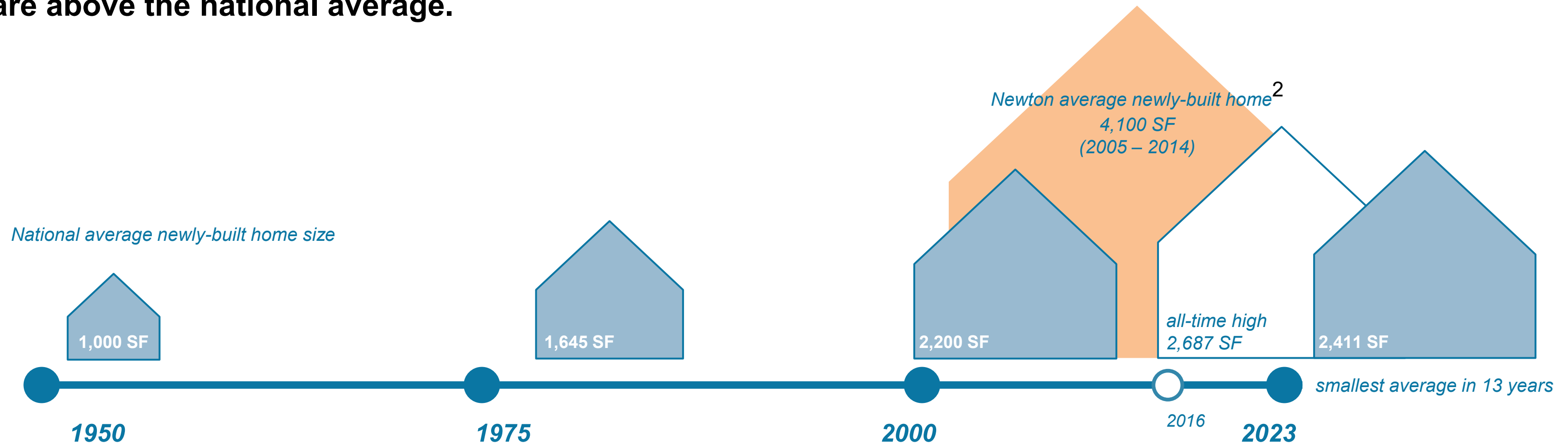
## 2. Next Steps

Understanding the importance of residential growth for the City's fiscal health, the next phase of analysis explores the financial factors that shape the scale and type of redevelopment occurring in Newton.

# American Home Sizes

- **Average American house size has increased** by ~140% between the 1950s and today<sup>1</sup>. This is in contrast with shrinking household size.
- **Average living area of units constructed in Newton are above the national average.**

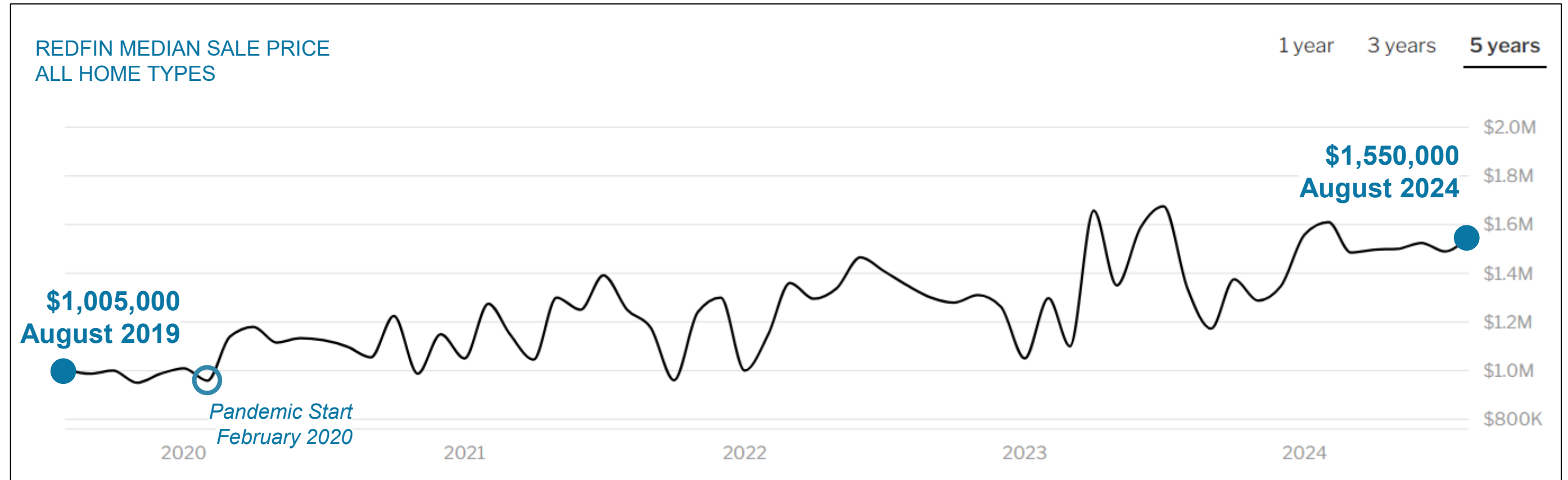
- **Better, not bigger, is among top design trends for 2024** due to homebuyer preferences and affordability<sup>3</sup>. However, **this is less true for move-up and luxury buyers, in desirable suburban locations.**



**Notes:**

1. Managing Teardowns - National Trust for Historic Preservation, 2008. Updates and timeline by Landwise.
2. Newton Leads 2040 Housing Strategy – RKG Associates, 2015.
3. National Association of Homebuilders

# Local Market



In August, **median sale price of all home types was \$1.6M, a 54% increase in the past 5 years.** Median sale price per SF was \$571. Homes receive 3 offers on average and sell in around 25 days<sup>1</sup>.

**Median household incomes (\$163,074)** are 42.1% above the State median (\$94,488)<sup>2</sup>.

**Appealing suburban location and top-rated schools** attracting families.

**Buyers are upsizing** from Boston neighborhoods or relocating from **international locations.** They are often dual-income professionals working in hybrid formats wanting **dedicated office space.**

**Notes:**

- 1 Redfin, City of Newton, August 2024. Median sales price of single-family homes for the same period was \$1.8 - this figure has exceeded \$2M twice over the past two years.
- 2 ACS 2022;

# Overview

There are at least 10 active home builders in Newton, most are luxury. Interviews were done with the 4 highest volume builders.

COMPANY	DEMO PERMITS (2017-2023)	BUILD SINGLE	BUILD TWO
1 Westview Partners	25	21	4
2 SAGA	26	21	4
3 Trio Development	23	20	2
4 Pine Cone Construction	19	18	1
5 Kane Built Inc	16	13	3
6 Paine Construction	9	4	5
7 Newton Village Development	7		7
8 Beantown Development	6		6
9 M.I.R. Realty	3		
10 Edge Builders			



## Interview Questions

The purpose of the exercise is to interview builders who have recently completed teardown/build new projects in Newton to understand their thought process approach to the projects. We want to try to understand the metrics/thresholds that are driving their decision making. Questions for conversation:

- 1) **PROJECTS.** Which teardown/rebuild projects have you completed since 2019? If too many to name can just pick a few. Are your projects typically spec builds or do you do a have a buyer in advance? What prices points are you typically building new homes in?
- 2) **LAND ACQUISITION.** What do you look for in a site? Is it a certain price, size, regularity of dimension? How about the existing home, is it of a certain vintage, scale (FAR or 1-story), condition? Are you willing to pay above market to acquire a good site?
- 3) **FEASIBILITY/RETURN.** How do you think about feasibility/return. Do you run a basic project model that backs into what you can afford to pay for the land (i.e. a land residual model). Or do you assume a project will be feasible if you can produce a house of a certain size?
- 4) **CONSTRUCTION COSTS.** Can you share some of your constructions cost data with us? How do you generally think about per sf construction costs (total cost excluding land) when you budget a project? Is there a range that makes sense for Newton (i.e. \$300-\$400 per square foot)? What is the typical tear-down cost to remove the existing house?
- 5) **REGULATORY.** Is there anything that the City is doing that is making it easier or more difficult to build there (tree ordinance, garage ordinance, height/retaining wall ordinance)? What should they be doing?
- 6) **DESIGN.** Do consistently work with the same local architect? Or do you have a pool of architects that you work with? Is your design fully customized or do you start with stock plans? Are you seeing trends toward quality over quantity of space?

# Each project and property is unique but there is a general equation

## General Builder Math:

$$\text{SALES PRICE (~\$625 per SF)} - \text{TOTAL COSTS} = \text{BUILDER PROFIT (8\% of total)}$$

- Land Cost (\$82 per land square foot)
- Construction Cost (\$275-\$350 per sf)
- Carry Cost (9% loan + taxes, 2 years)
- Sales Commission (5% of total)

- **Ideal tear-downs are in disrepair, unlikely to be preferably preserved, on flat lots, and without trees.**
- **Homes listed for sale in good condition often go to end-users who will renovate, as they are willing to pay more.** For homes in poor condition, sellers often connect with builders to sell off-market.
- **Projects are a combination of spec houses, custom homes or semi-custom homes,** designed by on-staff architects or a select few architects the builder regularly works with.

# The complexity of the regulatory environment has increased.

- **Multiple ordinances enacted since 2022** (Stormwater, Tree, Retaining Wall, Height, and Electrification) are adding complexities and costs to projects.
- **Builders are evaluating sites more selectively** with these ordinances in mind.
- **Some are finding it easier to work in adjacent communities**, and plan to continue to do more projects outside of Newton in the future.
- **Builders indicate that refinement of new ordinances might be necessary** as they are put to the test.

**Electrification ordinance has passed: What does that mean?**  
CITY HALL CLIMATE AND ENVIRONMENT  
Bryan McGonigle 3 months ago 7 mins

**What Newton's newly enhanced tree ordinance means for homeowners**  
CITY HALL CLIMATE AND ENVIRONMENT  
Bryan McGonigle 9 months ago 14 mins

**New zoning amendment would restrict retaining walls**  
CITY HALL ZONING  
Bryan McGonigle 6 months ago 6 mins

Everyone has seen them: Mammoth new houses on lots meant for smaller homes, with everything held up by retaining walls so large they could ward off invading army.

On Monday night, the Zoning and Planning Committee, in conjunction with the Planning Board, voted to approve a new ordinance amendment to require a special permit for any grading or retaining wall taller than four feet.

"To avoid complications with permits already in progress, we've recommended an effective date of June 1," Olivia James, Planning Department community engagement specialist, said.

City Council last week voted to approve a new ordinance that requires all new construction and major renovations in the city to use electricity instead of gas, oil or other fossil fuels.

This ordinance, which adds the city to the state's Ten Communities program, is the latest in a series of efforts to clean the environment and combat urban climate change.

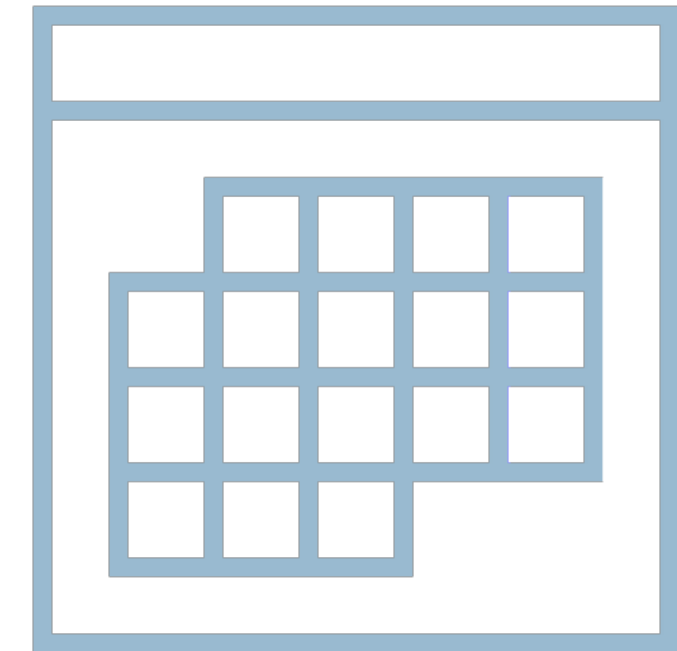
"It's a reasonable, it's balanced, and I do want to remind my constituents that I think this is one of the most consequential votes we'll see in a long time," Councilor Alison Leary said before the vote. She urged fellow city councilors not to water it down with amendments.

City Council passed a measure on Dec. 18 that expands and updates the city's Tree Preservation Ordinance, first set in 1996, with changes set to impact more property owners as well as some renovations and other construction projects as the city offsets decades of development and tree removal.

City Councilors had the item from looking at lots—whether a lot is exempt or not—under the ordinance—and instead focused on whether trees are protected.

# Time required to acquire approvals drives up the cost of housing.

- **Builders indicate that building new homes takes longer than it should.** It is essentially 1 year to approve and 1 year to build.
- **Many are prepared to wait out demolition delay and carry costs,** builders observe that the policy is not changing the outcome.
- **Approvals could be more streamlined and overlapping.**
- One of **largest expenses is the carry cost on a construction loan** which is usually somewhere in the 8-12% on the construction cost. Reducing approval times directly reduces the cost.



# New build design and sizes driven by economics & luxury buyers.

- **Not incentivized to build smaller more affordable units** when the regulatory process is complex and the market will absorb large, luxury homes
- **Wouldn't build modern homes with modern amenities if they weren't selling.** Neighborhood character is often more diverse than people think when scrutinized.
- **Renovations don't always make sense.**
  - Curb appeal doesn't tell the story of the condition and what is needed to meet codes.
  - Motivations to renovate often involve historic character, need for cosmetic refreshes, or the ability to fix-up and phase renovation projects overtime.
  - 1970s homes (now older than 50 years old) are subject to demolition delay. Many have boxy construction and lack of craftsmanship.
- **There is willingness to talk about new design sooner in demolition delay process.**





# Sample project economics

Type	Single Family
Year Built	2024
Address	SAMPLE
Unit Size (sf)	7,000
Lot Size (sf)	15,000
Sold Price	\$4,500,000
Avg. \$/sf	\$643
<b><i>Estimated Costs</i></b>	
Construction per sq. ft.	\$310
Acquisition Price	\$1,450,000
Construction Cost	\$2,170,000
Sales Commission/Closing (5.5% of total price)	\$247,500
Construction Loan Carry (15 months, 8%)	\$217,000
Demolition	\$50,000
Taxes (1.5 - 3 years)	\$25,000
Permit/Impact Fees (2%)	\$16,540
<b>Total</b>	<b>\$4,176,040</b>
<b>Builder Profit</b>	<b>\$323,960</b>
	7.2%

# Case study estimated project economics

Type	Single Family	Single Family	Single Family	Duplex	Duplex	Duplex
Year Built	2020	2022	2019	2019	2021	2020
Address	197 Baldpate Hill	180 Allen Ave	10 Spiers Rd	117 Norwood Ave	35 Dalby St	58 Cottage St
Unit Size (sf)	6,494	7,097	4,980	9,115	7,737	8,758
Lot Size (sf)	25,200	15,000	8,710	14,400	8,400	9,860
Sold Price	\$4,515,000	\$4,250,000	\$2,015,419	\$3,650,000	\$2,700,000	\$2,895,000
Avg. \$/sf	\$695	\$599	\$405	\$400	\$349	\$331
<b>Estimated Costs</b>						
Construction per sq. ft.	\$325	\$275	\$180	\$180	\$170	\$165
Acquisition Price	\$1,500,000	\$1,450,000	\$700,000	\$1,260,000	\$835,000	\$850,000
Construction Cost	\$2,110,550	\$1,951,675	\$896,400	\$1,640,700	\$1,315,290	\$1,445,070
Sales Commission/Closing (5.5% of total price)	\$248,325	\$233,750	\$110,848	\$200,750	\$148,500	\$159,225
Construction Loan Carry (15 months, 8% )	\$211,055	\$195,168	\$89,640	\$164,070	\$131,529	\$144,507
Demolition	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Taxes (1.5 - 3 years)	\$25,841	\$21,050	\$7,100	\$12,921	\$10,525	\$23,673
Permit/Impact Fees (2% )	\$17,000	\$14,540	\$13,500	\$16,500	\$12,420	\$6,000
<b>Total</b>	<b>\$4,162,771</b>	<b>\$3,916,183</b>	<b>\$1,867,489</b>	<b>\$3,344,941</b>	<b>\$2,503,264</b>	<b>\$2,678,475</b>
<b>Builder Profit</b>	<b>\$352,229</b>	<b>\$333,817</b>	<b>\$147,930</b>	<b>\$305,059</b>	<b>\$196,736</b>	<b>\$216,525</b>
	7.8%	7.9%	7.3%	8.4%	7.3%	7.5%

# Potentials for further study.

## *Potential issues to target...*

1. **Market conditions AND regulatory process making homes more expensive and unaffordable**

1. **Larger housing units for fewer people.**

1. **Changing character of neighborhoods.**

## *Potential strategies...*

● **Streamline permitting.**

Reduce overall time required to permit home construction.

● **Incentivize additional multi-unit rebuilds** where appropriate.

● **Modify dimensional requirements in zoning to break up or limit overall massing.**

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**Notes:**

1 [realestatetransferfee.org](http://realestatetransferfee.org)

# Next Steps

- Continue discussion at November 14 ZAP Meeting
- Focus on priorities
- Discuss the complexities of renovations and energy codes