

# HUD PD&R Regional Reports

## Region 1: New England



Burlington, Vermont

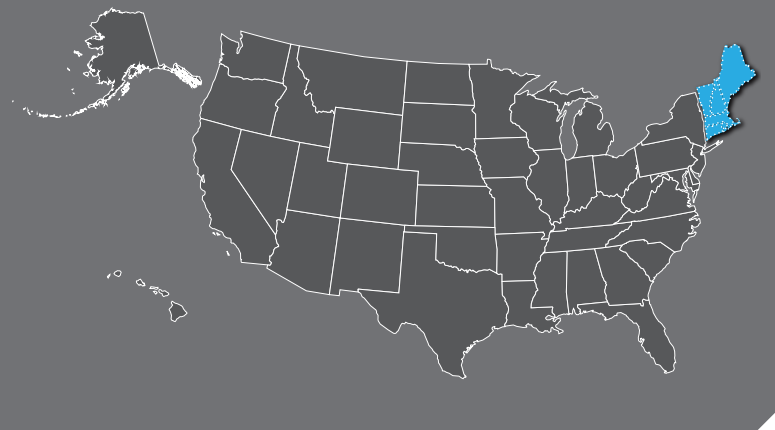
### Quick Facts About Region 1

#### Sales market conditions—

- Fourth quarter 2025: mixed (slightly tight to tight)
- Third quarter 2025: mixed (balanced to slightly tight)
- Fourth quarter 2024: mixed (balanced to slightly tight)

#### Apartment market conditions—

- Fourth quarter 2025: mixed (soft to slightly tight)
- Third quarter 2025: mixed (slightly soft to tight)
- Fourth quarter 2024: mixed (slightly soft to very tight)



By Mildred Jara | 4th Quarter 2025

### Overview

The economy in the New England region weakened as of the fourth quarter of 2025, the only region among the 10 HUD-defined regions in the nation with job losses during the past year. Nonfarm payrolls fell by 3,800 jobs, or less than 0.1 percent, year over year, a reversal from the 0.2-percent rate of growth a year earlier. Sales market conditions were tight in all states throughout the region except in Vermont and Maine, where conditions were slightly tight. Unlike the nation overall, home sales in the region increased during 2025, a reversal from the decline in 2024 (Cotality, with adjustments by the analyst). Home sales price growth in the region was faster than the national rate of growth but slowed from a year ago. Apartment market conditions were mixed as of the fourth quarter of 2025, ranging from soft to slightly tight across the eight major metropolitan areas in the region cited in this report. Vacancy rates increased in five of the eight metropolitan areas, reflecting softening market conditions from a year ago (CoStar Group).

- As of the fourth quarter of 2025, unemployment rates increased in all states in the region except in Maine and Rhode Island. Unemployment rates ranged from

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2.6 percent in Vermont to 4.7 percent in Massachusetts, the only state in the region with a rate higher than the nation.

- During 2025, home sales in the region rose 3 percent, contrasting with a 2-percent decline in 2024 and a 4-percent decrease in the nation during the past year (Cotality, with adjustments by the analyst). The average home price in the region rose 6 percent, slowing from an 8-percent increase in 2024 but faster than the 4-percent rise in the nation overall.

- Apartment market conditions were balanced in six of the eight metropolitan areas highlighted in this report. As of the fourth quarter of 2025, average monthly apartment rents throughout the region increased from a year ago, ranging from less than 1 percent in the Burlington and Boston metropolitan areas to 3 percent in the Hartford, Portland, and Providence metropolitan areas (CoStar Group).

## Economic Conditions

Nonfarm payrolls in the New England region declined slightly as of the fourth quarter of 2025, ending the year-over-year job growth that began as of the second quarter of 2021. Nonfarm payrolls averaged 7.66 million jobs as of the fourth quarter of 2025, reflecting a decrease of 3,800 jobs, or less than 0.1 percent, from the fourth quarter of 2024, when payrolls were up 0.2 percent from a year earlier. Among the 10 HUD-defined regions, the New England region was the only one with a job decline as of the fourth quarter of 2025. Job losses in three of the six states in the region—Maine, New Hampshire, and Rhode Island—more than offset job gains in Connecticut, Massachusetts, and Vermont.

The region lost jobs in 5 of the 11 nonfarm payroll sectors as of the fourth quarter of 2025. The largest and fastest decline occurred in the wholesale and retail trade sector, which fell by 12,800 jobs, or 1.3 percent, compared with the fourth quarter of 2024, when jobs decreased 1.1 percent year over year. Approximately three-fourths of job losses in the sector were

concentrated in the retail trade subsector. During the past year, jobs in the sector fell in every state in the region except for in Vermont, where the wholesale and retail trade sector payrolls rose 0.7 percent year over year. The declines in the other states ranged from 0.6 percent in Massachusetts to 2.9 percent in Rhode Island. The second largest payroll decline in the region occurred in the leisure and hospitality sector, which was down by 6,000 jobs, or 0.8 percent, year over year compared with 0.1-percent growth as of the fourth quarter of 2024. Payrolls in the sector increased 3.9 and 0.3 percent in Vermont and Connecticut, respectively, as of the fourth quarter of 2025, but declines in the other states—ranging from 0.2 percent in Massachusetts to 5.8 percent in New Hampshire—partially offset those increases. The education and health services sector added the most jobs as of the fourth quarter of 2025, partially offsetting job losses with an increase of 7,000 jobs, or 0.4 percent, and slowing from 2.2-percent year-over-year growth as of the fourth

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**Jobs in the New England region were down as of the fourth quarter of 2025 compared with a year earlier, with losses in 5 of the 11 nonfarm payroll sectors.**

	Fourth Quarter		Year-Over-Year Change	
	2024 (Thousands)	2025 (Thousands)	Absolute (Thousands)	Percent
<b>Total Nonfarm Payrolls</b>	7,662.5	7,658.7	-3.8	<-1
Goods-Producing Sectors	919.4	915.5	-3.9	-0.4
Mining, Logging, & Construction	346.5	345.8	-0.7	-0.2
Manufacturing	572.9	569.7	-3.2	-0.6
Service-Providing Sectors	6,743.1	6,743.2	0.1	0.0
Wholesale & Retail Trade	1,012.9	1,000.1	-12.8	-1.3
Transportation & Utilities	252.9	254.9	2.0	0.8
Information	152.3	151.5	-0.8	-0.5
Financial Activities	458.9	460.5	1.6	0.3
Professional & Business Services	1,133.3	1,136.3	3.0	0.3
Education & Health Services	1,676.2	1,683.2	7.0	0.4
Leisure & Hospitality	738.1	732.1	-6.0	-0.8
Other Services	280.3	284.4	4.1	1.5
Government	1,038.3	1,040.2	1.9	0.2

Note: Numbers may not add to totals due to rounding.

Source: U.S. Bureau of Labor Statistics



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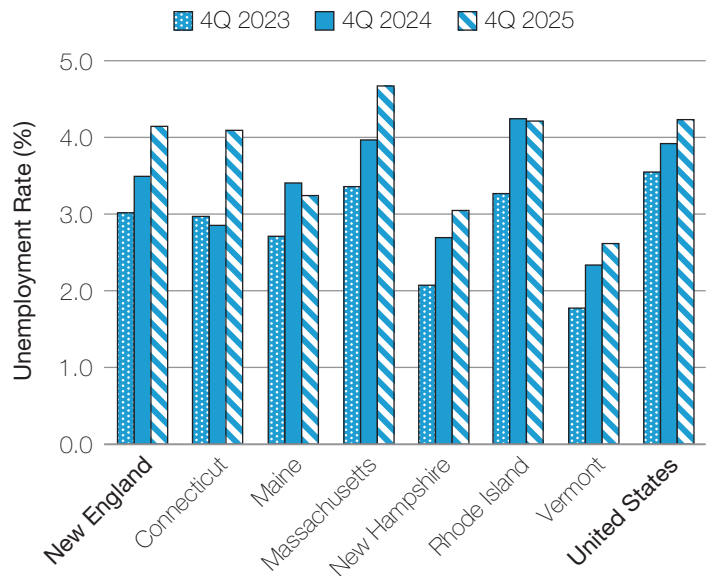
quarter of 2024. Job growth in the sector occurred in all states in the region, with gains ranging from 0.1 percent in Massachusetts to 1.5 percent in Rhode Island.

The unemployment rate in the region averaged 4.1 percent as of the fourth quarter of 2025, increasing from 3.5 percent a year earlier. The regionwide unemployment rate was slightly lower than the national rate of 4.2 percent, which rose from 3.9 percent as of the fourth quarter of 2024. Unemployment rates increased in four of the six states in the region, with the largest increase in Connecticut, where the rate rose from 2.9 percent as of the fourth quarter of 2024 to 4.1 percent as of the fourth quarter of 2025. The rate in Massachusetts was the highest in the region at 4.7 percent, up from 4.0 percent as of the fourth quarter of 2024. In New Hampshire and Vermont, the unemployment rates rose 0.3 percentage point each to 3.0 and 2.6 percent, respectively. The 4.2-percent unemployment rate in Rhode Island was unchanged from a year earlier, whereas the unemployment rate in Maine declined from 3.4 to 3.2 percent as of the fourth quarter of 2025.

As of the fourth quarter of 2025—

- The largest and fastest year-over-year job loss in the region occurred in Maine, down by 5,800 jobs, or 0.9 percent, compared with a 1.0-percent increase a year earlier. Payrolls fell in 9 of the 11 sectors, with the largest declines in the leisure and hospitality, the professional and business services, and the wholesale and retail trade sectors, accounting for a combined 72 percent of net job losses in the state.
- Although less severe than in Maine, payroll declines also occurred in New Hampshire and Rhode Island, each falling 0.2 percent year over year to 709,600 and 515,900 jobs, respectively, compared with increases of 1.1 and 1.0 percent as of the fourth quarter of 2024. The leisure and hospitality sector led payroll declines in New Hampshire, falling by 4,300 jobs, or 5.8 percent, from a year ago, whereas in Rhode Island, the wholesale and retail trade sector lost the most jobs, down by 1,900 jobs, or 2.9 percent, compared with the fourth quarter of 2024.
- Nonfarm payrolls in Massachusetts totaled 3.73 million jobs, up by almost 1,200 jobs, or less than 1 percent, from the fourth quarter of 2024, when jobs fell 0.3 percent from a year earlier. Four of the 11 sectors added jobs, with the largest gains in the transportation and utilities and the financial activities sectors, which were up by 4,700 and 1,300 jobs,

Unemployment rates rose in four of the six states in the New England region as of the fourth quarter of 2025.



4Q = fourth quarter.  
Source: U.S. Bureau of Labor Statistics

- or 4.1 and 0.6 percent, respectively, from a year ago. Those gains partially offset losses in the wholesale and retail trade and the professional and business services sectors of 2,500 and 2,200 jobs, or 0.6 and 0.4 percent, respectively.
- In Connecticut, nonfarm payrolls grew by 1,100 jobs, or 0.1 percent, year over year to 1.73 million jobs, slowing from a gain of 11,500 jobs, or 0.7 percent, as of the fourth quarter of 2024. Six of the 11 sectors added jobs, with the strongest gains in the government and the professional and business services sectors, which rose by 3,200 and 2,500 jobs, or 1.4 and 1.1 percent, respectively, more than offsetting losses of 4,300 jobs, or 1.9 percent, in the wholesale and retail trade sector from a year ago.
- Vermont gained the most jobs in the region, up by 2,400 jobs, or 0.8 percent, accelerating from 0.2-percent year-over-year job growth as of the fourth quarter of 2024. Six of the 11 sectors contributed to job growth in the state, including the leisure and hospitality sector, which had the greatest gains, up by 1,300 jobs, whereas the mining, logging, and construction and the information sectors declined by a combined 700 jobs.



# Sales Market Conditions

Sales market conditions in the New England region were mixed as of the fourth quarter of 2025, ranging from slightly tight to tight. Declining mortgage interest rates contributed to an overall increase in regionwide home sales during 2025, a reversal from the decline in home sales during the previous year. The rate for a 30-year, fixed-rate mortgage was 6.2 percent as of the last week of December 2025, down from 6.9 percent as of the last week of December 2024 (Freddie Mac). The inventory of homes for sale in the region was low at 1.8 months of supply in December 2025 compared with 1.7 months in December 2024 (Redfin, a national real estate brokerage, with adjustments by the analyst). Market conditions were tight in all the states throughout the region except in Vermont and Maine, where conditions were slightly tight. Massachusetts had the lowest supply of homes available for sale in the region and in the nation at 1.5 months in December 2025. Rhode Island, New Hampshire, and Connecticut had 1.7, 1.8, and 1.8 months of supply, respectively, in December 2025. Vermont and Maine had the highest months of supply at 3.5 and 2.4 months, respectively.

Regionwide, home sales increased 3 percent during 2025, reversing from the 2-percent decline in 2024 (Cotality, with adjustments by the analyst). By comparison, home sales fell 4 percent nationwide in 2025, faster than the 3-percent decline in 2024. Home sales rose in all the states in the region except in Maine, where home sales fell 5 percent to 19,600 homes sold during the past year. Growth in the number of homes sold in 2025 ranged from less than 1 percent in Vermont to 8 percent in New Hampshire. The average home sales price

rose throughout the region, and the 6-percent rate of home price growth was faster than the 4-percent national rate. Average home prices increased in all six states, ranging from 5-percent increases in Massachusetts and Vermont to 7-percent increases in Connecticut, Maine, New Hampshire, and Rhode Island.

Home sales rose in seven of the eight metropolitan areas cited in this report during the past year, with increases ranging from 1 percent in the Hartford and Worcester metropolitan areas to 35 percent in the Manchester metropolitan area. Bridgeport was the only metropolitan area where home sales declined during 2025, falling 1 percent from 2024. Average home prices rose in all eight metropolitan areas during the past 12 months, ranging from a 4-percent increase to \$511,000 in the Worcester metropolitan area to a 9-percent rise in the Bridgeport metropolitan area, where the average home price was the highest among all eight metropolitan areas cited in this report at \$909,600.

The share of seriously delinquent mortgages and real estate owned properties in the region was 0.9 percent in December 2025, unchanged from the rate in December 2024 (Cotality). By comparison, the national rate was 1.1 percent in December 2025, unchanged from a year ago. Regionwide, the rates ranged from 0.6 percent in New Hampshire to 1.1 percent each in Connecticut and Maine. During the past year, only two states had declining rates: Connecticut, where the rate decreased 0.1 percentage point from 1.2 percent in December 2024, and Vermont, where the rate fell to 0.8 percent from 0.7 percent

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## During 2025, average home sales prices increased at least 5 percent in every state in the New England region.

	12 Months Ending	Number of Homes Sold				Price		
		2024	2025	Percent Change	Average	2024 (\$)	2025 (\$)	Percent Change
Connecticut (N&E)	December	39,750	40,100	1	AVG	502,364	537,600	7
Bridgeport, CT (N&E)	December	9,725	9,625	-1	AVG	836,521	909,600	9
Hartford, CT (N&E)	December	14,850	14,950	1	AVG	390,389	419,400	7
Maine (N&E)	December	20,650	19,600	-5	AVG	402,787	431,600	7
Portland, ME (N&E)	December	8,350	8,625	3	AVG	545,129	572,700	5
Massachusetts (N&E)	December	72,700	75,550	4	AVG	717,123	750,100	5
Boston, MA (N&E)	December	48,400	50,200	4	AVG	809,609	849,400	5
Worcester, MA-CT (N&E)	December	9,950	10,050	1	AVG	490,193	511,000	4
New Hampshire (N&E)	December	17,400	18,750	8	AVG	469,763	503,800	7
Manchester, NH (N&E)	December	3,800	5,125	35	AVG	475,483	513,500	8
Rhode Island (N&E)	December	12,000	12,200	2	AVG	532,092	567,600	7
Providence, RI-MA (N&E)	December	17,400	17,850	3	AVG	527,554	558,500	6
Vermont (E)	December	11,600	11,650	<1	AVG	372,934	390,300	5
Burlington, VT (E)	December	3,200	3,250	2	AVG	441,863	467,900	6

AVG = average. E = existing. N&E = new and existing.

Source: Cotality, with adjustments by the analyst



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in December 2024. Elsewhere in the region, the rates were unchanged from December 2024.

As of the fourth quarter of 2025, homebuilding activity in the region, as measured by the number of single-family homes permitted, was up slightly from a year earlier, increasing by approximately 15 homes, or less than 1 percent, to 4,050 homes, and slowing from a 5-percent rise as of the fourth quarter of 2024 (preliminary data). Single-family home permitting increased in two of the six states in the region, offsetting declines in the other states.

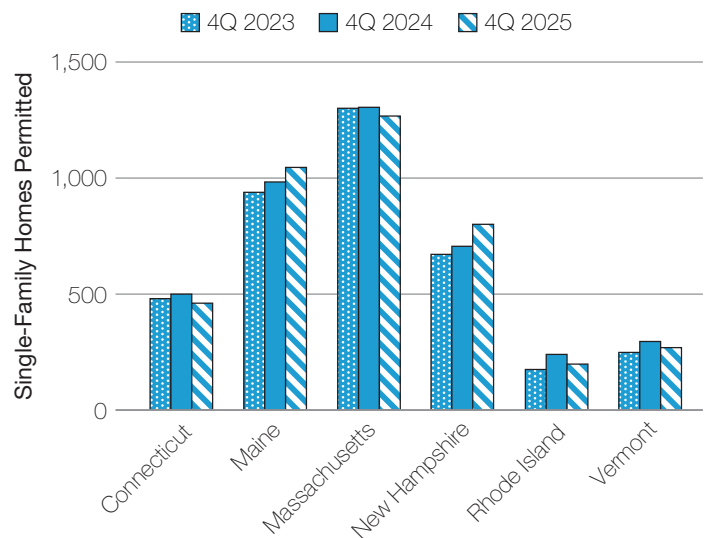
As of the fourth quarter of 2025 (preliminary data)—

- New Hampshire and Maine were the only states in the region with year-over-year increases in single-family home permitting, up by 95 and 65 homes, or 13 and 6 percent, respectively, from the fourth quarter of 2024, when single-family home permitting rose 5 percent in each state compared with a year earlier. An increase of approximately 50 homes permitted in Rockingham County contributed to the overall rise in New Hampshire, and an increase of nearly 30 homes permitted in Hancock County supported the rise in Maine.
- In Massachusetts, 1,275 homes were permitted, reflecting a decline of 40 homes, or 3 percent, year over year compared with an increase of less than 1 percent as of the fourth quarter of 2024. A decline of 30 homes permitted in the Worcester metropolitan area and a slight decrease of approximately 5 homes permitted in the Massachusetts portion of the Boston metropolitan area contributed to the overall decline in homebuilding in the state.
- New home construction also fell in Connecticut, down by 35 homes, or 7 percent, year over year, including a decline of 20 homes permitted in the Greater Bridgeport Planning Region, which is part of the Bridgeport metropolitan area.

In Vermont, single-family home permitting fell 9 percent from a year ago to 270 homes permitted, including a 35-percent decrease in the number of homes permitted in the Burlington metropolitan area.

- Single-family home permitting declined the fastest in Rhode Island, falling 18 percent, or by 40 homes, year over year to 200 homes permitted, including declines in four of the five counties in the state. Newport County was the only county with an increase in homebuilding, up by nearly 10 homes, or 41 percent, from a year ago.

**As of the fourth quarter of 2025, Maine and New Hampshire were the only two states in the New England region with increases in new single-family home construction.**



4Q = fourth quarter.  
 Note: Based on preliminary data.  
 Source: U.S. Census Bureau, Building Permits Survey

## Apartment Market Conditions

As of the fourth quarter of 2025, apartment market conditions in the New England region ranged from soft to slightly tight compared with slightly soft to very tight conditions a year ago. Despite a decrease in new apartment completions during the past year, apartment vacancy rates increased in five of the eight metropolitan areas cited in this report because the number of apartment units completed outpaced absorption. Approximately 16,900 apartment units were completed regionwide in 2025, declining 15 percent from 2024 and outpacing absorption of 12,250 units during the past year (CoStar Group). Vacancy rates in most areas throughout the region were below the national rate of 8.5 percent as of the fourth quarter of 2025, which was up from 8.3 percent as of the fourth quarter of 2024.

Average apartment rents increased in all eight metropolitan areas as of the fourth quarter of 2025.

In six of the eight metropolitan areas highlighted in this report, market conditions were balanced as of the fourth quarter of 2025. Of the six, the Manchester metropolitan area had the lowest vacancy rate in the region at 4.4 percent, down from 5.3 percent a year ago. The vacancy rate declined because apartment absorption outpaced completions by 40 percent. Apartment market conditions in the Portland, Providence, and Burlington metropolitan areas were also balanced as of the fourth quarter of 2025; however, respective conditions in those markets eased from slightly tight, tight, and very tight

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a year ago, and respective vacancy rates rose to 4.5, 4.6, and 4.7 percent. Balanced apartment market conditions were unchanged from a year ago in the Hartford and Worcester metropolitan areas, where apartment vacancy rates declined 0.1 and 1.4 percentage points to 5.4 and 4.8 percent, respectively. The Bridgeport and Boston metropolitan areas were the only apartment markets in the region that were soft and slightly soft, respectively, as of the fourth quarter of 2025 compared with slightly soft and balanced conditions a year earlier. In the Bridgeport and Boston metropolitan areas, the respective apartment vacancy rates of 8.5 and 6.7 percent were up from 7.0 and 5.7 percent as of the fourth quarter of 2024. The vacancy rates increased because completions outpaced absorption by 64 percent in the Bridgeport metropolitan area and by 56 percent in the Boston metropolitan area.

As of the fourth quarter of 2025, average monthly rents in all eight major metropolitan areas highlighted in this report exceeded the \$1,757 average for the nation. Similar to the nation, rents were up less than 1 percent from a year ago in the Boston metropolitan area to \$2,890—the highest average rent among the metropolitan areas cited in this report—and less than 1 percent in the Burlington metropolitan area to \$1,952. Rent growth in those areas slowed from 3 and 2 percent, respectively, as of the fourth quarter of 2024. In the rest of the region, rent increases as of the fourth quarter of 2025 ranged from 1 percent in the Bridgeport metropolitan area to an average of \$2,797 to 3 percent each in the Providence,

Portland, and Hartford metropolitan areas to respective averages of \$2,027, \$1,965, and \$1,793—with Hartford having the lowest average rent of the eight metropolitan areas highlighted in this report. Rent growth in the Bridgeport metropolitan area slowed from 3 percent a year ago, and rent growth in the Providence, Portland, and Hartford metropolitan areas slowed from 4 percent each as of the fourth quarter of 2024. Moderate year-over-year rent growth of 2 percent occurred in the Manchester and Worcester metropolitan areas, where rents increased to respective averages of \$2,083 and \$2,076. In the Manchester metropolitan area, rent growth was unchanged from the 2-percent increase as of the fourth quarter of 2024, and in the Worcester metropolitan area, the pace of rent growth slowed from 3 percent a year ago.

Multifamily building activity, as measured by the number of multifamily units permitted, declined as of the fourth quarter of 2025, with decreases in three of the six states in the region.

As of the fourth quarter of 2025 (preliminary data)—

- The number of multifamily units permitted in the region totaled approximately 4,325, representing a 12-percent decrease from the fourth quarter of 2024, when multifamily permitting rose 44 percent from a year earlier. Permitting fell the most in Massachusetts, down by 630 units, or 28 percent, from a year ago, largely attributable to a decrease of 520 homes permitted in the Worcester metropolitan area.

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**Apartment vacancy rates increased in five of the eight major metropolitan areas in the New England region as of the fourth quarter of 2025.**

	Market Condition	Vacancy Rate			Average Monthly Rent		
		4Q 2024 (%)	4Q 2025 (%)	Percentage Point Change	4Q 2024 (\$)	4Q 2025 (\$)	Percent Change
Connecticut	Balanced	6.0	6.2	0.2	2,032	2,066	2
Bridgeport, CT	Soft	7.0	8.5	1.5	2,777	2,797	1
Hartford, CT	Balanced	5.5	5.4	-0.1	1,744	1,793	3
Maine	Balanced	3.9	4.9	1.0	1,744	1,785	2
Portland, ME	Balanced	4.2	4.5	0.3	1,917	1,965	3
Massachusetts	Balanced	5.4	6.1	0.7	2,722	2,742	1
Boston, MA-NH	Slightly Soft	5.7	6.7	1.0	2,878	2,890	<1
Worcester, MA-CT	Balanced	6.2	4.8	-1.4	2,040	2,076	2
New Hampshire	Balanced	5.2	5.5	0.3	2,024	2,065	2
Manchester, NH	Balanced	5.3	4.4	-0.9	2,045	2,083	2
Rhode Island	Balanced	3.5	4.8	1.3	1,954	2,014	3
Providence, RI-MA	Balanced	3.4	4.6	1.2	1,961	2,027	3
Vermont	Slightly Tight	3.0	3.9	0.9	1,872	1,878	<1
Burlington, VT	Balanced	2.8	4.7	1.9	1,949	1,952	<1

4Q = fourth quarter.

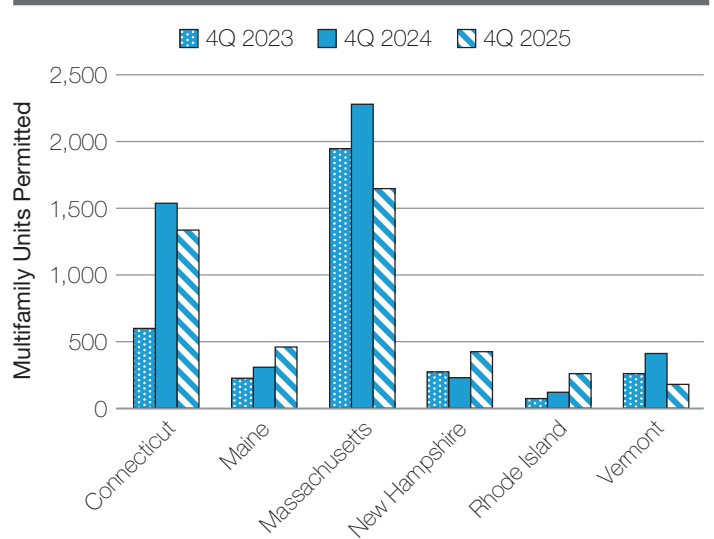
Sources: Market condition—Economic and Market Analysis Division; vacancy rate and average monthly rent—CoStar Group



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- Multifamily permitting also fell in Vermont and Connecticut, down by 230 and 200 units to 180 and 1,350 units permitted, respectively. Strong decreases in permitting in Windsor County in Vermont and the Hartford metropolitan area in Connecticut, where permitting declined by 240 and 270 units, respectively, contributed to the net decreases in the respective states.
- An increase in permitting in Rhode Island partly offset the overall regional decline. Multifamily permitting in Rhode Island more than doubled from a year ago to 270 units, with a combined increase of 120 units permitted in Kent and Providence Counties accounting for 86 percent of the net increase in the state.
- Increases in multifamily permitting also occurred in New Hampshire and Maine, up 82 and 49 percent, respectively, from a year ago. In New Hampshire, a combined increase of 230 units was permitted in Rockingham and Strafford Counties, which are part of the Boston metropolitan area, and in Maine, permitting rose by nearly 170 units in the Portland metropolitan area, contributing to the overall increases.

As of the fourth quarter of 2025 in the New England region, decreases in multifamily permitting in Connecticut, Massachusetts, and Vermont more than offset increases in Maine, New Hampshire, and Rhode Island.



4Q = fourth quarter.  
 Note: Based on preliminary data.  
 Source: U.S. Census Bureau, Building Permits Survey



# Terminology Definitions and Notes

## A. Definitions

Absorption	The net change, positive or negative, in the number of occupied units in a given geographic range.
Apartment Vacancy Rate/Average Monthly Rent	Data are for market-rate and mixed market-rate and affordable general occupancy apartment properties with five or more units, including those that are stabilized and in lease up. A property is stabilized once the occupancy rate has reached 90 percent or at least 18 months have passed since the property was changed from “under construction” to “existing” on the CoStar Group website.
Building Permits	Building permits do not necessarily reflect all residential building activity. Some units are constructed or created without a building permit or are issued a different type of building permit. For example, some units classified as commercial structures are not reflected in the residential building permits. As a result, the analyst, through diligent fieldwork, makes an estimate of this additional construction activity. Some of these estimates are included in the discussions of single-family and multifamily building permits.
Home Sales/Home Sales Prices	Includes single-family home, townhome, and condominium sales.
Seriously Delinquent Mortgages	Mortgages 90 or more days delinquent or in foreclosure.

## B. Notes on Geography

1.	The metropolitan statistical area definitions noted in this report are based on the delineations established by the Office of Management and Budget (OMB) in the OMB Bulletin dated July 21, 2023.
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## C. Additional Notes

1.	BLS data include EMAD estimates for data missing as a result of a lapse in appropriations.
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