

## Even 'affordable' housing can cost nearly \$500K per unit to build

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SPRINGFIELD — About \$451,000.

That's what a unit of affordable housing costs to build, says Keith Fairey, president and CEO at Way Finders, a housing agency based in Springfield.

Take Rosewood Way Townhomes in Agawam, a Way Finders' complex now under construction just off Springfield Street. It's 62 units. It'll cost \$28 million.

"That number has gone up significantly over the last three or four years," he said. "Inflation is a big part of it."

Inflation turns up everywhere: the supply chain for materials job site-related fuel and labor.

"So all these things have sapped real estate development," he said. "They are all in an increasing pattern right now."

It might be improving a little, however. Material delays are less than they were, and the price of fuel is coming down.

The cost increases affect single-family home building, as well. But, Fairey said, multifamily construction involves more expense and can necessitate bringing in infrastructure, like water, sewer and electricity, which single-family homes don't need to the same extent.



A view of Rosewood Way Townhomes, Way Finder's new affordable and market-rate housing development in Agawam. (Don Treeger / The Republican) The Republican



Keith Fairey is the president and CEO of Way Finders. He is shown at the construction site in December for Way Finder's new project in Agawam, Rosewood Way Townhomes. (Don Treeger / The Republican)

But Western Massachusetts, where land is cheaper and labor less expensive, has an advantage over Boston-area affordable housing projects that can cost \$700,000 or more per unit.

Way Finders finances its housing developments with a broad mix of federal and state tax credit equity, state housing production fund resources, loans from financial institutions, local community preservation committee allotments, and grants.

Rosewood Way Townhomes are slated to be completed this year, and an application period is imminent for those looking to be considered for a residence. 20 apartments reserved for households at or below 30% Area Median Income.

Twenty-seven of the apartments will be reserved for individuals and families at 60% of the area median income, 20 units will be set aside for households at or below 30% AMI, and five will be market-rate. Ten other apartments will be for households who qualify through MassHousing's Workforce Housing Program.

Visit [wayfinders.org](http://wayfinders.org) to learn more about Rosewood Way Townhomes or to apply for a unit.



Above: Carpenter Paul Pennell of Holyoke installs door hardware on a unit at Rosewood Way. (Don Treeger / The Republican) The Republican



Keith Fairey, left, president and CEO of Way Finders, talks with members of his team in a unit under construction at its new project in Agawam, Rosewood Way. (Don Treeger / The Republican) The Republican