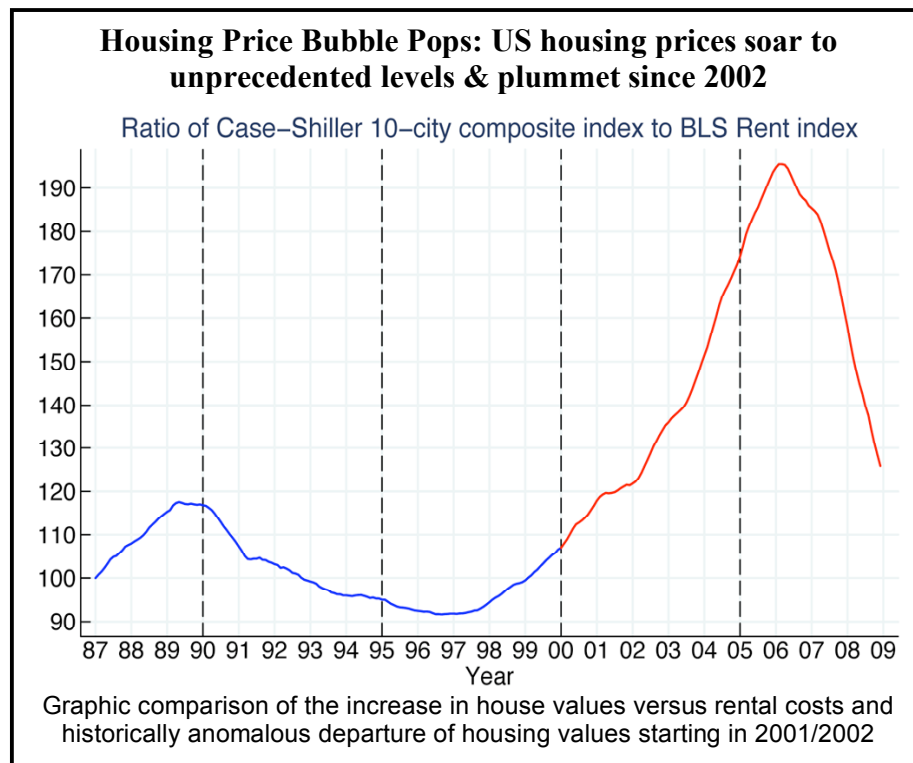


# Foreclosures: Denying Massachusetts an Economic Recovery



*By Grace Ross &  
Massachusetts Alliance Against Predatory Lending*

October 13, 2011

### Front page graph<sup>1</sup>

The cover graphic compares the increase in property values in major US cities with rents. It shows the extraordinary and historically anomalous departure of property values – the huge housing bubble that has now burst and the continuing tumble in housing wealth which resulted. Provided by the Boston Federal Reserve, this graphs the historic and consistent ratio over time between rents and property values that the Federal Reserve tracks regularly. Property values and rents have maintained close to a standard ratio for the decades since they started measuring them. Author Grace Ross first saw this graph as part of a presentation where a Boston Federal Reserve researcher reported they had noticed an anomalous and historic departure of property values from rents in the early 2000s. Although the historic departure from the ratio because of the increase in property values was noted, he reported that they had not paid much attention to it.

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**The Mass Alliance Against Predatory Lending (MAAPL)** is a coalition of over 65 member and supporting organizations – community organizations, housing counseling agencies, legal services groups, labor and others – founded to arrest the impacts of the foreclosure crisis in Massachusetts through grassroots organizing, homeowner/tenant education, legal strategies and policy initiatives.

### MAAPL member/supporting organizations

*Action for Boston Community Development, Inc., Action for Regional Equity, Alliance of Providers of Legal Services to Individuals Facing Foreclosure, ARISE for Social Justice, Arlington Community Trabajando, Boston Tenants Coalition, Brazilian Women's Group, Brockton Interfaith Community, Carpenters Local 40, Carpenters Local 107, Charles Hamilton Houston Institute For Race & Justice, Chelsea Collaborative, Chinese Progressive Association, City Life/Vida Urbana, Coalition for Social Justice, Community Economic Development Ctr of S.E. MA, Community Labor United, Democratic Socialists of America, Dorchester People for Peace, Era Key Realty Services, ESAC, Fair Housing Center of Greater Boston, Greater Boston Legal Services, Greater Four Corners Action Coalition, Green-Rainbow Party of MA, Harvard Legal Aid Bureau, Homeowner Options for MA Elders, Jewish Alliance for Law and Social Action, Lawrence Community Works, Lawyers' Committee for Civil Rights Under Law, Lynn United for Change, Legal Assistance Corporation of Central Mass, Mass Advocates for Children, Mass AFL-CIO, Mass Coalition for the Homeless, Mass Community Action Network, Massachusetts Fair Housing Center, Mass Jobs With Justice, Mass Law Reform Institute, Mass Welfare Rights Union, Merrimack Valley Labor Council, NAACP N.E. Area Council, National Community Reinvestment Coalition, National Consumer Law Center, National Lawyers Guild, Neighbor-to-Neighbor, Neighborhood Legal Services, New England United for Justice, No One Leaves – Springfield, North Shore Labor Council, ¿Oiste?, Organization for a New Equality, Painters District Council 35, Pleasant St. Neighborhood Network Center, Southbridge Community Connections, Springfield No One Leaves Coalition, Survivors Inc., Tri-City Community Action Program, UE Northeast Region, Union of Minority Neighborhoods, United Auto Workers Mass CAP, United Food & Commercial Workers 1445, United For a Fair Economy, United Steel Workers Local 5696, Volunteer Lawyers Project, Worcester Anti-Foreclosure Team.*

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<sup>1</sup> © Copyright 2010, Federal Reserve Bank of Boston in Grace C Ross, *Main St. Smarts: Who got us into this economic mess and how we get through it...* (October 2010)