



WAYPOINTS

INFORMING THE FUTURE OF MAINE’S COAST AND ISLANDS

Waypoints is part of Island Institute’s effort to gather data and share stories that spur action and provide decision-making support to community leaders. Like the waypoints on a journey or map, thoughtful interpretations of data and science provide navigation points toward community-led solutions.

Housing and Affordability

Housing affordability in Maine’s island and coastal areas threatens these communities’ economic resilience and long-term sustainability. A limited supply of housing that is affordable for teachers, municipal officials, fishermen, and others means that many people cannot live where they work. This disconnect threatens the economic resilience, workforce stability, and long-term sustainability of coastal and island communities.

Home ownership is generally considered unaffordable if the home’s mortgage, taxes, basic utilities, and insurance costs exceed 30% of pre-tax household income. Since COVID, skyrocketing real estate prices in coastal Maine have priced out a majority of Maine families from their communities. Up until 2020, the median income could cover the cost of the median-priced home. **From 2020 to 2025, the income needed to afford the median-priced home doubled, while median income only increased by 31 percent.**

A 2023 Housing Needs Study found that **Maine needs 84,000 new homes by 2030** to meet projected population growth and demand, and to start to address affordability concerns.

Households Unable to Afford Median-Priced Home, 2024

Coastal Counties

Knox	81%
Sagadahoc	77%
Cumberland	77%
York	75%
Lincoln	74%
Hancock	74%
Waldo	66%
Washington	56%

Central Counties

Androscoggin	67%
Kennebec	66%
Penobscot	55%

Rim Counties

Oxford	69%
Franklin	64%
Somerset	59%
Piscataquis	52%
Aroostook	46%

Maine 64%

Source: Maine Development Foundation’s Measures of Growth publication. This publication provides an important overview of more than 25 indicators related to the State’s economy.

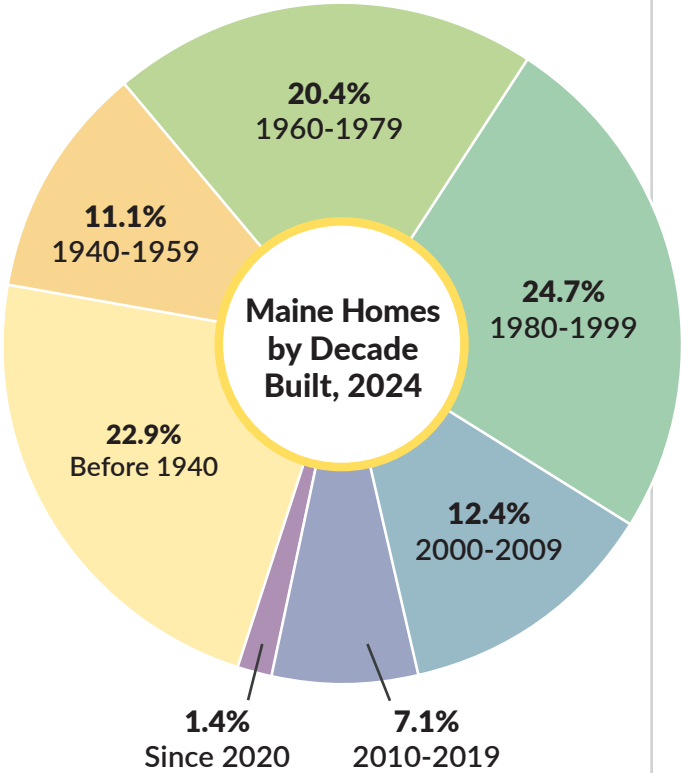
At the same time, Maine has one of the oldest housing stocks in the nation. **Over 20 percent of Maine homes were built before 1940, and half were constructed before 1980.** This means that many of Maine’s single-family homes are likely in need of renovations and efficiency upgrades to meet modern building standards and energy efficiency requirements.

Maine’s housing shortage impacts the quality of life of all Mainers. Long-time residents and workers moving to and within Maine are struggling to find homes that they can afford close to job opportunities. Young people who grew up in Maine face rising housing costs for rental homes and entry-level homeownership, making it hard for them to stay. Aging Mainers struggle to downsize and find adequate housing to age in place in their communities.*

Maine’s housing shortage constrains statewide economic growth. Many Maine companies now struggle to fill open jobs due to limited housing options. This issue will grow as an increasing number of Mainers reach retirement and growing businesses require more workers. Without enough homes available for eligible workers to take open jobs and stay in or move to the state, businesses will continue to struggle and at times fail—harming the prosperity of all.*

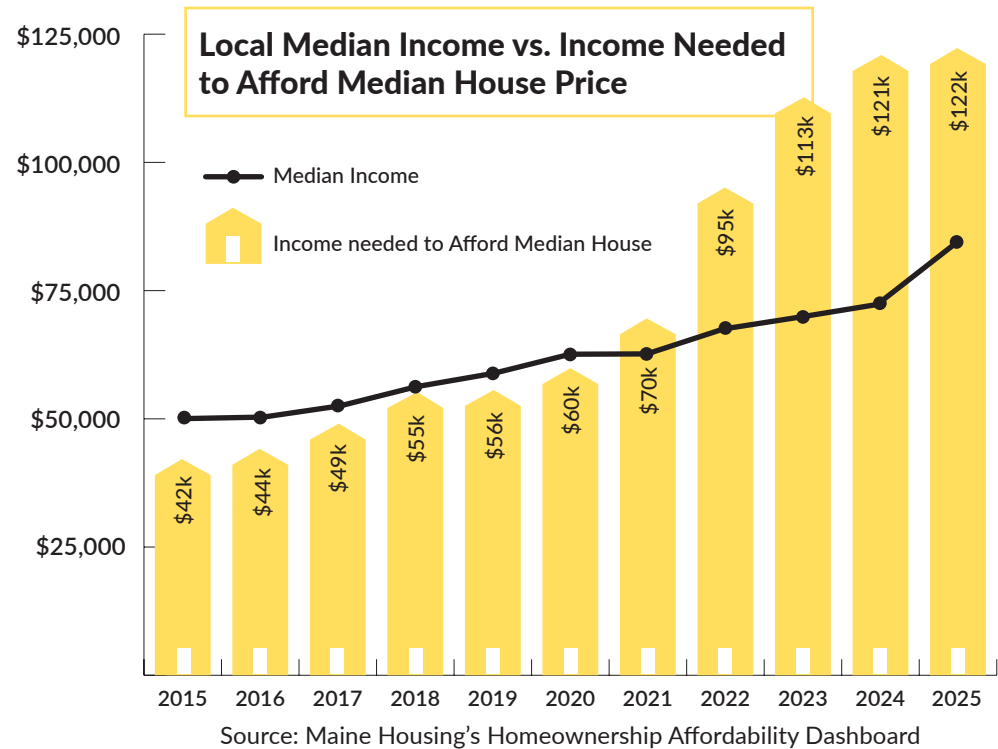
The data paints a picture of Maine’s housing affordability that is not pretty. **But communities across the coast are building solutions to meet the challenge.** Island Institute is committed to supporting community-led solutions. To learn more about our Housing Initiative, visit islandinstitute.org.

* Reprinted from "A Roadmap for Future Housing Production in Maine," HR&A Advisors, January 2025



Source: American Community Survey (ACS), U.S. Census Bureau

Maine is experiencing a housing shortage that is harming the quality of life and economic prosperity of all Mainers.



This Waypoints page looks at the state’s housing challenges through three different lenses: affordability, existing housing supply, and the need for new housing. There is much more demographic, income, and housing-related data that can be found through various housing data portals. Some of this data can be viewed and compared at the county or community level.

ACCESS THE LINKS TO THESE DATA PORTALS