

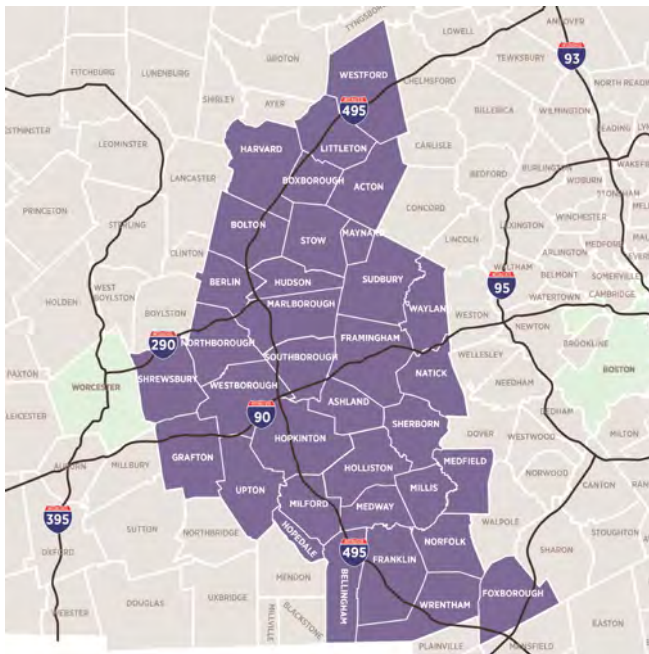


STRENGTH IN NUMBERS: 2020 EDITION

Demographic and Economic Data for the 495/MetroWest Region

Resilience in the Face of COVID-19

The 495/MetroWest Partnership was founded in 2003 by business executives, municipal officials, legislators, and other community leaders as a public-private economic development organization, focused on securing needed policy decisions and infrastructure investments for our regional economy. The Partnership continues to advocate for our regional needs regarding transportation, water resources, housing, and economic development. The Partnership's service area has added 3 communities since its initial founding, demonstrating the success of our regional identity and organizational accomplishments, and reflecting our communities' economic success and desirability. The Partnership produces an annual update on the 495/MetroWest region's numbers, demonstrating the value of our 35 communities to the overall economic strength of the Commonwealth.



In years past, this report has focused on statistics about our region's robust economic growth, with a growing number of jobs, declining unemployment, increasing annual payroll, and bullish business confidence. However, 2020 has brought a stark new global economic reality: the havoc wreaked by COVID-19 has created staggering unemployment, restrictions on business activity, and unprecedented instability.

Between March and April 2020, the national unemployment rate grew from 4.4% to 14.7%.

In spite of the significant challenge of COVID-19, the 495/MetroWest region remains comparatively well-positioned to weather the economic storm, and to enter recovery once the public health situation stabilizes. The 495/MetroWest region retains some key strategic economic advantages, including:

- **A Strong Presence of Invulnerable Sectors**
- **A Highly Educated Workforce**
- **Comparatively Lower Unemployment**
- **Competitively Priced Real Estate**

A Strong Presence of Invulnerable Sectors

The 495/MetroWest region benefits from a strong presence of industry clusters that early evidence indicates will continue to perform well, in spite of the pandemic, including Life Sciences/Biopharmaceutical, Research and Development Services, Information Technology and Analytics, Computer Systems Design, and the continued emergence of Distribution and E-Commerce Equipment.

Life Sciences remains a particularly bright spot for the region: More than 90 life science firms call the 495/MetroWest region home. Life Sciences accounted for \$74 billion of regional GDP in 2019, up \$30 billion from 2009. The Life Sciences industry also produces diverse occupations, with 20.3% projected growth over 10 years. 8 of 10 specialized occupations within the Scientific Research and Development Services industry are at low risk for automation.

The 495/MetroWest biopharmaceutical location quotient, which quantifies how concentrated a particular industry is in a region compared to the nation, was 2.3; this indicates the presence of these industries is 2.3 times the national average. By comparison, Massachusetts has a location quotient of 1.3.

MassBenchmarks reported in 2018, "out of the \$27 billion in total exports, computer and electronic products accounted for \$7.67 billion, just over 28 percent of the total." Among the region's industries, Computer Systems Design represents the largest source of jobs. Information Technology growth over the next 10 years is projected at over 70%.

Distribution and E-Commerce Equipment is also an expanding industry cluster in the region. E-commerce is a soaring industry and will undoubtedly grow as public health concerns further shift consumer habits towards online platforms.

The Commonwealth's travel and tourism industry will struggle as a result of COVID-19; lodging, restaurants, and event venues will face some of the greatest challenges as a result of the pandemic. The 495/MetroWest region's travel and tourism economy will be no exception. However, the breakdown of statewide travel-generated spending, payroll, and employment relative to the 495/MetroWest industrial and occupational makeup suggests our region is less exposed in this regard than the state as a whole.

A Highly Educated Workforce

The 495/MetroWest region's population continues to see higher levels of educational attainment than the Commonwealth's as a whole. 56.8% of residents 25 years of age or older in the 495/MetroWest region hold a Bachelor's Degree or higher, compared with 42.9% statewide. 26.2% of the region's residents have attained a Graduate or Professional Degree, as compared with 19.1% statewide. The region will remain attractive to employers looking to fill highly skilled positions.

Comparatively Lower Unemployment

The COVID-19 pandemic has caused a sharp rise in the national and statewide unemployment rate that has already surpassed the peak of the Great Recession. In late 2009, the national unemployment rate peaked at 10.0% while the state unemployment reached 8.8%. Between March and April 2020, the national unemployment rate grew from 4.4% to 14.7%.

Given the Commonwealth's geographical vulnerability, our state's unemployment rate surpassed the national rate, growing from 2.8% to 15.9% in the same timeframe. The 495/MetroWest region, however, has fared better than the state: as of April 2020, the 495/MetroWest Region represents a higher share of employed workers statewide (9.33%) than of the overall labor force (8.98%).

As of July, the average unemployment rate of our 35 communities is 12.5%, nearly four percentage points lower than the state average.

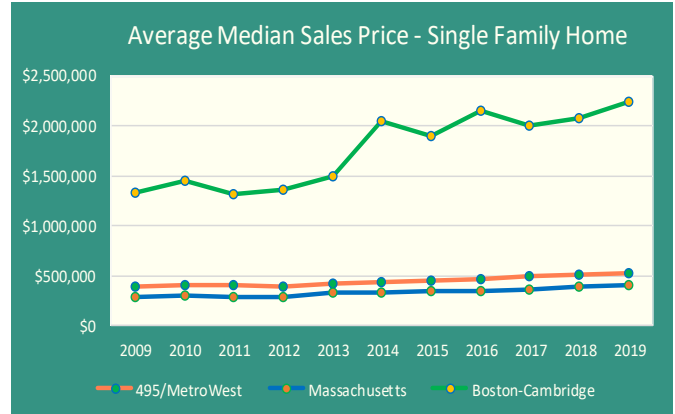
Employers & Wages Holding Steady

For the period July 2018 to June 2019, total wages across all sectors of the state's economy amounted to \$267.1 billion. Approximately \$25.2 billion was generated in 495/MetroWest, accounting for 1 in every 10 payroll dollars. For the same period, 495/MetroWest was home to 21,908 employers, a 1% increase from FY17. 1 in every 12 Massachusetts employers is located in our region.

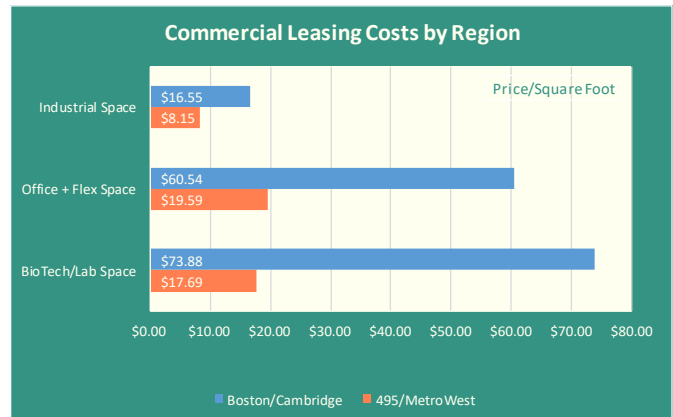
Given the region's strong presence of invulnerable sectors, the pandemic is unlikely to negatively impact the region's proportional share of jobs and wages.

Competitively Priced Real Estate

The 495/MetroWest region offers a significant pricing advantage in commercial and residential real estate as compared with the Boston and Cambridge markets. According to the Warren Group, the average median selling price for a single family home in 2019 within the 35 communities was \$520,091.



While higher than the state average of \$400,000, the region offers a considerable advantage over the Boston-Cambridge market, where the average median price reached \$2,242,500. Furthermore, housing prices are more stable in the 495/MetroWest region. From 2009-2019, housing prices grew 33% in the region. Housing prices grew 40.4% statewide, and 68.3% in Boston-Cambridge.



Situated inside the nexus of Boston, Worcester and Providence, 495/MetroWest offers significant geographical and pricing advantages to employers. According to CoStar, 495/MetroWest offers 29.8 million square feet of available office, lab and flex space, and 9.7 million square feet of industrial space. The 495/MetroWest region offers a commercial real estate discount of 102% as compared to Boston-Cambridge, while still offering access to the Boston region's resource advantages including a skilled workforce, higher education, and transportation.

Data is from the following sources: Burning Glass Technologies, MassHire South/West, MA Office of Labor and Workforce Development, U.S Census Bureau, The Warren Group, MassBenchmarks, UMass Public Policy Center, Bureau of Labor Statistics, and CoStar.