

## Why wasn't our bubble bigger?

Posted by Binyamin Appelbaum March 5, 2008 04:09 PM

At the start of 2000, Boston ranked fifth among U.S. metropolitan areas in the cost of housing, measured by price per square foot. At the end of 2007, Boston ranked eighth, according to Radar Logic, an analytics firm based in New York.

Here's the Top 10 on Jan. 3, 2000:

San Jose -----	\$240.54
San Francisco -----	\$191.83
Los Angeles -----	\$135.34
San Diego -----	\$134.24
<b>Boston -----</b>	<b>\$129.15</b>
New York -----	\$124.84
Seattle -----	\$115.49
Denver -----	\$109.25
Chicago -----	\$106.48
Washington -----	\$99.58

And here's the Top 10 on Dec. 31, 2007:

San Jose -----	\$437.18
San Francisco -----	\$394.23
Los Angeles -----	\$331.46
New York -----	\$286.26
San Diego -----	\$269.96
Washington -----	\$229.39
Seattle -----	\$216.81
<b>Boston -----</b>	<b>\$209.83</b>
Miami -----	\$174.13
Sacramento -----	\$172.54

In part, this data just tells the story of the housing bubble. At certain points over the last few years, including within the last year, Sacramento actually moved ahead of Boston on this list. At the risk of sounding provincial, that strikes me as pretty much the definition of a bubble.

But I'm more struck by a different thought: I wonder if data like this shows something of a competitive failure by Boston over the last few years.

## **The Boston Globe**

**Why did people plow more money into Sacramento -- or Seattle or Washington or San Diego -- than they plowed into Boston?**

**Why wasn't our housing bubble bigger?**

[http://www.boston.com/realestate/news/blogs/renow/2008/03/why\\_wasnt\\_our\\_b.html](http://www.boston.com/realestate/news/blogs/renow/2008/03/why_wasnt_our_b.html)