



Caribou Housing Needs Assessment

February 2026





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Executive Summary

The 2026 *Caribou Housing Needs Assessment (HNA)*, prepared by Matrix Design Group, Inc. (Matrix), provides a comprehensive evaluation of current housing conditions, needs, and opportunities across the City. The assessment combines rigorous quantitative analysis with robust community engagement to provide a multidimensional understanding of Caribou’s housing landscape.

The quantitative component of the assessment examines demographic and economic trends, housing supply and market indicators, affordability gaps, and current and future housing needs. Geographic information systems (GIS) analysis provided an additional assessment into the prevalence and location of substandard housing at the census block group level. These analyses were supplemented by a community engagement process that included a resident survey and an in-person community open house in which residents could explore key data findings, discuss housing challenges and needs, and provide feedback on potential policies and solutions. Together, these findings form a comprehensive foundation for identifying the city’s most pressing housing challenges and informing future strategies for expanding housing options, preserving existing housing, and improving affordability. The key takeaways are summarized below.

Demographic Trends

- Caribou’s population has **declined by 10% since 2010** and is **expected to fall** another 10% by 2040.
- The **median age has increased sharply**—from 47.6 in 2018 to 52.3 in 2023—and nearly **half of residents are 55 or older**.
- Consistent with broader trends of declining household size, **61% of renter households** and **32% of owner households** consist of just one person.

Income, Tenure, & Affordability

- Rates of homeownership **remain high and have risen** from 63% to 74% since 2018.
- Poverty rates have fallen, and median inflation-adjusted household **income has increased** in recent years, from **\$46,298 in 2018 to \$54,271 in 2023**, an increase of roughly 17%.
- Income disparities between renters and owners are stark: **75% of renters earn under \$50,000**, and **43% earn less than \$20,000**. In contrast, 54% of homeowners earn under \$50,000, and only 10% of homeowners earn less than \$20,000.
- Renters face the most significant affordability challenges, with **42% of renters were cost burdened** (spending >30% of gross income on housing costs) in 2023, compared to just 15% of homeowners.

Housing Stock Conditions

- Caribou's housing inventory is **heavily oriented toward older single-family homes**: single-family detached homes represent 68% of all units, and **nearly 60% of the entire housing stock was built before 1970**.
- **Almost no new rental housing has been built since 2000**. The rental market depends heavily on small multifamily buildings (2–4 units), many of which are aging and in need of rehabilitation.
- Vacancy rates have tightened from 14% to 11% since 2018, but **more than half of vacant units** are under repair, abandoned, or otherwise uninhabitable.

Market Conditions

- Typical home values remain below state levels, **stabilizing around \$155,000** in 2025 after pandemic-era growth. Median mortgaged homeowner costs have remained relatively flat at roughly \$1,100 per month, likely reflecting the prevalence of long-tenured homeowners with stable costs.
- Rents remain low by regional standards (**median \$696**, as of the 2019–2023 American Community Survey, **with 91% of rental units priced below \$1,000 per month**), though renter incomes remain insufficient to keep pace.

Housing Problems & Quality

- **Occupied housing units meet minimum habitability standards**, with no occupied homes with incomplete plumbing or kitchen facilities identified in the most recent American Community Survey.
- **A significant share of vacant units are uninhabitable**, with 54% classified as under repair or abandoned, further constraining available supply.
- GIS analysis of substandard housing by census tract showed some concentrations of substandard housing in the northern and southern parts of the city, but **substandard units are generally distributed equally throughout the city**.
- A large share of older homes require **rehabilitation, but limited code enforcement** capacity constrains the City's ability to address substandard and unsafe units.

Housing Supply Gaps

- There is a **shortage of available housing at the lowest income levels**; in 2023, an estimated 415 renter households earned less than 30 percent of AMI, while only 341 rental units were affordable to this group, resulting in a **deficit of 74 units**.
- There is **surplus of housing units available for moderate-income households**. However, the lack of units meeting the needs of the lowest-income renters underscore a mismatch that can contribute to housing instability, cost burden, and increased pressure on limited affordable units at the bottom of the market.

Community Engagement Insights

- The survey indicated generally **high housing satisfaction, though residents report facing notable housing-related financial stress**. Many report difficulty confidently covering housing payments, cutting back on essentials, and facing barriers to saving for retirement, emergencies, or paying down debt.
- Through the survey and the community open house, residents and stakeholders expressed strong support for:
 - Expanding accessible and affordable **housing for seniors**.
 - Expanding **affordable housing options** for young families and individuals, supporting the City's workforce.
 - Improving the **quality and condition** of existing homes.
 - **Diversifying housing** beyond traditional single-family units, including **"missing middle"** options such as accessory dwelling units (ADUs), cottages, duplexes, triplexes, and townhomes.

Overall Implications & Preliminary Policy Recommendations

Caribou must balance two simultaneous needs:

1. **Rehabilitation and preservation** of aging units; and
2. **Targeted new development** that meets the needs of seniors, low-income renters, small households, and future workers.

Policies must address affordability barriers, encourage market-feasible development, support reinvestment in aging units, and bring underutilized units back online. Detailed recommendations in the **Housing Action Plan** will focus on:

- Increasing housing diversity through **zoning reform** and support for missing-middle housing.
- **Expanding and incentivizing** affordable rental housing, including accessible housing for seniors.
- Creating **pathways to homeownership** for lower-income households.
- Expanding **financial and regulatory support for housing rehabilitation** and maintenance programs.
- **Pursuing partnerships** with developers, nonprofit groups, and regional/state agencies to catalyze new housing production.
- Aligning housing strategies with **workforce needs** and economic development goals.



Introduction

Caribou is at a pivotal moment in its housing and community development trajectory. Like many rural communities across northern Maine, the City is experiencing a combination of demographic change, economic pressures, and evolving housing needs; over the past decade, Caribou has faced a gradual population decline, an increasingly older resident base, and limited new housing construction—all of which shape the city's ability to attract and retain residents, support local employers, and ensure that households of all ages and incomes have access to safe, quality, and affordable homes. Continued challenges related to housing affordability and housing maintenance and preservation further restrict the amount of affordable and attainable housing.

The purpose of the *Caribou Housing Needs Assessment* is to provide a comprehensive, data-driven understanding of the city's current housing conditions and future needs. This report evaluates demographic trends, market dynamics, housing affordability, the condition and age of the housing stock, and the distribution of households across income levels. A central component of this study is the input provided by Caribou residents and stakeholders. A public open house and community survey helped to validate quantitative findings with the community's housing challenges, perspectives, and priorities.

The data and community perspectives presented in this report establish a clear foundation for the City's forthcoming *Housing Action Plan*, which will outline actionable regulatory, programmatic, and financial strategies to address current and future housing needs. Taken together, the Needs Assessment and Action Plan are intended to serve as a practical roadmap to guide policy decisions, prioritize investments, and ensure that Caribou can provide safe, high-quality, and attainable housing for residents today and in the decades ahead.

Methodology

Matrix integrated traditional data analysis with innovative data science techniques to generate a detailed picture of housing needs and market dynamics. This quantitative foundation was complemented by extensive community engagement, including a resident survey and in-person community open house, which provided critical qualitative insights into lived experiences, housing barriers, and local priorities. This mixed-methods approach provided a robust analytical basis for the study's findings and recommendations.

Key data sources include:

- **American Community Survey (ACS):** Administered by the U.S. Census Bureau, the ACS is a foundational source of demographic, social, economic, and housing data at multiple geographic levels. Estimates are developed using probability sampling and statistical weighting to ensure representativeness across communities. This assessment primarily uses the 2023 five-year ACS, which covers the period from 2019 to 2023, while incorporating data from the 2018 five-year ACS (2014–2018) to provide a longitudinal view of local trends. Importantly, ACS data are not merely reported as standalone descriptive statistics. Rather, the estimates serve as inputs for many of

the analyses presented in this report. This report references ACS data by the year indicated in the version title, which reflects the final year of the five-year estimate (e.g., “2023” = 2019–2023).

- **U.S. Census Bureau Intercensal and Postcensal Population Estimates:** Annual estimates produced by the U.S. Census Bureau that provide official population counts for states, counties, and sub-county geographies between decennial censuses. Intercensal estimates adjust population totals for the period between two census years to align with both endpoints, ensuring consistency after any revisions to the decennial counts. Postcensal estimates, by contrast, project population change forward from the most recent census using administrative records on births, deaths, and migration. These datasets offer the most up-to-date and methodologically rigorous measurements of population change available between decennial census releases.
- **Zillow Home Value Index (ZHVI):** The Zillow Home Value Index (ZHVI) is a widely used housing market indicator that estimates the typical market value of owner-occupied homes in a given area. ZHVI reflects the value of homes in the middle of the market, generally those between the 35th and 65th percentiles of the local home value distribution, rather than relying solely on recent sales. Zillow produces this estimate using a proprietary statistical model that incorporates public records, recent sales, and listing data to estimate values for the broader housing stock. Because it captures trends for the typical home rather than only transacted properties, ZHVI provides a stable and comparable measure of home value changes over time and across geographies.
- **Caribou Parcel Data:** Parcel data provided by the City were aggregated to the census block level to provide insight into prevalence of substandard housing from neighborhood to neighborhood.



Demographic Trends

Caribou’s demographic profile reflects the challenges and opportunities facing many rural communities in northern Maine. The city has experienced a steady population decline over the past decade, driven largely by outmigration and limited economic growth, and projections suggest this trend will continue through 2040. At the same time, Caribou’s population is aging rapidly, with older adults comprising a growing share of residents and far outpacing state and regional age trends. Families and children remain an important part of the community and continue to shape local housing and service needs. Caribou is also characterized by relatively limited racial and ethnic diversity, mirroring broader county and state patterns.

Relatively high rates of disability further underscore the need for accessible housing and supportive services. Smaller household sizes, a prevalence of single-person households, and rising homeownership rates point to a housing market increasingly shaped by older adults and long-term residents rather than in-migration. These demographic trends underscore the need for housing strategies that enable aging in place, preserve affordability, and foster opportunities to attract and retain younger households, all while supporting long-term community stability.



Population

FROM 2010 TO 2024,
CARIBOU'S POPULATION
DECREASED BY 10%.

Caribou's population has experienced a gradual but persistent decline over the past decade, falling from roughly **8,161 residents in 2010 to 7,328 in 2024** (see **Figure 1** on the following page). This steady decrease reflects long-term demographic and economic shifts common across many rural communities in northern Maine, including outmigration of younger residents and limited local job growth. This contrasts

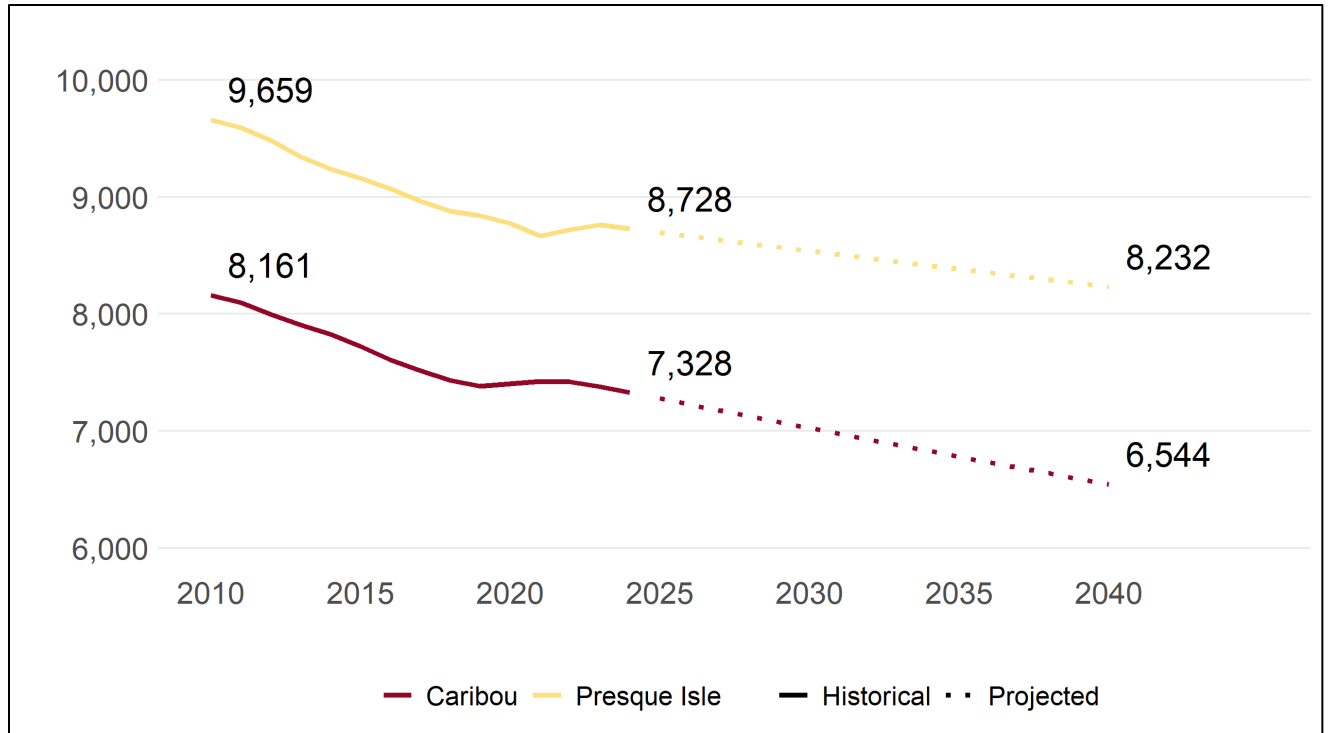
with the state as a whole, which has experienced slow but consistent growth since 2010, with particularly higher growth since 2020 partly due to net domestic migration; the [Maine State Economist](#) estimates that over 7,500 people moved in from other states in 2025. The Office of the State Economist [estimates continued slow, modest growth](#) at the state level into the future, with significant anticipated increases in residents aged 65+, and declines across other age cohorts.

Looking ahead in Caribou, population projections indicate that this decline is expected to continue. Caribou's population is **forecast to fall to approximately 6,544 residents by 2040**, suggesting an additional 10% decrease over the next 15 years. While the pace of decline has slowed in recent years, the projected trajectory points toward ongoing challenges related to an aging population, workforce shortages, and future housing demand. Stabilizing Caribou's population will likely depend on efforts to diversify the local economy, attract new residents and retain existing younger residents, and maintain a balance between available housing and community needs.



Demographic Trends

Figure 1 Actual (2010-2024) and Projected (2025-2040) Population



Source: Intercensal and postcensal estimates from the U.S. Census Bureau; Matrix Design Group, Inc.

Note: Population projections were developed using an AutoRegressive Integrated Moving Average (ARIMA) model applied to the natural logarithm of historical population values. Modeling population on the log scale allows the model to capture proportional growth patterns and stabilize variability over time. Forecasted values were subsequently back-transformed to population levels for interpretation and presentation. Yearly population data is not available for Houlton.

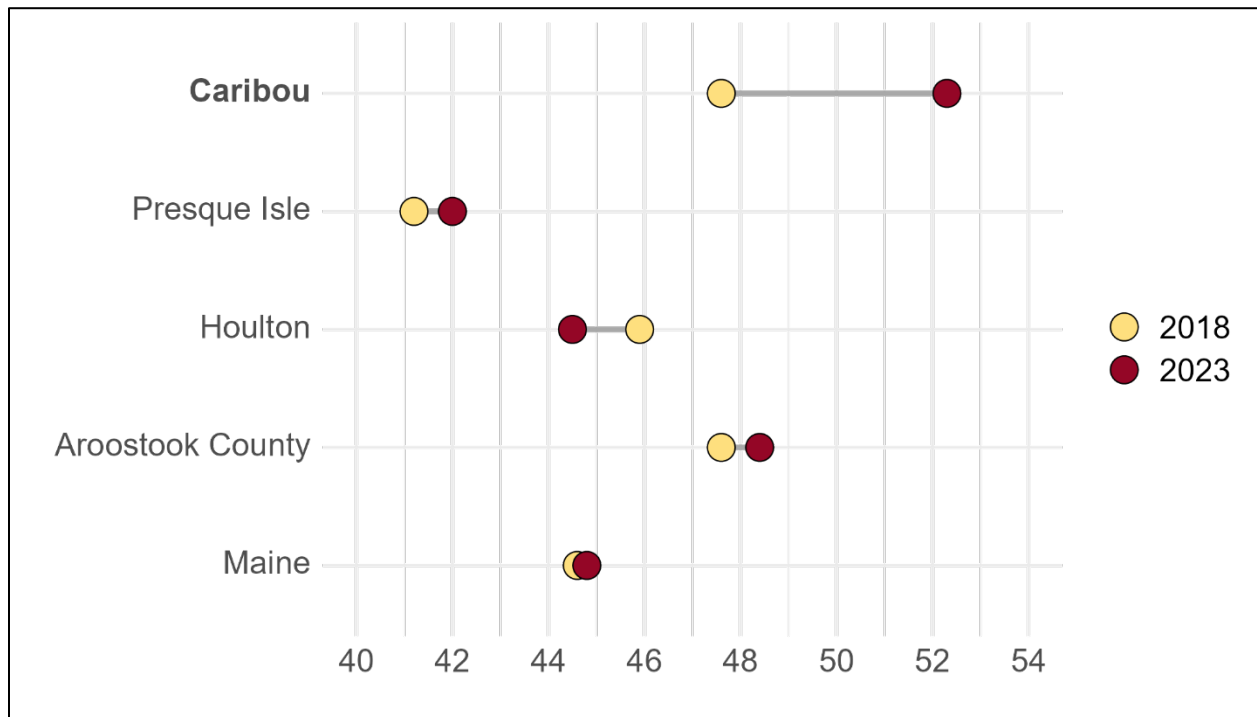
Median Age

CARIBOU'S MEDIAN AGE ROSE NEARLY FIVE YEARS SINCE 2018, OUTPACING BOTH COUNTY AND STATEWIDE AGING TRENDS.

Caribou has long had an older age profile relative to the state and surrounding regions, and the community has continued to age in recent years. The median age increased from **47.6 in 2018 to 52.3 in 2023**—a notable demographic shift (see **Figure 2**). During the same period, Aroostook County's median age held steady at around 48, and the statewide median age remained near 45, underscoring that Caribou is aging at a faster pace than its broader regional and state counterparts.

These trends carry meaningful implications for housing demand. The growing share of older adults suggests an increasing need for senior housing with accessibility features, single-level homes, and units located near health care and essential services. At the same time, the smaller presence of younger populations, shaped by out-migration, declining birth rates, and limited local labor market growth, may reduce the demand for starter homes and family-oriented rental units unless efforts are made to attract and retain younger households. Moving forward, Caribou's housing strategies will need to prioritize accessible, age-appropriate, and supportive housing options, while also considering how investments in employment, amenities, and community infrastructure could help stabilize and diversify the population over time.

Figure 2 Median Population Age, 2018 & 2023

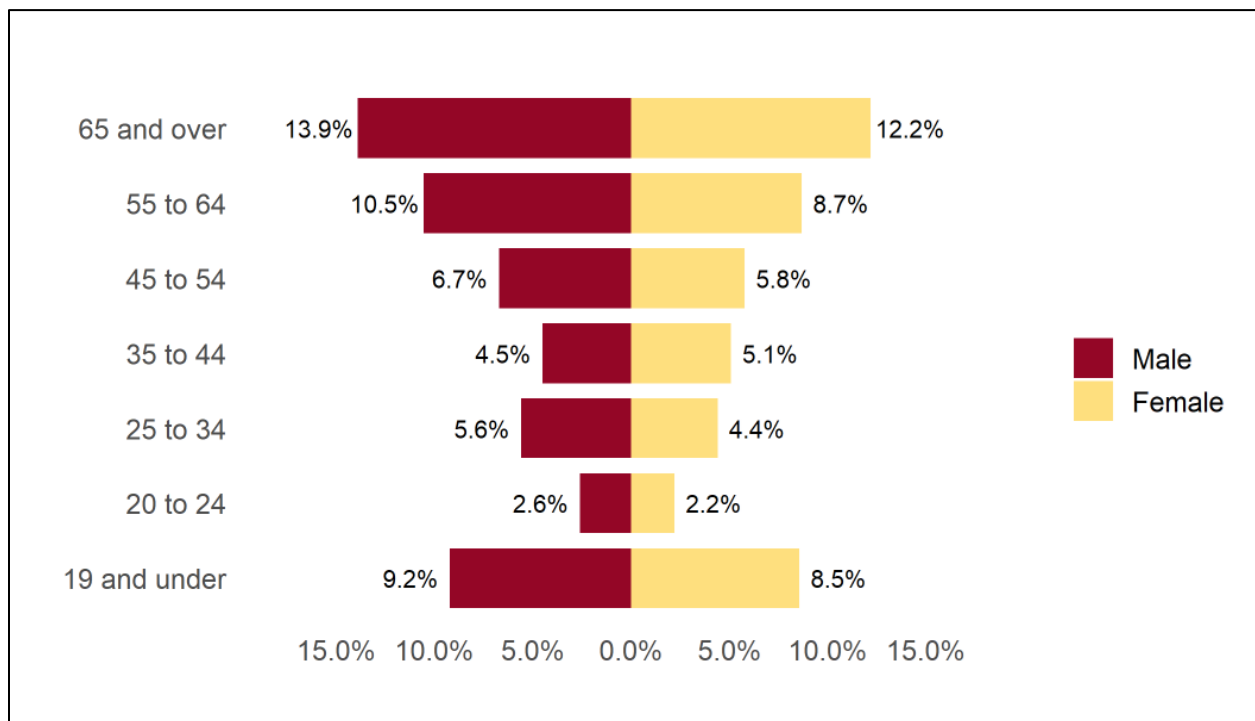


Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Age Distribution

The age distribution in Caribou further underscores the community’s older population profile (see **Figure 3**). Adults aged **65 and over make up the largest age group**, accounting for more than a quarter of all residents, followed by those ages 55 to 64, who represent another substantial segment. Residents age 55 and older comprise well over 45% of the population, indicative of an aging demographic profile. By contrast, younger age groups make up a smaller share overall, though the presence of children and teens remains notable. Residents 19 and under account for roughly 18% of the population, indicating that families with school-age children continue to represent an important part of the community. This modest share of younger households suggests the need for strategies aimed at attracting and retaining working-age adults and families, including investments in employment opportunities, childcare, and community amenities. Ensuring a balance between age-appropriate housing for older residents and housing suitable for younger households will be a key consideration for Caribou in the years ahead.

Figure 3 Population by Age and Sex in Caribou, 2023



Source: Five-Year American Community Survey; Matrix Design Group, Inc.

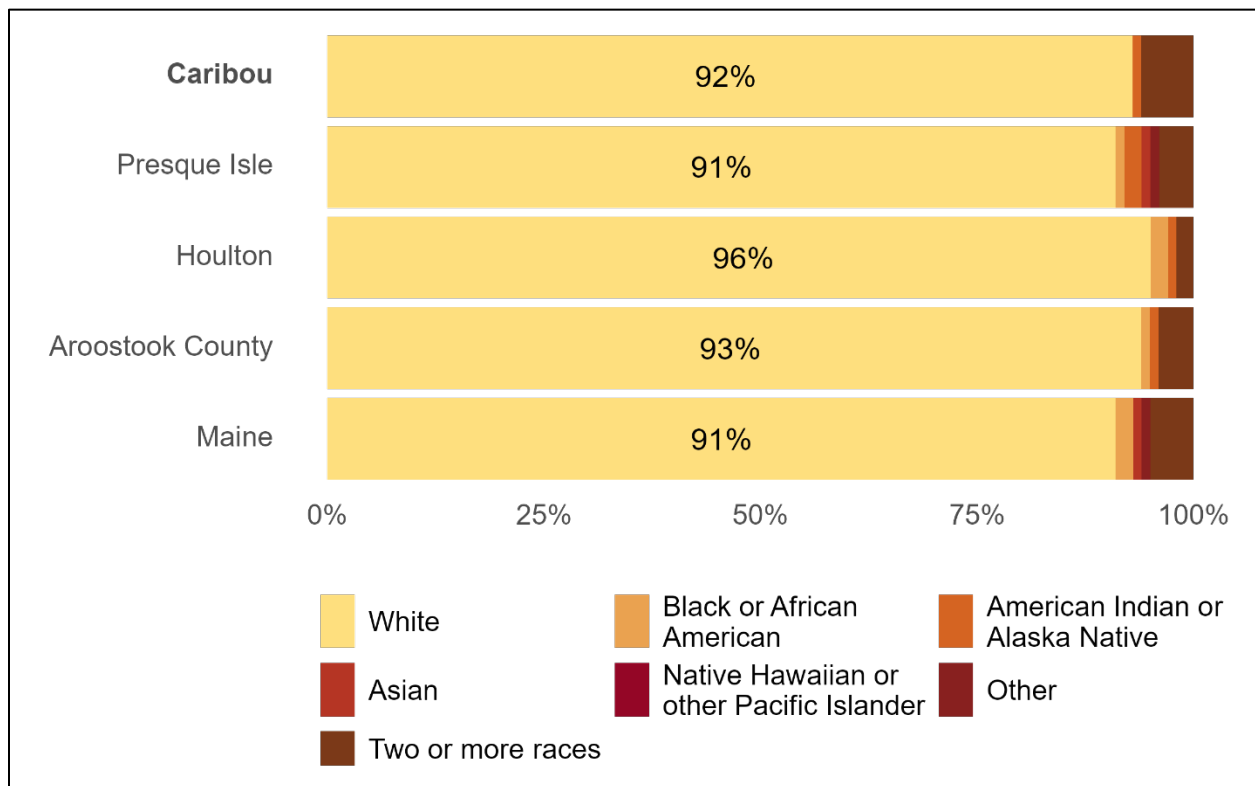
Racial Makeup

Figure 4 shows that Caribou has a relatively limited racial diversity profile, similar to much of Aroostook County and surrounding regions. About **92% of residents identify as White**, which is comparable to the county (93%) and the statewide averages (91%). Only two other racial categories make up Caribou’s population, with about 1% identifying as American Indian or Alaska Native and 6% claiming “two or more races.” While Caribou appears slightly less racially diverse than Maine statewide and other communities across the region, the differences could be a statistical artifact associated with sampling error.



CARIBOU AND THE BROADER REGION ARE FAR LESS RACIALLY DIVERSE THAN THE NATION, WITH ROUGHLY 92% OF RESIDENTS IDENTIFYING AS WHITE COMPARED TO ABOUT 72–75% NATIONALLY.

Figure 4 Population Racial Makeup, 2023



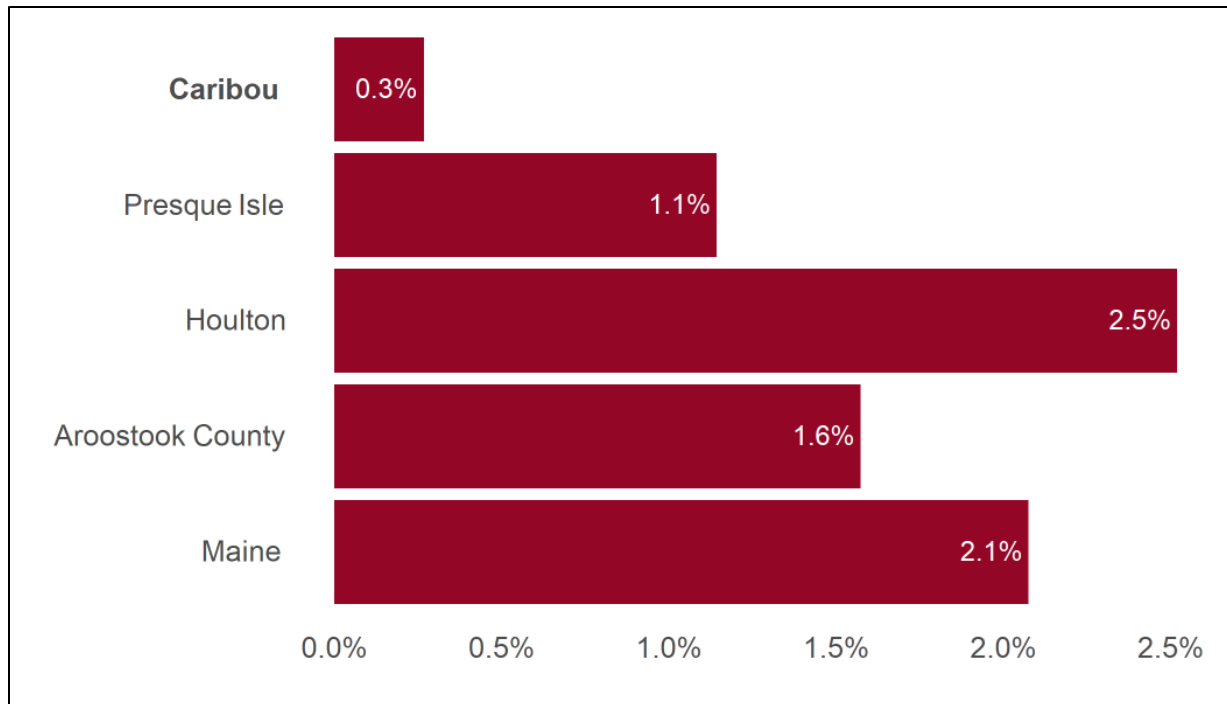
Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Note: In U.S. Census and ACS data, Hispanic or Latino is classified as an ethnicity, not a race. Individuals identifying as Hispanic may be of any race. Values reflect data from 2019 to 2023.

Demographic Trends

As **Figure 5** shows, Caribou has a very small Hispanic or Latino population, **with only about 0.3% of residents identifying as Hispanic or Latino in 2023**. This share is lower than in Presque Isle (1.1%), Houlton (2.5%), Aroostook County overall (1.6%), and the statewide average (2.1%). While small in number, the presence of Hispanic and Latino residents still highlights the importance of ensuring equitable access to services and community resources, particularly as Maine continues to diversify at the state and regional levels.

Figure 5 Hispanic or Latino Share of the Population, 2023

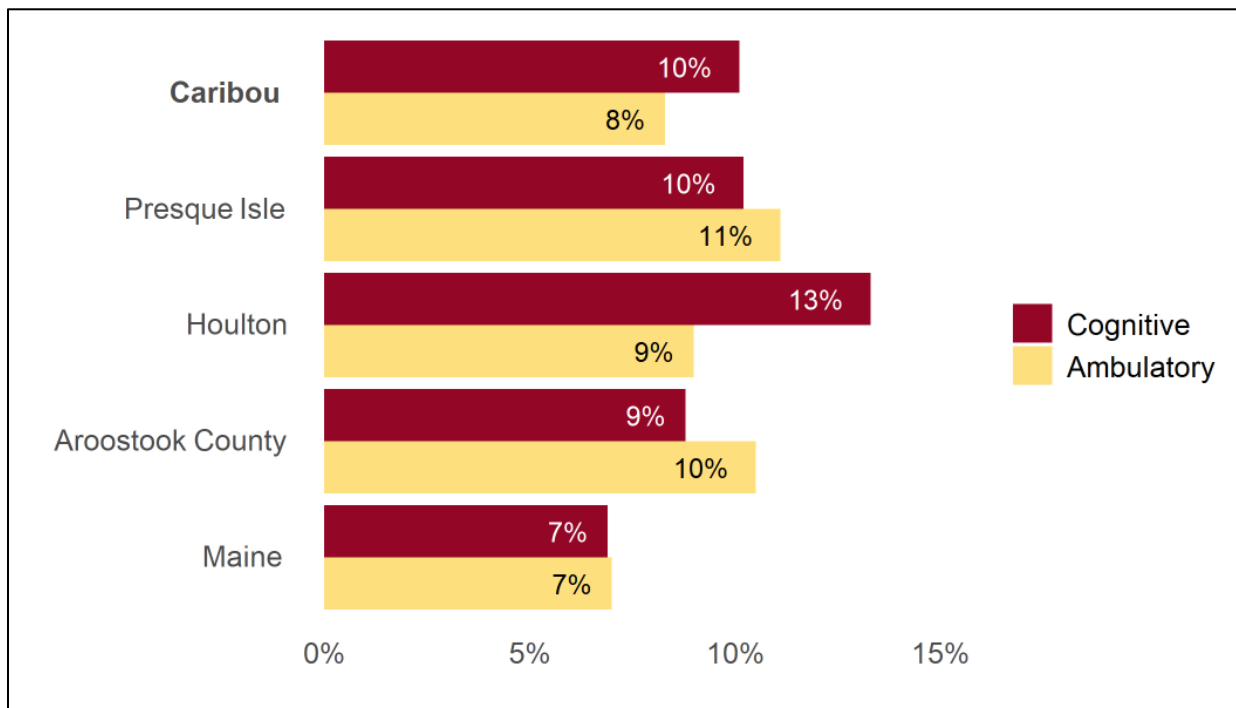


Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Disability Rates

Figure 6 highlights the prevalence of disabilities with direct implications for housing and accessibility needs among residents of Caribou. Around **10% of residents report a cognitive disability**, such as difficulty remembering, concentrating, or making decisions, while **8% experience an ambulatory disability**, defined as serious difficulty walking or climbing stairs. These rates are comparable to those observed in nearby Presque Isle (10% cognitive, 11% ambulatory) and Aroostook County overall (9% cognitive, 10% ambulatory) but exceed the statewide averages of 7% for both categories. The relatively high incidence of cognitive and ambulatory limitations in Caribou highlights the importance of accessible housing design, home modification programs, and supportive community services to ensure residents can safely age in place and maintain independence.

Figure 6 Disability Rates among Total Population, 2023



Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Household Characteristics

SMALLER HOUSEHOLDS DRIVE MUCH OF CARIBOU’S HOUSING DEMAND, PARTICULARLY FOR RENTAL UNITS, HIGHLIGHTING THE NEED FOR MORE COMPACT, ACCESSIBLE HOMES.

Table 1 presents data on household size in Caribou. As of 2023, *owner-occupied households averaged 2.2 people*, compared to *1.7 people among renter-occupied households*. Single-person households are especially common, comprising 32% of all owner-occupied and a striking 61% of renter-occupied units. Households with one or two residents make up 76% of owner-occupied households. By contrast, larger households of four or more people represent just 16% of owner-occupied and 7% of renter-occupied homes.

These patterns are indicative of a housing profile distinct from faster-growing urban centers. While family-sized units remain part of the market, much of Caribou’s housing demand is driven by smaller households, including older adults and single renters. Going forward, maintaining a *balanced housing stock* with accessible, smaller units alongside traditional family homes will be essential to meeting the community’s changing demographic and housing needs.

Table 1 Household Size by Tenure, 2023

Number of Residents	Owner-occupied		Renter-occupied	
1	842	32%	556	61%
2	1,157	44%	152	17%
3	205	8%	142	15%
4+	425	16%	68	7%
Average Size	2.2		1.7	

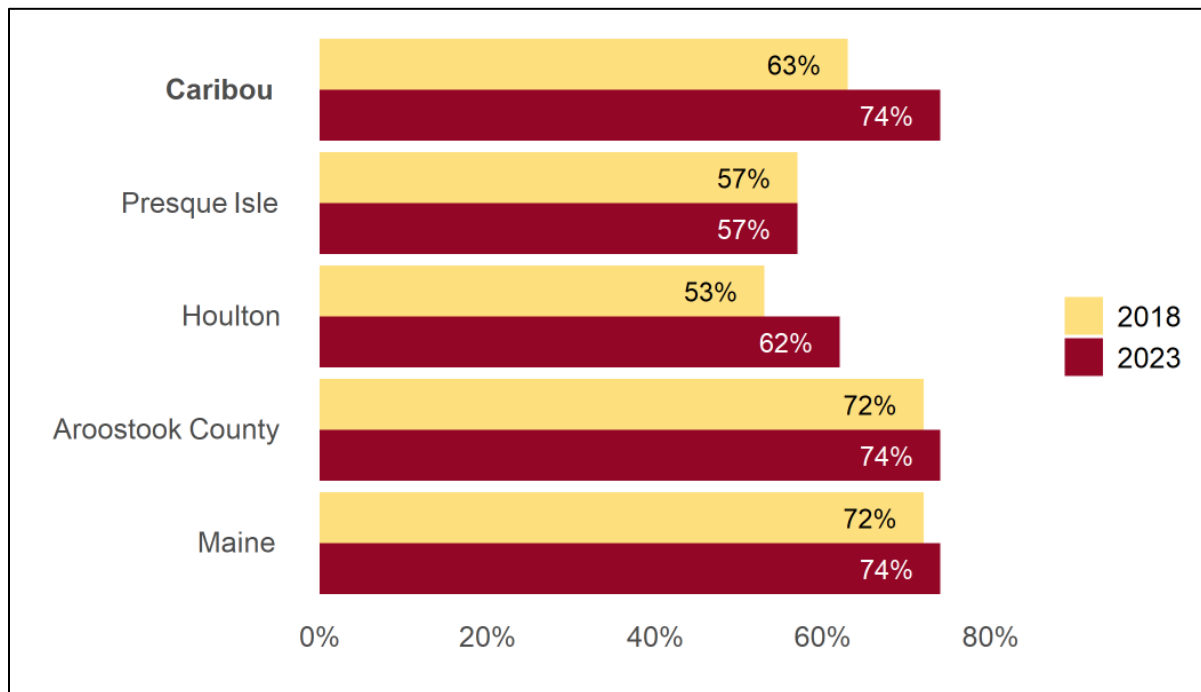
Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Housing Tenure

As **Figure 7** shows, Caribou’s homeownership rate has risen notably in recent years, increasing from **63% in 2018 to 74% in 2023**. The most recent estimates are drawn from the 2019–2023 American Community Survey, a period that spans historically low interest rates during the pandemic housing boom as well as a sharp rise in borrowing costs toward the end of the period, both of which likely influenced tenure patterns. Even so, this growth outpaced that of nearby communities (with Presque Isle remaining at 57%) and the broader region, bringing Caribou in line with the county and statewide averages of roughly 74%. The rise is likely due to local affordability advantages, low housing turnover, and limited new rental construction rather than a broad expansion in homeownership access. While higher ownership rates support community stability and wealth building, they also suggest a tight rental market, a potential barrier for younger residents, lower-income households, and newcomers seeking to establish roots in Caribou. Ensuring a balanced mix of ownership and rental options will be important to sustain the city’s long-term housing and economic vitality.

HOMEOWNERSHIP IN CARIBOU SAW A SHARP 11% CLIMB SINCE 2018, NOW MATCHING BOTH AROOSTOOK COUNTY AND MAINE HOMEOWNERSHIP RATES.

Figure 7 Homeownership Rate, 2018 & 2023



Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Key Demographic Findings

- **Continued population decline is expected.** Caribou's population fell by about 10% from 2010 to 2024 and is projected to decline another 10% by 2040, reflecting persistent outmigration, limited job growth, and broader rural demographic trends. This underscores the need for strategies to help attract and retain younger and working-age households to stabilize the community long term.
- **The community is aging faster than the region and state.** Caribou's median age rose nearly five years between 2018 and 2023, reaching 52.3—well above county and statewide levels. Residents aged 55 and older now comprise nearly half of the population, driving future demand for senior-oriented and accessible housing.
- **Families remain present but are a smaller share.** Children and teens still account for roughly 18% of residents, indicating ongoing needs for family housing, schools, and services, even as younger adults continue to leave the area.
- **Racial and ethnic diversity is limited.** About 92% of residents identify as White, while Hispanic or Latino residents account for only a small share of the population. This composition closely mirrors county and state patterns but is far less heterogenous than the nation overall.
- **Disability rates are relatively high.** Cognitive and ambulatory disabilities exceed statewide averages, reinforcing the importance of accessible housing, home modifications, and supportive services to enable aging in place.
- **Smaller households dominate housing demand.** Single-person and two-person households make up the vast majority of both owner- and renter-occupied units, pointing to a need for smaller, more compact housing options such as accessory dwelling units (ADUs), cottage-style housing, duplexes, triplexes, and townhomes.
- **Homeownership is high and rising, tightening the rental market.** Caribou's homeownership rate climbed to 74% by 2023, likely driven by affordability and limited rental supply, which may constrain options for younger households, lower-income residents, and newcomers.



Economic Trends

Caribou’s economic trends reflect modest growth in household earnings alongside persistent disparities between renters and homeowners. Median household income rose 17% from 2018 to 2023, keeping pace with countywide trends but remaining below the statewide median. While homeowner incomes showed stable gains over this period, renter incomes increased only slightly, limiting the ability of lower-income households to afford market rents and highlighting ongoing economic vulnerability. Poverty rates have declined by six percentage points over the past five years, signaling some improvement in local economic conditions, though a significant share of households continue to face affordability challenges. Projected household trends are consistent with a modest overall decline in population, yet Caribou will continue to host a wide range of income groups, with nearly half of households earning at or below 80% of Area Median Income. These patterns emphasize the need for targeted housing strategies that preserve affordability, expand rental options, and provide pathways to ownership to support long-term economic stability.

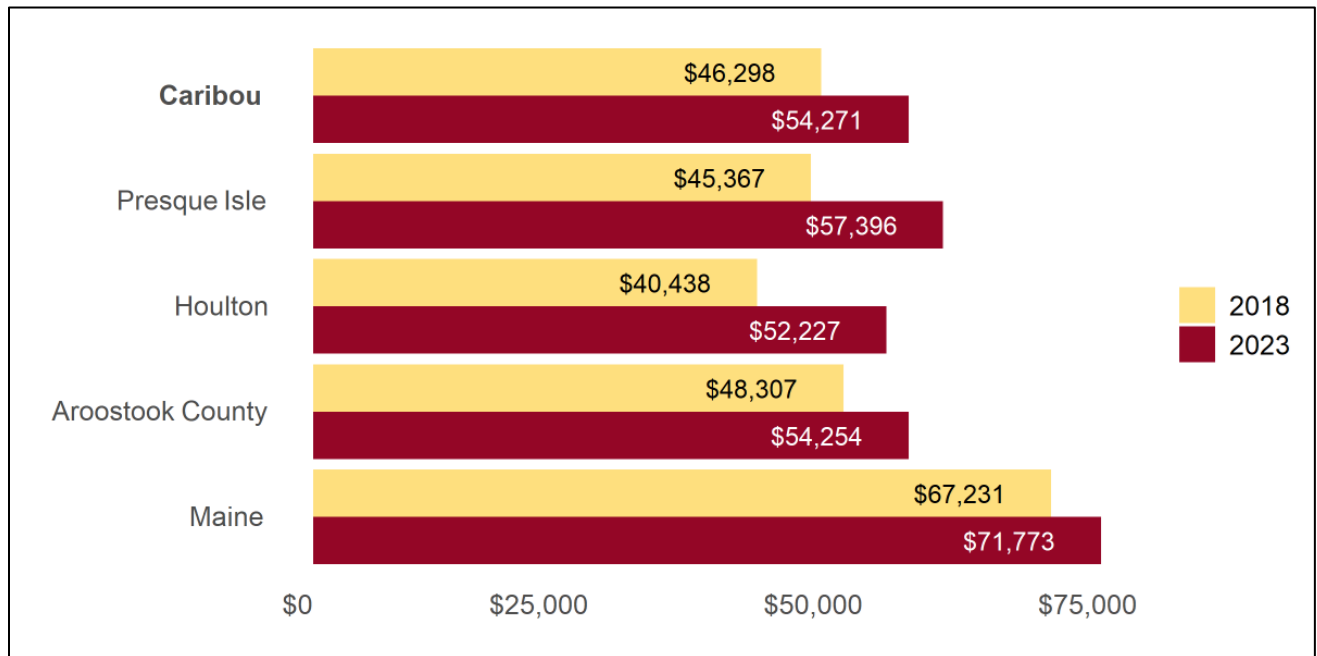


Household Income

As illustrated in **Figure 8**, median household income in Caribou has increased in recent years, even after adjusting for inflation. The typical household’s earnings rose from **\$46,298 in 2018 to \$54,271 in 2023**, an increase of roughly 17%. This growth mirrors countywide trends, but Caribou’s median household income remains well below the statewide figure of \$71,773. By 2023, Caribou’s median income was nearly identical to the county median but continued to trail that of nearby Presque Isle (\$57,396). To avoid being counted as cost burdened, households should spend no more than 30% of gross income on housing. Under these affordability metrics, **the typical Caribou household could afford monthly housing costs of about \$1,357.**

While rising incomes suggest modest economic progress, gains may not be sufficient to offset rising housing and utility costs, particularly for renters and fixed-income households. Sustaining affordability will depend on both continued income growth and efforts to expand accessible housing options across the income spectrum.

Figure 8 Median Household Income, 2018 & 2023



Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Note: Values were adjusted for inflation to constant 2023 dollars.

AROUND 75% OF RENTER HOUSEHOLDS EARN LESS THAN \$50,000 A YEAR, WHILE 63% OF OWNER HOUSEHOLDS EARN \$50,000 OR MORE.

The income distribution of Caribou households reveals a clear divide between owner-occupied and renter-occupied households, shown in **Table 2. Renter households in Caribou are disproportionately concentrated in the lowest income categories**, underscoring greater economic vulnerability among residents who rely on the rental market. Nearly 43% of renters earn less than \$20,000, compared with only 10% of homeowners in the same income bracket. Renters also remain clustered within the \$20,000–\$49,999 range, where

a combined 32% of renter households fall, further highlighting the limited earnings among much of Caribou’s renter population. In contrast, owner-occupied households show a much more balanced income profile, with each income bracket representing roughly 10% to 17% of all homeowners, and around 63% earn \$50,000 or more.

These patterns highlight a substantial tenure-based income divide in Caribou. Renters are far more likely to be low-income and at greater risk of housing cost burdens, while homeowners generally occupy the community’s middle- and upper-income tiers. This income split has important implications for local housing needs, public assistance programs, and long-term affordability planning.

Table 2 Median Household Income by Tenure Distribution, 2023

Income Group	Owner-occupied		Renter-occupied	
Less than \$20,000	255	10%	395	43%
\$20,000 to \$34,999	397	15%	133	14%
\$35,000 to \$49,999	326	12%	167	18%
\$50,000 to \$74,999	456	17%	114	12%
\$75,000 to \$99,999	435	17%	54	6%
\$100,000 to \$149,999	457	17%	55	6%
\$150,000 or more	303	12%	0	0%

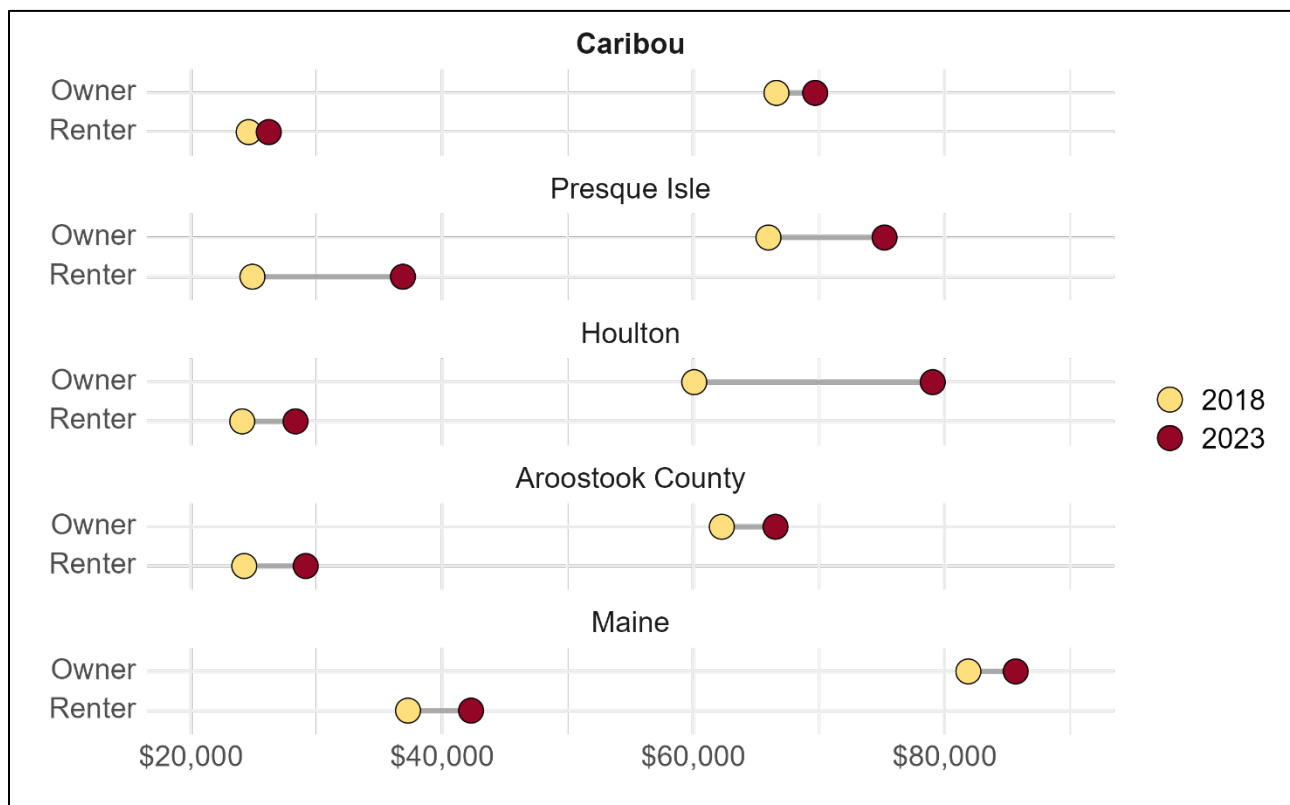
Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Economic Trends

Caribou's household income patterns demonstrate a persistent divide between renters and homeowners, consistent with broader trends seen across Aroostook County and Maine (see **Figure 9**). Inflation-adjusted **median homeowner income rose modestly from \$66,618 in 2018 to \$69,702** in 2023, indicating stable earning power among owner households. Similar growth occurred in nearby areas such as Presque Isle, Houlton, and Aroostook County, although homeowner incomes across the region continued to trail the statewide median of \$85,664 in 2023. By contrast, renter households saw little income growth. Median **renter income in Caribou increased from \$24,602 to \$26,204 over the same period but remained slightly below the level needed to comfortably afford market rents** under the 30% affordability benchmark. At current income levels, the typical renter in Caribou could afford no more than roughly \$655 per month, limiting access to quality housing options and increasing vulnerability to cost burdens. Caribou renters also earned less than renters in Presque Isle, Houlton, and Maine overall, where 2023 median renter income reached \$42,304.

Overall, income growth in Caribou has not been sufficient to narrow the economic disparity between homeowners and renters. The limited increase in renter income in particular underscores ongoing vulnerability to rising housing costs. These patterns highlight the importance of increasing affordable housing opportunities, renter stabilization strategies, and targeted housing assistance to ensure that lower-income households can remain stably housed within the community.

Figure 9 Median Household Income by Tenure, 2018 & 2023

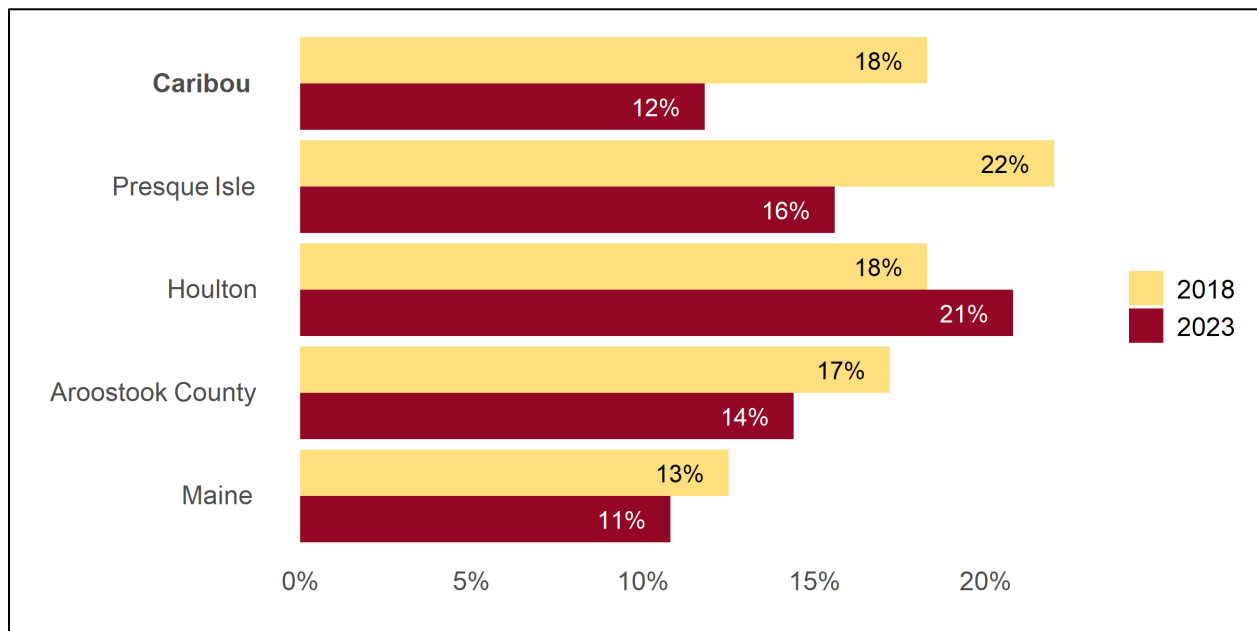


Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Poverty

Poverty rates in Caribou have improved meaningfully over the past five years, signaling gradually stronger economic conditions across the region. The city's **individual poverty rate fell from 18% in 2018 to 12% in 2023**, marking one of the most significant declines among nearby communities. Modest improvements occurred statewide, with Maine's poverty rate dropping from 13% to 11% and Aroostook County seeing a similar decrease (**Figure 10**). Even with encouraging progress, poverty remains a meaningful challenge for many households in Caribou. Families near or below federal poverty thresholds often struggle to secure stable housing, as limited income reduces the ability to cover rental costs, save for down payments, or qualify for mortgage financing. As housing prices and living costs continue to rise, ensuring that lower-income residents can remain housed will be an ongoing priority for the community.

Figure 10 Individual Poverty Rate, 2018 & 2023



Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Note: Individual poverty status is based on family income relative to federal poverty thresholds, which vary by family size and composition. For reference, the poverty threshold for a family of four was \$25,701 in 2018 and \$31,200 in 2023.

Key Economic Findings

- **Median household income rose about 17% from 2018 to 2023 (inflation-adjusted) but remains well below the statewide median.** Affordable options for both rent and ownership are necessary as housing and utility costs continue to rise.
- **Renters are heavily concentrated in low-income bands** (about 75% under \$50,000; 43% under \$20,000), while owners skew higher income (about 63% at \$50,000+ and only 10% under \$20,000).
- **Economic gains are uneven by tenure:** median homeowner income reached roughly \$70,000 in 2023, compared to only roughly \$26,000 for renters.
- **Poverty improved materially,** with individual poverty rate dropping from 18% in 2018 to 12% in 2023, but renters, fixed-income seniors, and many others remain at risk given rising living and housing costs.





Housing Inventory

Caribou's housing inventory reflects a long-standing emphasis on single-family development and relatively limited new construction. Owner-occupied housing is overwhelmingly composed of detached single-family homes, reinforcing the city's low-density character and emphasis on homeownership and long-term residency. Rental housing follows a different pattern, relying heavily on multifamily buildings that serve as a critical source of more affordable housing options. Over time, the housing stock has gradually shifted further toward single-family forms, narrowing the range of housing choices available to residents who may seek attached or multifamily options.

Age is a defining feature of the inventory, with much of the housing stock built decades ago, underscoring the importance of ongoing maintenance, rehabilitation, and preservation efforts to ensure safe and livable conditions. New residential development has been nearly nonexistent, especially within the rental market, placing added pressure on existing units to meet current demand. While overall vacancy rates suggest some available housing, a large share of vacant units are not immediately habitable or accessible, limiting the number of homes realistically available to renters and buyers. Collectively, these conditions point to a housing stock that is constrained by age, limited diversity, and restricted turnover, reinforcing the need for reinvestment and a broader mix of housing types to support future community needs.



Development Trends and Diversity

CARIBOU IS STEADILY BECOMING MORE SINGLE-FAMILY ORIENTED, WITH DETACHED HOMES NOW MAKING UP 68% OF THE CITY'S HOUSING STOCK.

Caribou's housing profile is defined by a **predominance of single-family homes**, particularly among owner households (see **Table 3**). Of the city's 4,000 total housing units, more than two-thirds (68%) are single-family detached homes. This pattern is even more pronounced among homeowners: **86% of owner-occupied units are single-family detached homes**, consistent with the community's long-standing single-family character and appeal to traditional household types.

The rental market, however, presents a different picture.

While 22% of renter-occupied units are single-family detached homes, **71% of rental housing is located in multifamily buildings**. Nearly half of all rentals (46%) are in small multifamily structures with 2–4 units, and another 17% are in larger properties with 10 or more units. Mobile homes and other structures make up an additional 6% of the rental supply, compared with 10% of owner units.

This composition has meaningful implications for affordability and housing access. The predominance of single-family homes for homeowners supports households seeking more space and stability but also limits lower-cost purchase opportunities such as condos or attached single-family units. At the same time, the rental market's reliance on small multifamily buildings highlights the importance of maintaining and reinvesting in older structures that serve as the backbone of Caribou's affordable rental supply. As housing needs continue to evolve, broadening the range of housing types may help meet future demand and support residents across a range of income levels and household sizes.

Table 3 Housing Stock Composition in Caribou, 2023

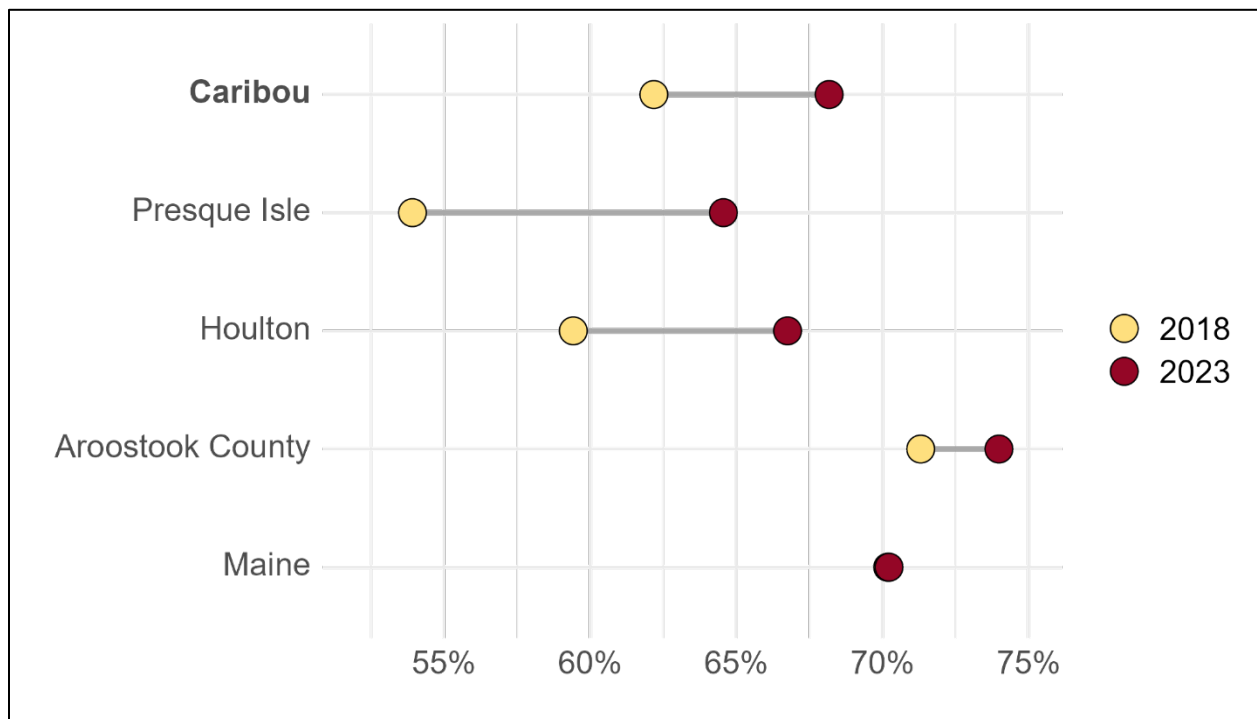
Unit Type	All Units		Owner-occupied Units		Renter-occupied Units	
Single family, detached	2,727	68%	2,259	86%	205	22%
Single family, attached	13	0%	5	0%	8	1%
Multifamily, 2–4 units	674	17%	107	4%	419	46%
Multifamily, 5–9 units	79	2%	5	0%	69	8%
Multifamily, 10+ units	172	4%	0	0%	160	17%
Mobile home or other	335	8%	253	10%	57	6%
Total	4,000	100%	2,629	100%	918	100%

Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Caribou's housing stock is becoming increasingly oriented toward single-family homes, though it remains more balanced than the county and the state. In 2023, about 68% of all housing units in Caribou were single-family homes, up from 62% in 2018 (see **Figure 11**). This shift indicates a gradual **move toward lower-density residential development** over the past five years. Even with this increase, Caribou remains slightly less single-family dominated than Aroostook County and Maine overall, where about 74% and 70% of homes were detached units in 2023, respectively.

Caribou's growing reliance on single-family housing offers stability for homeowners and supports traditional household needs, but it also means that residents seeking townhomes, duplexes, or multifamily options may face a more limited set of choices. As the City plans for future growth and an aging demographic profile, diversifying the housing stock may help maintain and expand affordability, increase housing choice, and ensure that a wider range of household types can be served over time.

Figure 11 Single-Family Detached Share of Housing Stock, 2018 & 2023

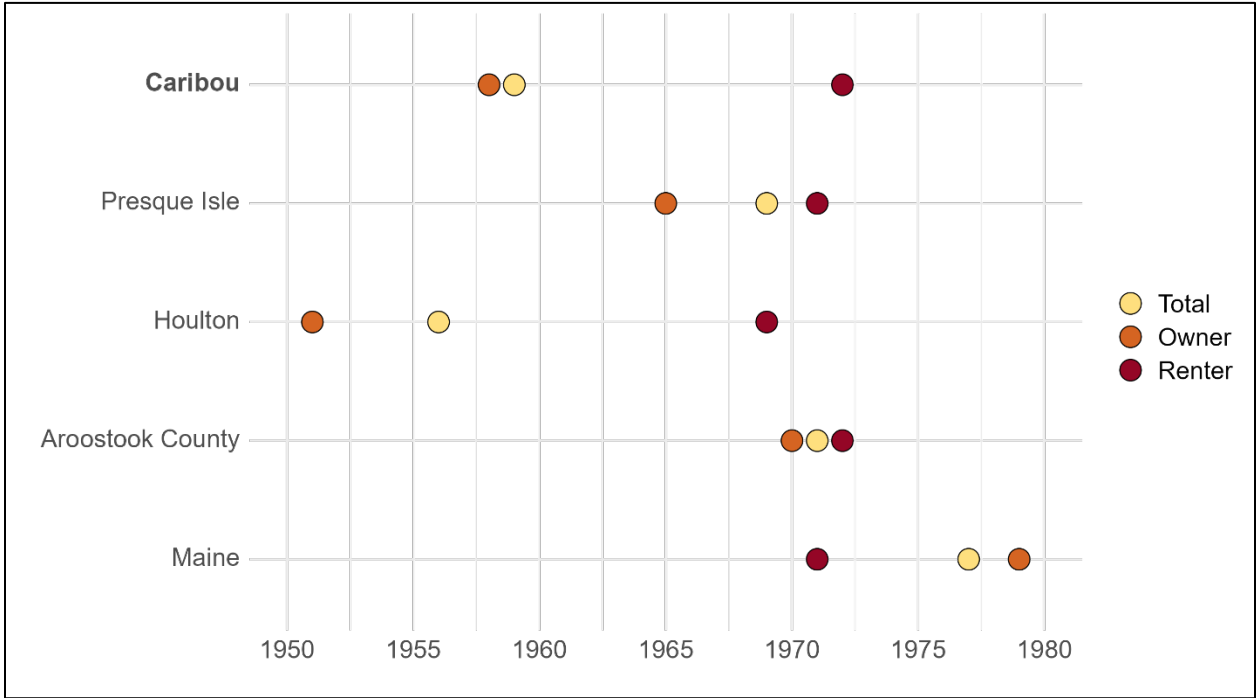


Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Housing Stock Age

Caribou’s housing stock is noticeably older than that of Maine and many nearby communities, with the median home built around 1959 (see Figure 12). However, the age of housing varies significantly by tenure. Caribou’s renter-occupied units are substantially newer than its owner-occupied units, with the median rental unit constructed in the early 1970s compared to the late 1950s for owner units. The county and statewide housing stocks are generally newer, with median construction dates falling in the 1970s. This aging housing stock highlights the importance of reinvestment and ongoing maintenance, particularly for older owner-occupied homes, to ensure long-term livability, safety, and efficiency for current and future households.

Figure 12 Median Age of Housing Stock by Tenure, 2023



Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Table 4 shows that Caribou’s housing stock is significantly older than what is typically found in many communities, with the **majority of units built before 1970**.

Nearly 60% of all housing units in the city were constructed before 1970, including 62% of owner-occupied homes and 47% of renter-occupied units. These older homes may offer naturally occurring affordable housing, but their age also highlights the importance of ongoing reinvestment, rehabilitation, and preservation strategies to maintain livability and quality for current and future residents. Furthermore, some of these older units may face challenges related to compliance with maintenance, safety, and habitability standards, emphasizing the City’s need for a dedicated code enforcement position.

ALMOST NO NEW HOUSING HAS BEEN BUILT IN CARIBOU IN THE PAST TWO DECADES, LEAVING THE COMMUNITY DEPENDENT ON AN AGING STOCK OF HOMES.

New construction since 2000 has been limited. Just **4% of all homes and 2% of rental units were built in the 2000s**, and no new renter housing was built in the 2010s or 2020s. Most of the modest growth in recent decades has occurred within the ownership market, where 5% of owner units were added in the 2000s and 2% in the 2010s. In contrast, the rental market has seen very little new supply, with 21% of rental units built in the 1980s but only 11% in the 1990s and virtually none in the last two decades. This distribution illustrates the limited pace of new residential development in Caribou, particularly for rental housing, and underscores the need for reinvestment in older properties as well as opportunities to encourage new construction to support a broader range of household incomes and demographics.

Table 4 Age Distribution of Caribou’s Housing Stock, 2023

Year Built	All Units		Owner-occupied Units		Renter-occupied Units	
Pre-1970	2,344	59%	1,637	62%	427	47%
1970s	659	16%	380	14%	180	20%
1980s	272	7%	59	2%	195	21%
1990s	507	13%	378	14%	98	11%
2000s	175	4%	132	5%	18	2%
2010s	43	1%	43	2%	0	0%
2020s	0	0%	0	0%	0	0%
Total	4,000	100%	2,629	100%	918	100%

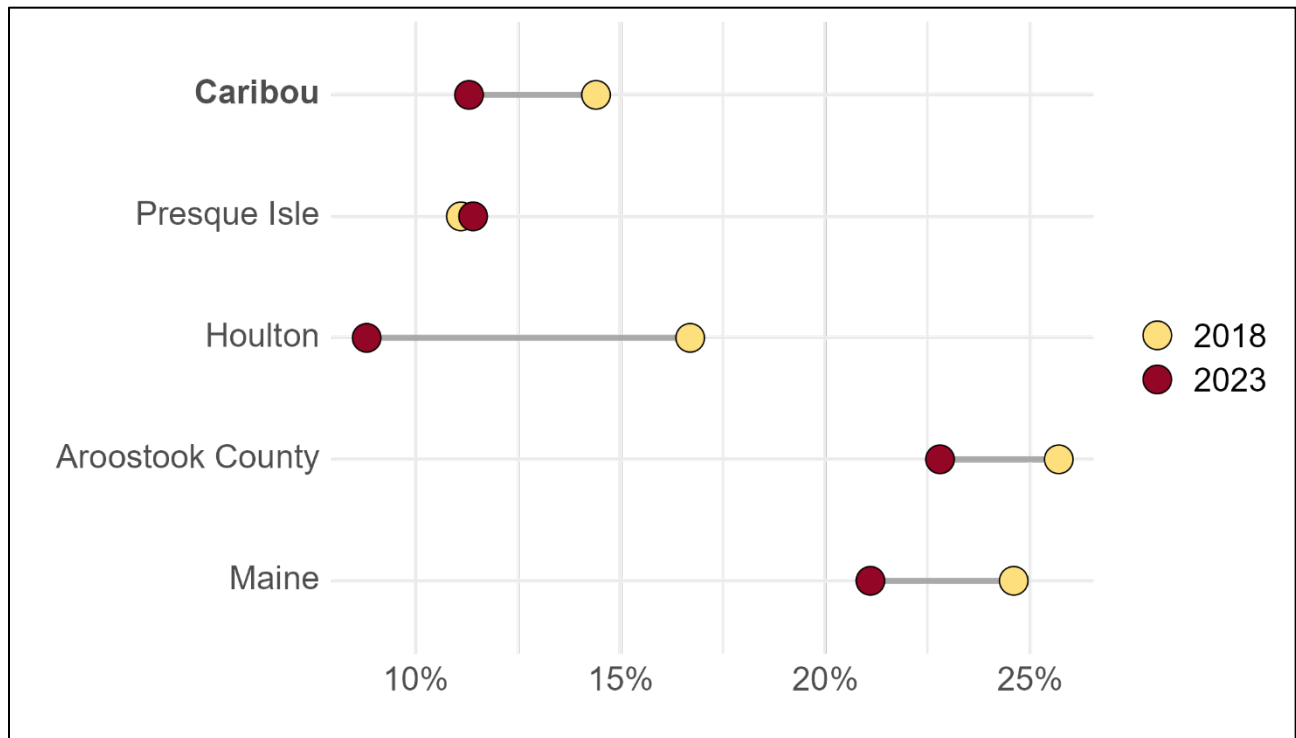
Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Vacancy Rates

Vacancy rates in Caribou have tightened in recent years, indicating a more constrained housing market (see **Figure 13**). Between 2018 and 2023, the city's vacancy rate declined from roughly **14% to 11%**, suggesting that fewer homes were sitting unoccupied and that available housing was becoming more competitive for prospective renters and buyers. Caribou's trend mirrors that of the broader region, where vacancy rates also declined over the same period, including in Aroostook County and statewide. The decline was particularly pronounced in nearby Houlton, which fell from 17% to just 9%, a pattern consistent with especially tight housing market conditions.

While figures here represent a broad definition of vacancy, including seasonal vacancies, second homes, and units not currently on the market, Caribou's declining rate indicates less turnover and reduced availability for households seeking units. In a housing market, vacancy rates around 5% to 7% are typically considered balanced and supportive of mobility and price stability. By comparison, Caribou and much of the surrounding region remain above this threshold, but the downward movement signals a **shift toward a more constrained and competitive housing environment**, leading to higher housing costs and less housing options for prospective buyers and renters.

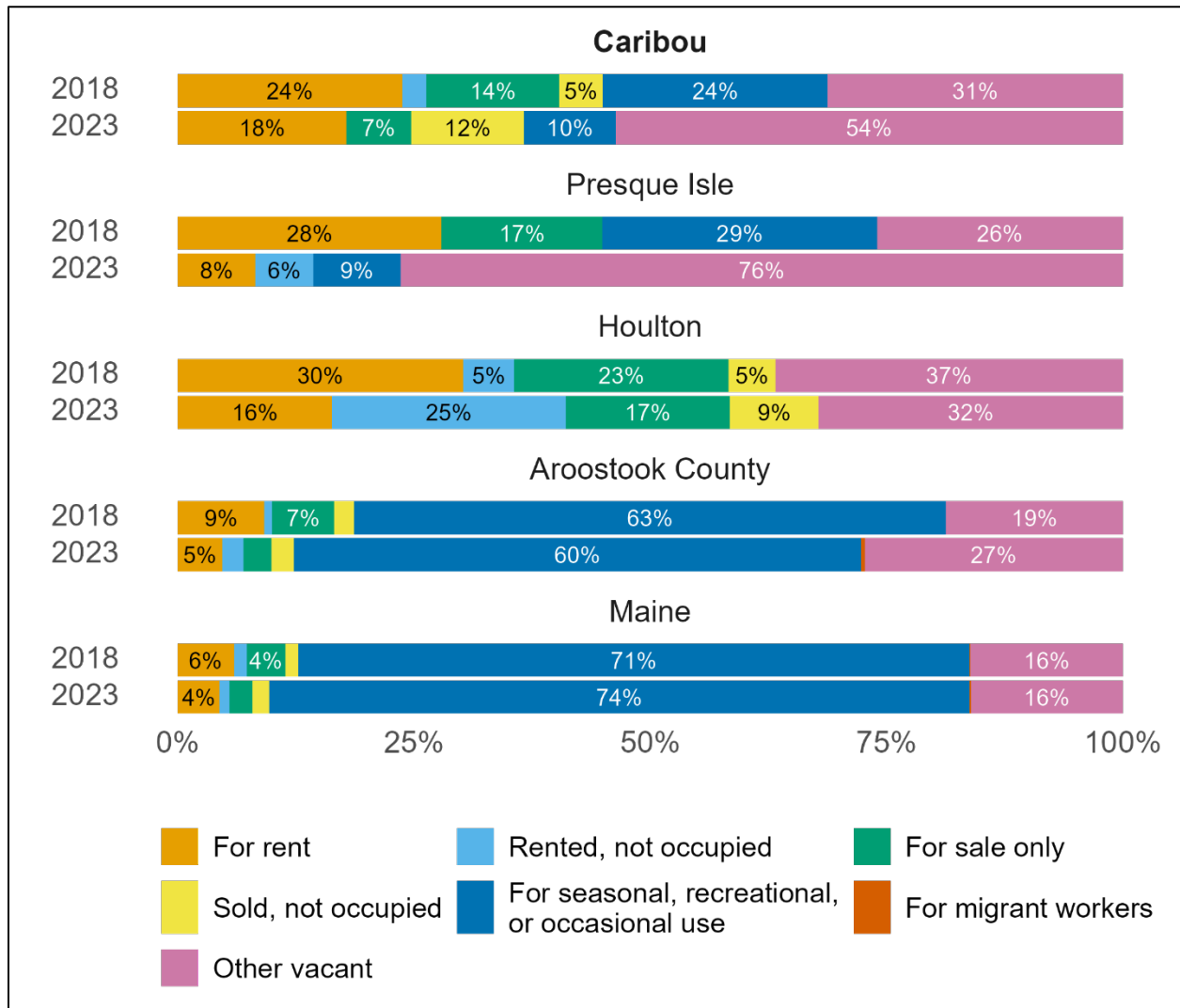
Figure 13 Vacancy Rates, 2018 & 2023



Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Figure 14 shows changes in the composition of vacant housing units in Caribou between 2018 and 2023. As in the broader region, a growing share of vacancies falls into the “other vacant” category—such as units under repair, abandoned, or otherwise uninhabitable—rising from **about 31% to over 54%**. At the same time, the share of units available for rent declined from **24% to 18%**, and the share for sale fell from **14% to under 7%**. Seasonal and recreational vacancies also decreased substantially, from nearly 24% to about 10%. Overall, these trends indicate that despite relatively high headline vacancy rates, many vacant units in Caribou are not actually available for occupancy, meaning the effective supply of housing for renters and buyers is far more limited than headline vacancy figures suggest.

Figure 14 Composition of Housing Vacancies, 2018 & 2023



Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Note: The “other vacant” category refers to units that are not listed for sale or rent and do not fall into standard vacancy classifications. It often includes homes under repair, in foreclosure, abandoned, or otherwise uninhabitable.

Key Housing Inventory Findings

- **Housing type is highly skewed toward low-density single-family.** Of roughly 4,000 units, 68% are single-family detached, and 86% of owner-occupied homes are detached. This leaves little options for those seeking missing-middle or multifamily housing, which typically offer naturally lower-cost renter and ownership formats.
- **Rental housing is heavily concentrated in multifamily structures.** About 71% of renter-occupied units are in multifamily buildings, with 46% in 2–4 unit properties and 17% in 10+ unit buildings.
- **Caribou’s housing stock is old and aging, underscoring the need for preservation and maintenance efforts.** The median home was built around 1959, and nearly 60% of all units (59%) were built before 1970 (including 62% of owner units and 47% of renter units).
- **New residential construction is minimal.** Only 4% of all homes and 2% of rental units were built in the 2000s, and no new renter-occupied housing was built in the 2010s or 2020s.
- **Overall vacancy is falling, but headline rates are somewhat misleading.** Overall vacancy declined from about 14% to 11% from 2018 to 2023, yet “other vacant” (often units in repair/abandoned/uninhabitable) rose from 31% to 54%.
- **Effective availability of units for rent or purchase is tightening, which can translate into higher prices, fewer options, and reduced mobility.** As a share of all vacant units, those available for rent declined from 24% to 18%, while units for sale fell from 14% to 7%.





Housing Market Trends

Caribou's housing market trends indicate a slow-moving, relatively affordable market shaped by long-term population and economic conditions rather than rapid growth pressures. Home values have fluctuated over the past two decades, declining significantly after the mid-2000s peak and recovering only gradually following the Great Recession, before experiencing moderate appreciation during the pandemic-era housing surge. Even after these recent gains, home prices remain well below statewide levels, and the slight softening observed since 2023 appears tied to broader economic forces rather than local market weakness. Ownership costs in Caribou have remained largely stable in real terms, with only minor changes for households with and without mortgages and monthly expenses well below those seen statewide, reinforcing the city's overall comparative affordability for homeowners.

On the rental side, median gross rents have edged down slightly in recent years and remain low compared with neighboring communities and the state as a whole, though affordability pressures persist for lower-income renters. The rental market is heavily concentrated at the lower end of the price spectrum, with the vast majority of households paying under \$1,000 per month and virtually no high-rent units available. These patterns highlight a housing market characterized by modest prices, limited upward pressure, and constrained diversity at the higher end, offering relative affordability while also reflecting limited demand and investment typical of a stable but slow-growth community.

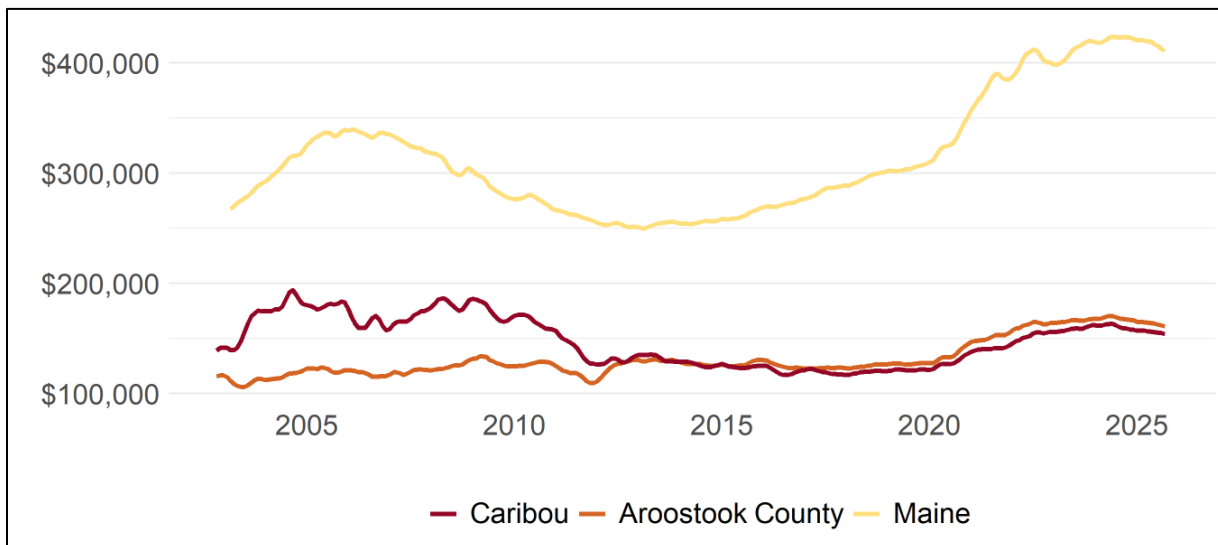


Homeownership Market

Home values in Caribou have experienced notable long-term fluctuation over the past two decades, reflecting both local economic conditions and broader national housing cycles (see **Figure 15**). **In the early 2000s, the market was relatively strong:** the typical home value reached a peak of nearly \$194,000 in late 2004 after adjusting for inflation and seasonality, before beginning a multi-year period of gradual decline. By early 2012, following the national housing recession, values had bottomed out at approximately \$106,000, marking a significant erosion in value from the pre-recession peak. Unlike many faster-growing markets, Caribou did not see a rapid rebound, instead stabilizing between \$120,000 and \$130,000 from 2012 to 2020. A sustained increase began in 2020 during the pandemic-era housing surge, with median values rising to around \$162,000 in late 2023 before easing slightly to roughly **\$155,000 in late 2025**.

Home values in Caribou have largely mirrored trends in Aroostook County, moving in particularly close alignment since 2012. However, Caribou’s values continue to trail the statewide market by a wide margin, with typical home prices now roughly \$250,000 lower than the Maine average. Unlike the sharp statewide appreciation seen during the pandemic, Caribou’s gains were more modest, signaling a **slower-moving local housing market**. The recent softening in values is due to broader macroeconomic pressures rather than local weakness, and Caribou households continue to benefit from comparatively low price levels even after several years of steady gains.

Figure 15 Real Zillow Home Value Index by Month, Nov. 2002-Sep. 2025

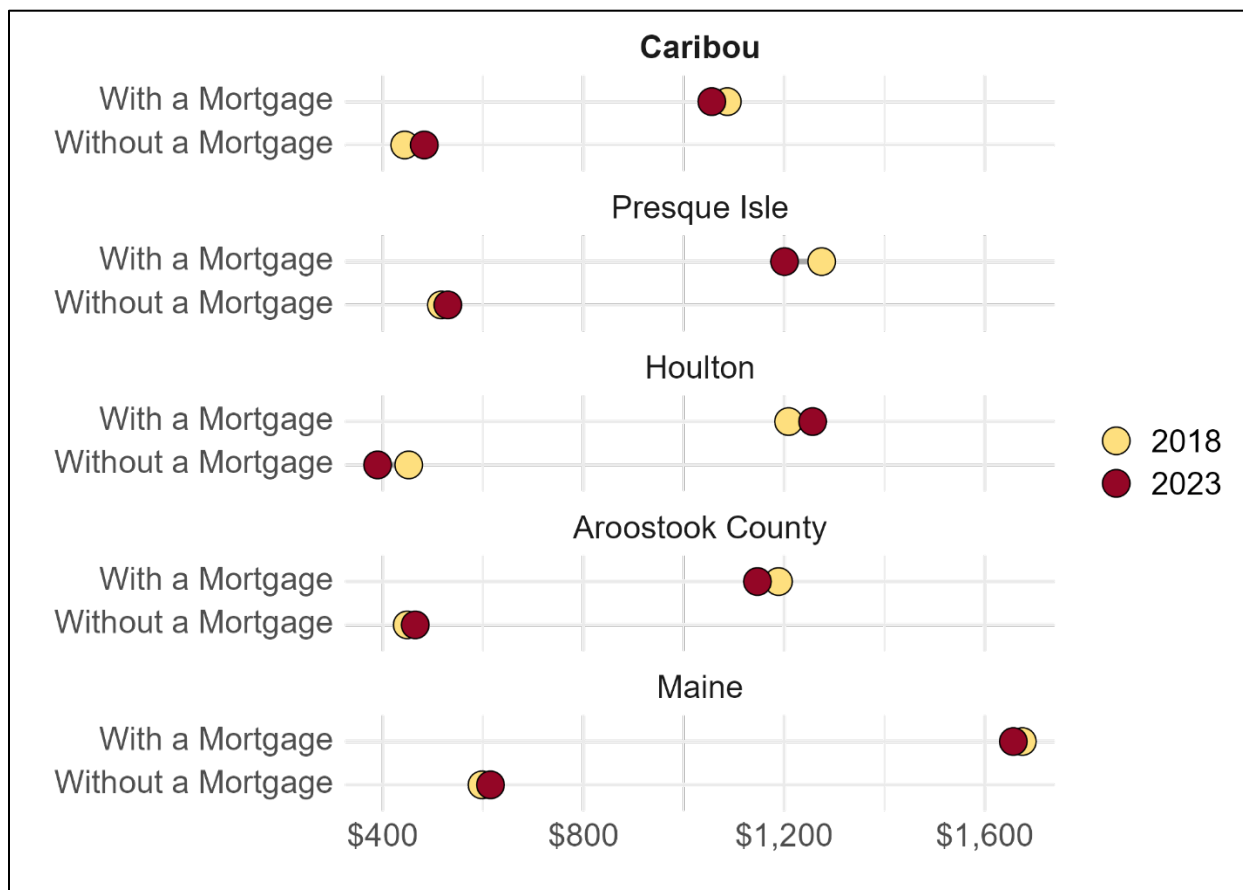


Source: Zillow Observed Home Value Index, Matrix Design Group

Note: Matrix adjusted all historical home values for inflation using the Consumer Price Index for All Urban Consumers (CPI-U), published by the U.S. Bureau of Labor Statistics. Each month’s values were adjusted to September 2025 dollars. Home values are based on Zillow’s Observed Home Value Index (ZHVI), which estimates typical home values across a given geography, and are seasonally adjusted. ZHVI is not a simple average or median. Instead, it represents the typical home value for properties within the 35th to 65th percentile range of estimated home values, providing a consistent indicator of mid-tier market conditions. This trimming helps remove extreme values and outliers. Zillow then applies a smoothed, repeat-value framework, which tracks home value changes for the same properties over time while reducing short-term volatility.

Inflation-adjusted median monthly owner costs, which include mortgage payments, taxes, insurance, utilities, and related expenses, highlight how housing costs have shifted across Caribou and its peer communities. These data, presented in **Figure 16**, pertain to existing homeowners regardless of purchase date. In Caribou, homeowners with and without a mortgage experienced **minimal change in real monthly housing costs (less than \$40)**, with costs for mortgaged households declining from \$1,087 to \$1,056 and costs for homeowners without a mortgage increasing from \$444 to \$483. For context, the median mortgaged household required an annual income of \$42,240 to limit monthly costs to less than 30% of income (the traditional affordability standard), while the median household without a mortgage needed to earn just \$19,320. Across the region, most communities also experienced minimal changes in monthly costs for both homeowners with and without a mortgage. Neighboring communities, including Presque Isle, Houlton, and Aroostook County overall, show monthly housing costs similar to those in Caribou for both mortgaged and mortgage-free households. However, Maine as a whole is notably more expensive, particularly for homeowners with a mortgage, whose typical monthly costs are roughly \$400 higher than those seen in Caribou and nearby cities.

Figure 16 Real Median Monthly Homeownership Costs, 2018 & 2023



Source: Five-Year American Community Survey; Matrix Design Group, Inc.

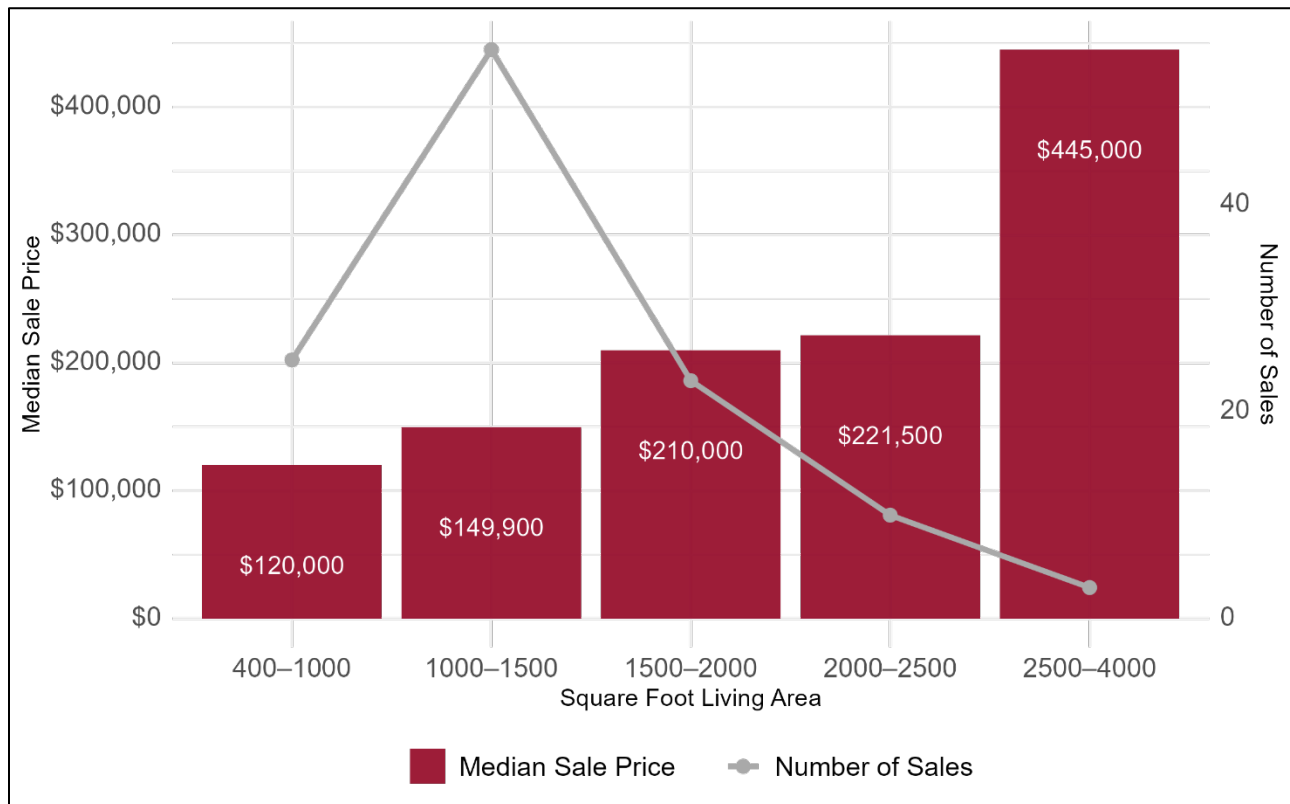
Note: Ownership costs include the sum of payments for mortgages (both first and second), real estate taxes, insurance on the property, utilities (electricity, gas, water, and sewer), and, where applicable, monthly condominium fees, homeowners association (HOA) fees, and mobile home costs

Housing Market Trends

As **Figure 17** shows, the relationship between home size and market performance is clear and consistent: larger square-foot living areas are associated with higher median sale prices, but they attract progressively fewer buyers. At the smallest end of the spectrum (400–1000 sq ft), the typical home sold for about \$120,000, and this size range accounted for 25 sales from January 2024 through April 2025, indicating modest pricing and steady demand among buyers seeking affordable space. As homes increase in size, both price and buyer interest initially rise: properties in the **1000–1500 sq ft bracket** recorded a **median sale price of \$149,900** and the greatest number of transactions at 55 sales, suggesting that this size band represents the **heart of Caribou's housing market**. As home sizes increase, median prices continue to climb but sales activity tapers off. Homes between 1500 and 2000 sq ft had a median price of \$210,000 with 23 sales, while those in the 2000–2500 sq ft range saw a median price of \$221,500 on just 10 sales. At the largest end (2500–4000 sq ft), median prices jump sharply to \$445,000, yet only 3 transactions were recorded, indicating that while premium space commands a significant price premium, the pool of buyers at that end of the market is quite small.

Overall, these patterns suggest a housing market concentrated around moderately sized homes, where prices remain affordable and turnover is highest. Larger homes, although valuable, make up a much smaller portion of total activity, highlighting a potential divergence between price appreciation at the top end of the size spectrum and broader buyer demand.

Figure 17 Median Price by Square Foot vs. Number of Sales in Caribou, Jan. 2024-April 2025

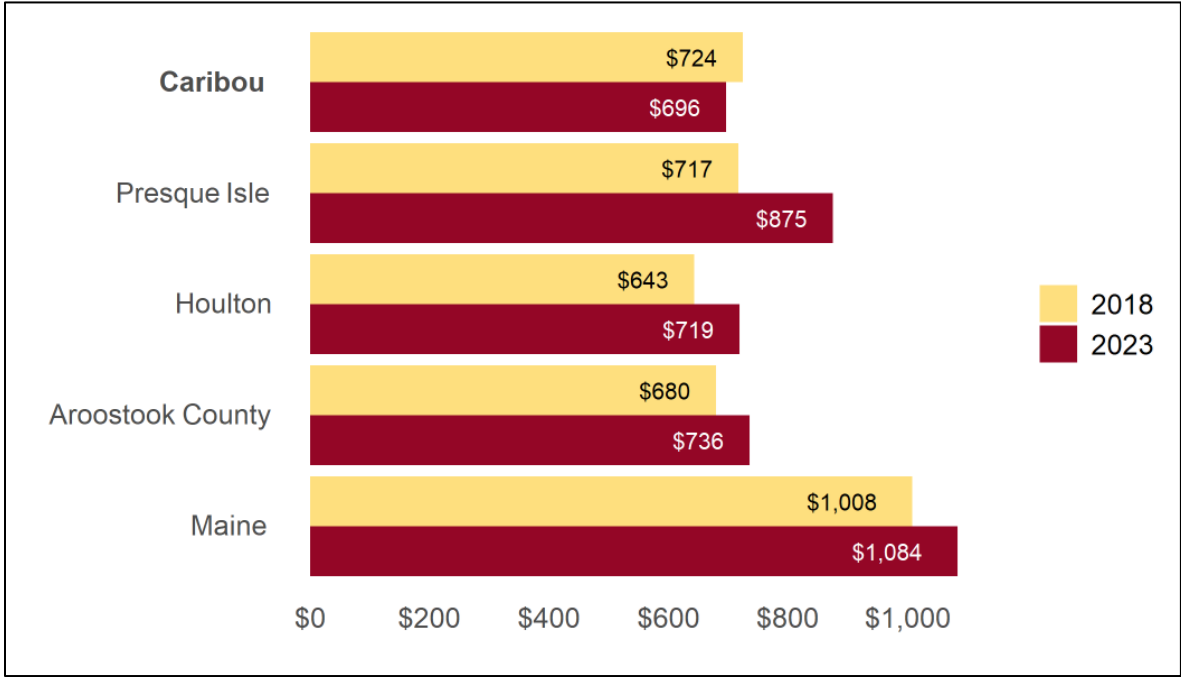


Source: City of Caribou Parcel Data; Matrix Design Group, Inc.

Rental Market

Gross rent data from the American Community Survey, which account for utilities, provide a snapshot of market conditions in Caribou and surrounding communities (see **Figure 18**). From 2018 to 2023, inflation-adjusted gross rent in Caribou **decreased slightly, from \$724 to \$696**, signaling a relatively stable rental market despite broader regional trends. Using the 30% affordability standard, a household must earn \$27,840 to afford this median rent, which is slightly higher than the 2023 ACS median renter household income of \$26,204. This suggests that while median rents in Caribou remain relatively affordable compared with much of the state, many households still experience budgetary pressure, especially those earning below the median income or facing other cost-of-living expenses. By comparison, rents in **nearby areas increased over the same period**, with Presque Isle experiencing the greatest increase from \$717 to \$875. Caribou’s lower rents relative to neighboring communities (and significantly lower than the state as a whole) are consistent with its limited availability of higher-end units.

Figure 18 Median Gross Rent, 2018 & 2023

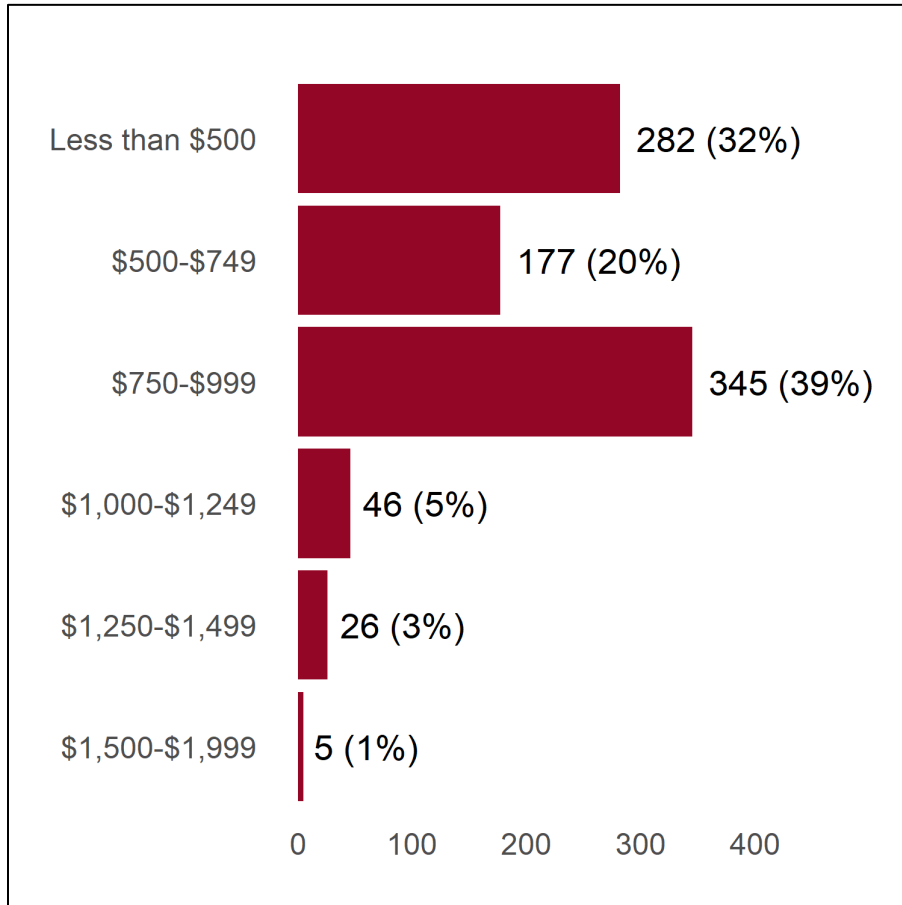


Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Housing Market Trends

As seen in **Figure 19**, the distribution of gross rents in Caribou reveals a market heavily concentrated at the lower end of the rental spectrum. In 2023, **91% of renter households paid less than \$1,000 per month**, with 39% paying between \$750 and \$999 and 20% paying \$500–\$749. An additional 32% of households paid less than \$500, underscoring the prevalence of very affordable rental units in the community. Only a small share of renters paid between \$1,000 and \$1,499 (8%), and fewer than 1% paid \$1,500–\$1,999. No households reported paying rents above \$2,000 per month. This distribution illustrates that Caribou’s rental market is dominated by modestly priced units.

Figure 19 Rent Distribution in Caribou, 2023



Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Key Housing Market Findings

- **Caribou has a slow-moving, comparatively affordable housing market**, with home values rising since 2020 but remaining about \$250,000 below statewide levels. Home values peaked at around \$194,000 (inflation-adjusted) in late 2004, fell to roughly \$106,000 by early 2012, then stayed mostly flat (\$120,000–\$130,000) through 2020 before climbing to about \$162,000 in late 2023 and easing to roughly \$155,000 in late 2025.
- **Local owner costs are similar to nearby communities** (e.g., Presque Isle and Houlton), while Maine overall is notably higher; median monthly owner costs changed very little from 2018 to 2023 (less than \$40, adjusted for inflation).
- **Median gross rent in Caribou decreased slightly** from \$724 (2018) to \$696 (2023), indicating a relatively stable rent trajectory compared with nearby areas that saw increases (notably Presque Isle, from \$717 to \$875).
- **The rent distribution is strongly weighted toward lower-cost units**: 91% of renter households pay under \$1,000 per month, with 32% paying less than \$500 and no reported rents above \$2,000, consistent with limited higher-end supply.
- **Even with relatively low rents, affordability pressures persist**, as Caribou’s median income remains slightly below the income needed to afford the median rent at the 30% standard (\$27,840).





Housing Challenges

Caribou’s housing challenges are driven more by affordability pressures and an aging housing stock, rather than by deficiencies in basic housing quality (i.e., lacking basic plumbing and kitchen facilities). Despite relatively modest rent levels, a substantial share of renter households remain cost-burdened (a general measure of housing affordability), with more than two-in-five renters spending at least 30 percent of their income on housing in 2023. While these burdens have eased somewhat since 2018, they continue to highlight the financial strain faced by lower-income renters in a market with limited income growth. Homeowners, by contrast, experience far fewer affordability challenges, with only a small portion of owner households facing cost burdens and even fewer considered severely burdened, consistent with the long-term stability and relatively low ownership costs in the local market.

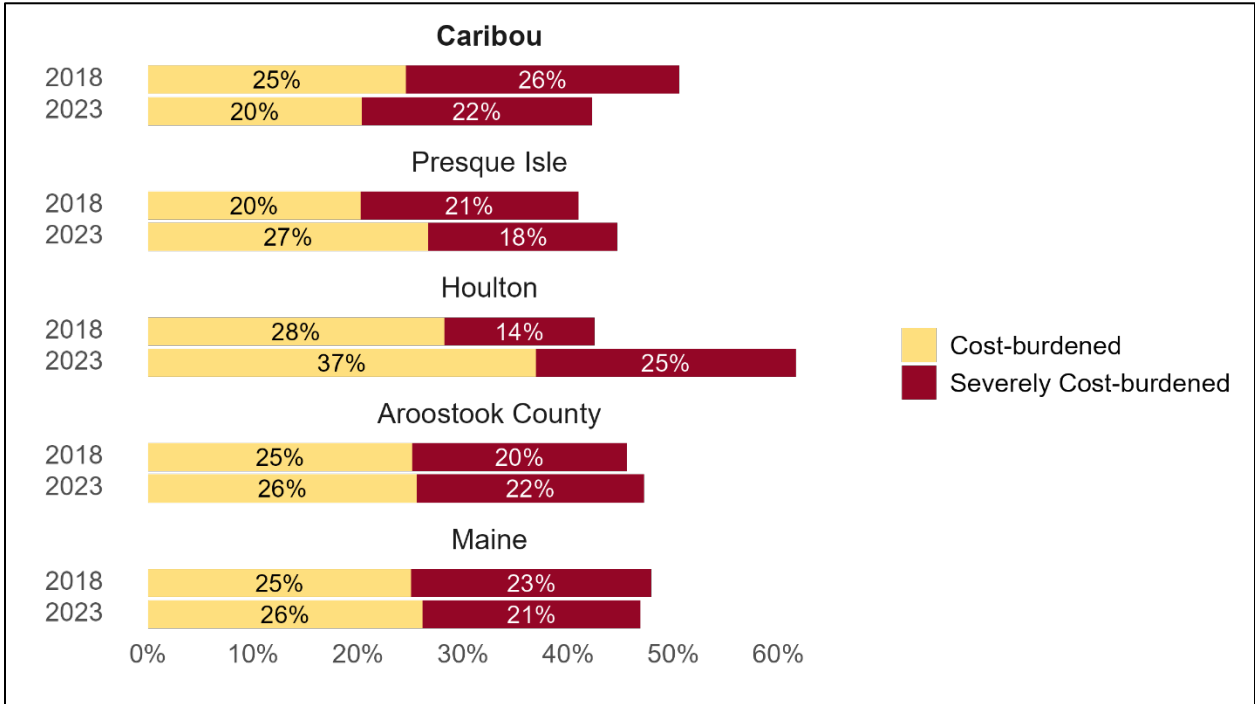
In terms of physical housing conditions, Caribou performs well: virtually all occupied units have complete kitchen and plumbing facilities, exceeding countywide and statewide standards and indicating that substandard housing is not currently a widespread concern. However, as the city’s housing stock is older and aging, continued maintenance and preservation efforts are necessary to maintaining the availability of current units. Overall, this analysis indicates that Caribou’s housing concerns are centered on renter affordability rather than deficiencies in basic housing conditions, underscoring the importance of policies that help keep rents manageable, strengthen household incomes, and protect the city’s stock of lower-cost rental units.



Housing Cost Burden

Housing cost burdens are widespread among renters in Caribou. As **Figure 20** shows, in 2023, **20% of renter households were cost-burdened**, spending between 30 and 49.9% of their income on rent and other housing costs, while **22% were severely cost-burdened**, allocating half or more of their income to housing and leaving limited income to pay for other essentials like transportation, food, and healthcare. Between 2018 and 2023, both cost-burdened and severely cost-burdened renter rates in Caribou fell by approximately 4–5 percentage points. As a result of this decrease, Caribou’s cost-burden rates are now comparable to those of surrounding communities apart from Houlton, which experienced a significant increase in both cost-burdened and severely cost-burdened renters. These figures highlight ongoing pressures in the local rental market despite relatively modest gross rents.

Figure 20 Renter Household Cost-Burdened Rates, 2018 & 2023



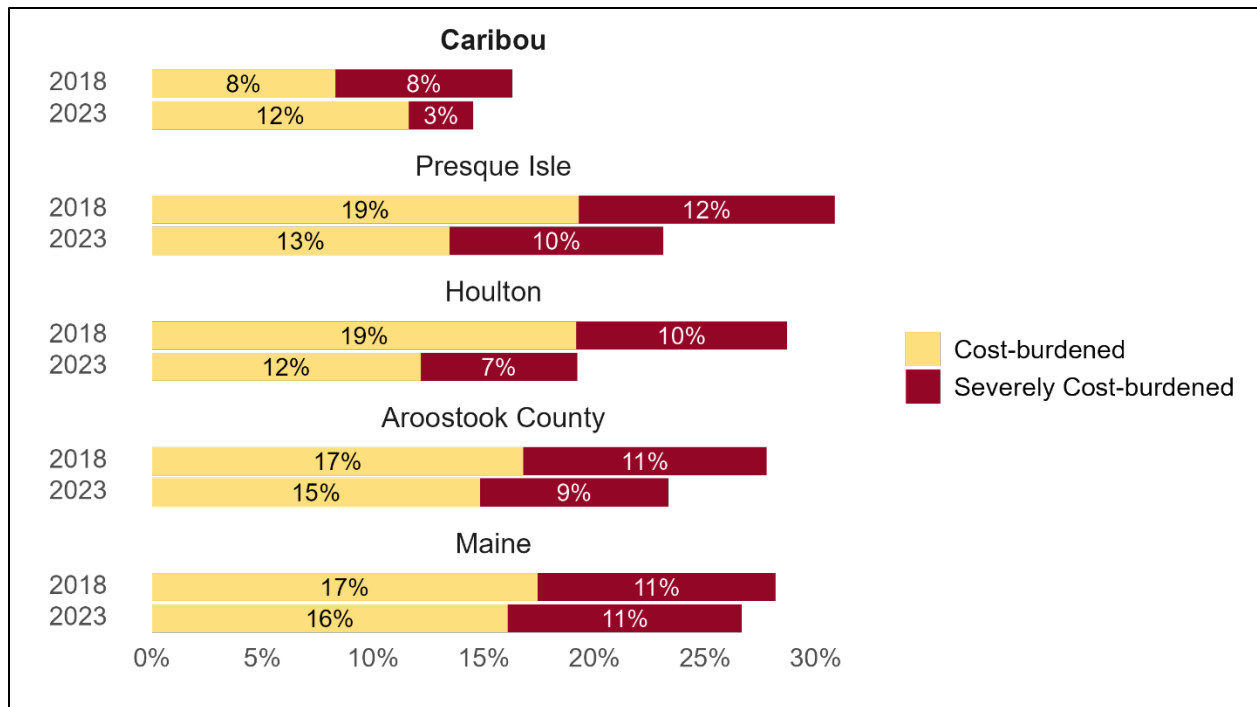
Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Note: “Burdened” households spent from 30% to 49.9% of household income on gross rent, compared to 50% or more for “severely burdened” households.

Housing Market Trends

Housing cost burden among homeowners in Caribou and the surrounding region remains relatively moderate compared with renters (see **Figure 21**). In 2023, approximately **12% of homeowners were cost-burdened** and **3% were severely cost-burdened**, indicating a marginal increase in cost burden and a decrease in severe cost burden compared with 2018. These rates suggest that most homeowners in Caribou are able to manage housing costs without allocating an excessive share of income to mortgage payments and related housing expenses. Compared with surrounding communities, Caribou's homeowners experience smaller cost-burden levels, especially with severely cost-burdened households. Overall, the data indicate that Caribou's homeowner population faces fewer affordability pressures than renters, reflecting the stability of owner-occupied housing costs in the local market.

Figure 21 Mortgaged Owner-Occupied Household Cost-Burdened Rates, 2018 & 2023



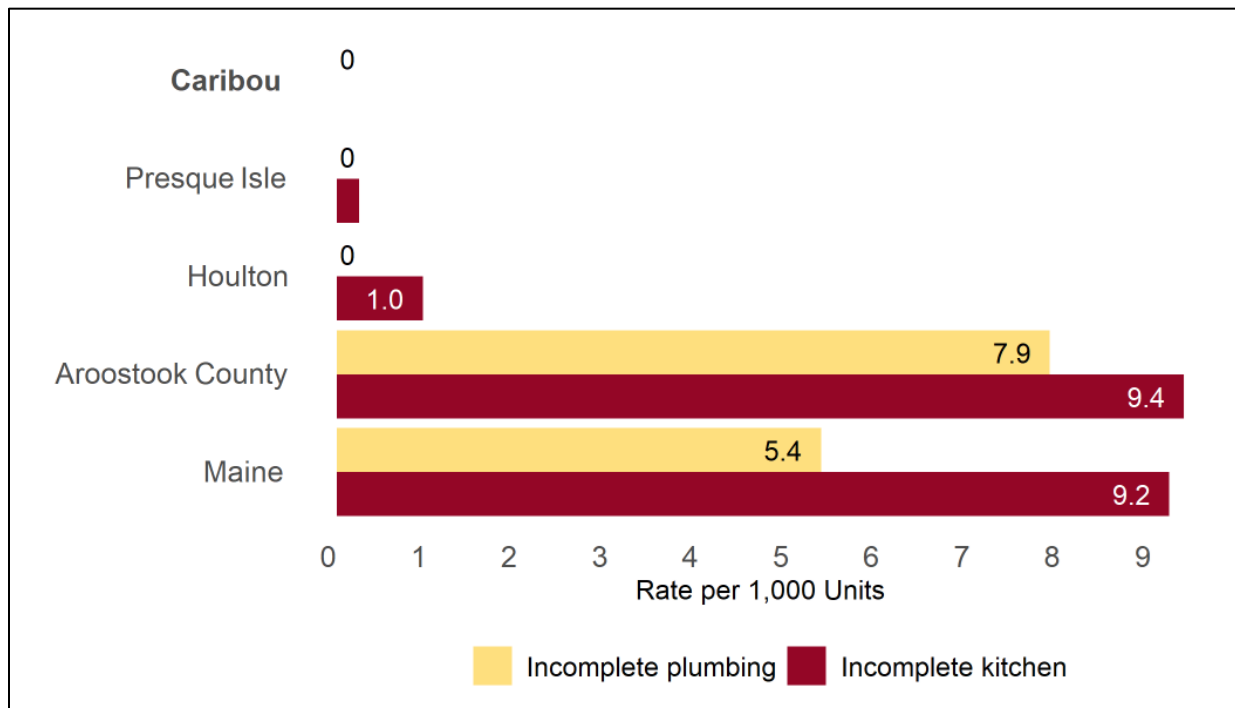
Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Note: "Burdened" households spent from 30% to 49.9% of household income on total ownership costs, compared to 50% or more for "severely burdened" households.

Substandard Housing

Incomplete plumbing and kitchen facilities provide a useful indicator of substandard housing and the prevalence of homes lacking basic utilities. In Caribou, the 2023 ACS data show **no reported units with incomplete plumbing or kitchen facilities**, suggesting that virtually all occupied housing meets minimum standards for essential habitability (see **Figure 22**). Nearby communities show similarly low levels, with Presque Isle reporting no incomplete plumbing and a negligible share of incomplete kitchens, and Houlton reporting just one unit per 1,000 with incomplete kitchen facilities. By contrast, substandard conditions are more common at the county and state levels. Aroostook County recorded 7.9 units per 1,000 with incomplete plumbing and 9.4 with incomplete kitchens, while statewide rates in Maine were 5.4 and 9.2 per 1,000 units, respectively. These differences underscore that Caribou’s housing stock—despite its age—generally **provides complete basic amenities at higher rates than the broader region**. However, continued maintenance and preservation efforts are necessary to ensure that current units remain habitable and available to Caribou’s residents. Overall, the data suggests that while affordability remains a challenge for many households, lack of basic facilities is not a widespread issue in Caribou, allowing local housing efforts to focus more on cost and quality rather than utility inadequacy.

Figure 22 Prevalence of Incomplete Kitchen and Plumbing Facilities, 2023



Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Note: The ACS defines incomplete kitchen facilities as housing units that lack a sink with a faucet, a stove or range, or a refrigerator. Incomplete plumbing facilities are defined as housing units that lack hot and cold running water, a flush toilet, or a bathtub/shower.

Housing Quality GIS Analysis

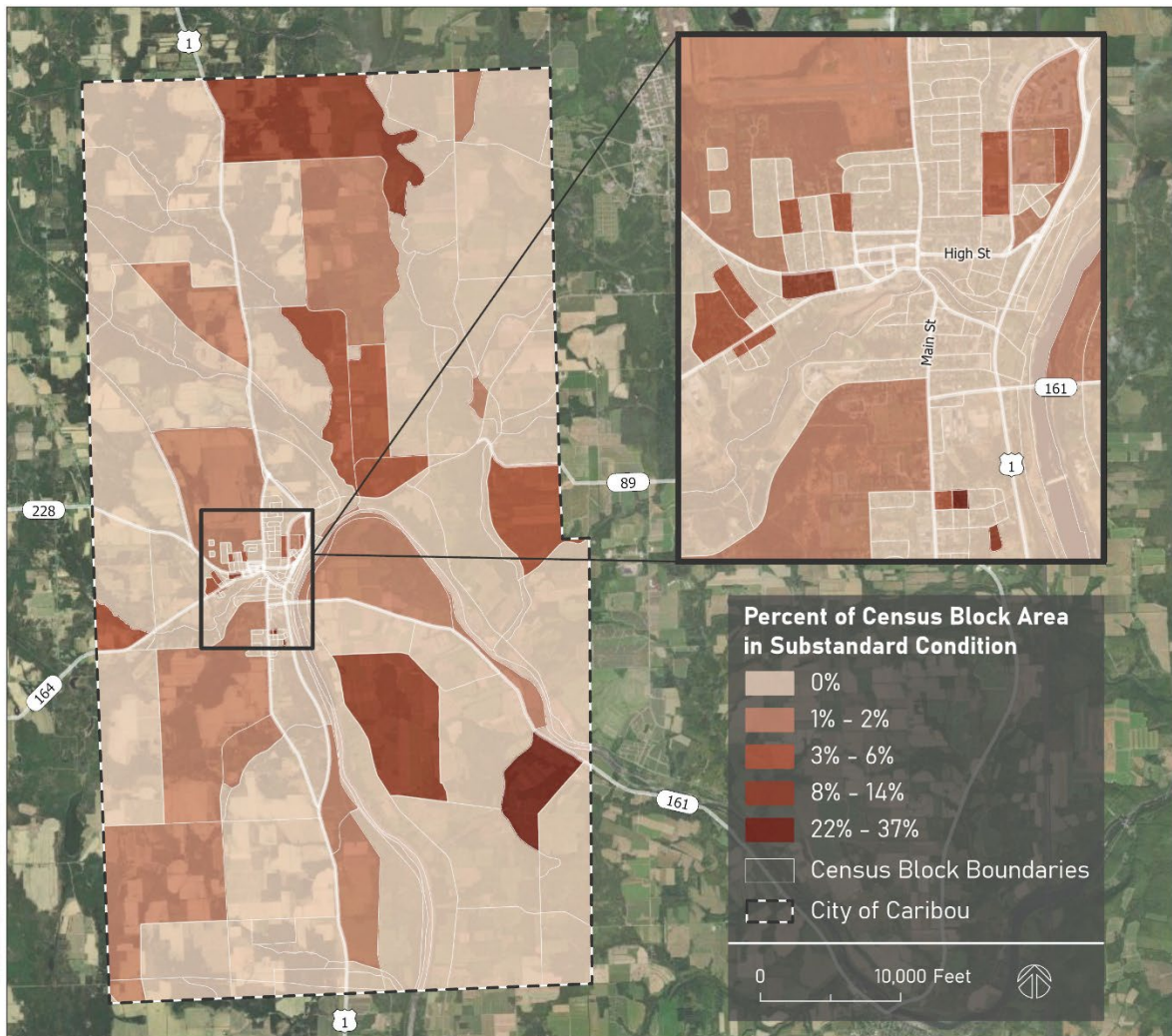
According to Assessor data, **71 parcels in Caribou are classified as containing homes in substandard condition**, defined as properties in poor condition that are largely unmaintained, with most of their assessed value attributable to land rather than structures. This broader, assessor-based definition captures housing quality dimensions not measured by the American Community Survey, which captures housing lacking complete kitchen or plumbing facilities. These parcels account for **approximately 2% of all parcels in the city**. To maintain privacy for individual parcel owners, parcel data was aggregated into census blocks to determine how much of the total area of each census block was deemed substandard (total area of substandard housing parcels in each census block / area of each census block). Area percentages were used instead of parcel counts because parcel areas and census block areas vary, which could skew the visual representation of the findings.

Figure 23 maps the spatial distribution of substandard units at the census block level, with lighter red shading indicating lower concentrations and darker red indicating higher concentrations of substandard housing. While many neighborhoods contain no substandard homes, one census block reaches a **concentration as high as 37%**. Furthermore, there are a few pockets with substantial amounts of substandard housing throughout the city, particularly in the more rural northern areas and in the southeastern part of the city, outside of the downtown core. However, such substandard housing units are **generally fairly equally distributed across neighborhoods**. These findings provide important insight into where targeted rehabilitation and reinvestment efforts may be most effectively focused and reiterate the need for maintenance and preservation efforts citywide.

Figure 23 Geographic Distribution of Substandard Housing

Substandard Housing by Census Block in Caribou, Maine

The lightest polygons indicate census blocks that do not contain any parcels in substandard condition. The darker red polygons indicate census blocks that contain a higher percentage of their total area in substandard condition, based on city assessor data.



Disclaimer: This map is for informational purposes only and does not constitute guidance for development. All data are approximate estimates and are subject to change. Users must conduct independent, site-specific evaluation to determine actual suitability, constraints, and permitting requirements prior to any development activity.



City of Caribou

Data: City of Caribou Assessor Data, 2025.

Housing Demand & Market Mismatch

Caribou's housing market is shaped by a declining population alongside a persistent concentration of lower-income households, particularly among renters. A sizable share of existing households earn well below Area Median Income, with extremely low- and very low-income residents accounting for a disproportionate portion of the rental population. As incomes rise, households increasingly transition into homeownership, leaving renters heavily concentrated at the lowest affordability levels and reinforcing the need for deeply affordable rental options. Looking ahead, total household counts are expected to gradually decrease through 2030 and 2040, yet nearly half of all households are projected to remain within income ranges at or below 80 percent of AMI. These projections suggest that future housing demand in Caribou will be less about growth and more about alignment—ensuring that the housing supply continues to match the income profile of residents by preserving existing affordable units, supporting income-restricted rental housing, and maintaining realistic pathways to ownership for households whose earnings improve over time.

Table 5 shows the distribution of Caribou households by Area Median Income (AMI), illustrating pronounced differences in income levels between renters and homeowners. Of the city's 3,548 households, **more than one in five (21%) earn below 30% of AMI**, suggesting a significant portion of residents facing major affordability challenges. **Renters are disproportionately represented at the lowest income levels**, with 45% classified as extremely low income. Further, 79% fall within the low-income to extremely low-income ranges, compared to 43% of owner households. As income increases, the tenure pattern shifts sharply toward homeownership. For example, 89% of households at the 121–200% AMI level are homeowners, and almost all households earning above 200% of AMI are owner-occupied. These patterns underscore the need for housing strategies that expand lower-cost rental options and create attainable pathways to ownership over time.

Table 5 Households by AMI Tier in Caribou, 2023

AMI Tier	Total Households		Owner Households		Renter Households	
Extremely Low Income (≤ 30% AMI)	761	21%	346	13%	415	45%
Very Low Income (31-50% AMI)	470	13%	340	13%	130	14%
Low Income (51-80% AMI)	636	18%	447	17%	189	21%
Moderate Income (81-120% AMI)	624	18%	522	20%	102	11%
Middle Income (121-200% AMI)	714	20%	636	24%	78	8%
Upper Income (201%+ AMI)	342	10%	338	13%	4	0%
Total Households	3,547	100%	2,629	100%	918	100%

Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Note: Totals may not sum precisely because of rounding. Due to data limitations, this analysis approximates AMI tiers using HUD's published FY 2023 median family income (MFI) for the area (\$73,100).

A housing gap analysis is a commonly used tool to assess how well a community’s housing supply aligns with the income profile of its residents in both the rental and owner-occupied markets. The approach involves estimating the cumulative number of households at or below specific Area Median Income (AMI) thresholds and comparing that figure to the number of housing units affordable to those households, based on the widely accepted standard that housing costs should not exceed 30 percent of household income. The difference between the number of households and the number of affordable units represents the housing gap. A negative gap indicates a shortage, meaning demand exceeds supply, while a positive gap reflects a surplus of housing units relative to households at a given income level. This methodology focuses on the needs of existing households and minimizes assumptions about future demand or housing preferences, recognizing that perfect alignment between income and housing prices is unlikely in practice.

In Caribou’s rental market, the housing gap analysis reveals a **pronounced shortage at the lowest income levels** and increasing surpluses as incomes rise. In 2023, an estimated 415 renter households earned less than 30 percent of AMI, while only 341 rental units were affordable to this group, resulting in a **deficit of 74 units**. This shortage suggests that many extremely low-income renters are likely to experience housing cost burdens or face limited housing options. At the below 50 percent AMI level, the pattern shifts: 545 renter households were matched against 836 affordable units, producing a surplus of 291 units. Surpluses persist at moderate income levels, including 256 units below 80 percent AMI, but diminish at higher income tiers, narrowing to 163 units below 120 percent AMI and 85 units below 200 percent AMI. Overall, Caribou’s rental market contained 999 units serving 918 renter households, yielding a modest net surplus of 81 units. While this suggests that rental supply is sufficient in aggregate, the distribution of units does not adequately meet the needs of the lowest-income renters, underscoring a mismatch that can contribute to housing instability, cost burden, and increased pressure on limited affordable units at the bottom of the market.

Table 6 Existing Rental Housing Gaps in Caribou, 2023

AMI Tier	Households	Housing Units	Gap
< 30% AMI	415	341	-74
<50% AMI	545	836	291
<80% AMI	734	990	256
<120% AMI	836	999	163
<200% AMI	914	999	85
All	918	999	81

Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Note: Affordability tiers based on the 2023 AMI of \$73,100 for Caribou, ME. Units were deemed affordable if they did not cause households to spend 30% or more of income on rent and utilities. Due to rounding, Gap may not equal difference between Housing Units and Households. Data cover period from 2019 to 2023. Household estimates do not account for latent demand.

Housing Market Trends

In contrast to the rental market, Caribou’s owner-occupied housing stock shows surpluses across all income tiers when homeowner households are hypothetically matched to owner-occupied and for-sale homes based on current market values. In this analysis, owner-occupied households, sorted by income level, are compared to the number of ownership units that would be affordable if those households were purchasing their homes today, rather than reflecting historical purchase prices or legacy ownership patterns. Under this framework, an estimated 346 homeowner households earned below 30 percent of AMI in 2023, compared to 712 owner-occupied units affordable at that level, resulting in a surplus of 366 units. Surpluses expand substantially at higher income thresholds, including 713 units below 50 percent AMI, 791 units below 80 percent AMI, and 837 units below 120 percent AMI, indicating broad theoretical availability of owner housing relative to household incomes at prevailing market values.

At the highest income tier, the surplus narrows to 407 units below 200 percent AMI, indicating increased competition among higher-income households for a more limited supply of higher-value homes. Overall, Caribou’s ownership market included 2,714 units serving 2,629 homeowner households, yielding a modest net surplus of 85 units. Taken together, these findings suggest that while the ownership market appears generally well supplied under current price conditions, availability tightens at the upper end. However, the results should not be interpreted as representative of conditions facing new or prospective buyers, as current homeowners are not a random sample of the broader population and tend to have higher incomes and greater housing stability than households seeking to enter the ownership market.

Table 7 Existing Homeowner Housing Gaps in Caribou, 2023

AMI Tier	Households	Housing Units	Gap
< 30% AMI	346	712	366
<50% AMI	686	1,399	713
<80% AMI	1,133	1,924	791
<120% AMI	1,655	2,492	837
<200% AMI	2,291	2,698	407
All	2,629	2,714	85

Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Note: Affordability tiers based on the 2023 AMI of \$73,100 for Caribou, ME. Units were deemed affordable if the home’s value was less than three times household income. Due to rounding, Gap may not equal difference between Housing Units and Households. Data cover period from 2019 to 2023. Household estimates do not account for latent demand.

Table 8 summarizes Caribou’s projected household distribution by AMI tier through 2030 and 2040. Consistent with expectations of continued population decline, total households are projected to fall modestly, from **3,376 in 2030 to 3,146 by 2040**. By 2030, the city is expected to include approximately 724 extremely low-income households, 448 very low-income households, and 604 low-income households; together, these groups account for nearly half of all households. Household counts across these income tiers are projected to decline further by 2040.

Owner households are projected to total **2,503 in 2030 and 2,332 in 2040, compared with 873 renter households in 2030 and 814 in 2040**. Despite overall population decline, these projections indicate that Caribou will continue to serve a wide range of income groups, with a substantial share of housing needs concentrated among households earning 80% of AMI or below. Addressing affordability across these tiers through targeted housing production and preservation efforts will remain critical to meeting the needs of both current and future residents.

Table 8 5- and 10-Year Projected Households by AMI Tier in Caribou

AMI Tier	Total Households		Owner Households		Renter Households	
	2030	2040	2030	2040	2030	2040
Extremely Low Income (≤ 30% AMI)	724	675	329	307	395	368
Very Low Income (31-50% AMI)	448	418	324	301	125	116
Low Income (51-80% AMI)	604	563	425	396	179	167
Moderate Income (81-120% AMI)	596	555	498	464	98	91
Middle Income (121-200% AMI)	679	632	605	564	73	68
Upper Income (201%+ AMI)	325	303	322	300	4	4
Total Households	3,376	3,146	2,503	2,332	873	814

Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Note: Totals may not sum precisely because of rounding. Due to data limitations, this analysis approximates AMI tiers using HUD’s published FY 2023 median family income (MFI) for the area (\$73,100). Projected households were calculated using the factor of population decline for 2030 and 2040, divided by the average household size (2.04).

Key Housing Challenges Findings

- **Rental affordability remains a concern:** In 2023, 20% of renter households in Caribou were cost burdened (spending more than 30% of income on housing), and an additional 22% were severely cost burdened (spending more than 50%), indicating continued financial pressure on renters despite relatively modest rents.
- **Generally, affordability concerns have improved since 2018.** Both cost-burdened and severely cost-burdened renter rates declined by about 4–5 percentage points between 2018 and 2023, bringing Caribou in line with most nearby communities.
- **Homeowners face fewer affordability pressures.** Housing cost burden among homeowners is significantly lower than among renters, with only 12% cost-burdened and 3% severely cost-burdened in 2023, reflecting generally stable ownership costs.
- **Substandard housing is rare,** with no occupied housing units in Caribou reported to have incomplete plumbing or kitchen facilities in 2023, outperforming county and state averages. However, maintenance and preservation concerns are still prominent as the City’s housing continues to age.
- **Affordability challenges are concentrated among renters, underscoring the ongoing need for affordable rental options and attainable ownership pathways.** Over one in five Caribou households earn below 30% of area median income (AMI), and renters are disproportionately represented at the lowest income levels—45% of renter households are extremely low income, and nearly 80% fall at or below 80% of AMI, compared to 43% of owner households.
- **Income strongly correlates with tenure:** As household income rises, homeownership increases sharply; nearly all households above 200% of AMI are homeowners, highlighting limited ownership access for lower-income residents.
- **Caribou’s rental market consists of 999 units serving 918 renter households, with a shortage primarily affecting households below 30% of AMI.** While vacant for-sale units exceed owner households by 85 units, affordability and access barriers continue to limit homeownership opportunities.
- **Overall household counts are projected to decline through 2030 and 2040,** reflecting population decline, but this does not reduce the scale of affordability needs.



Community Engagement

Throughout this effort, robust community engagement ensured that feedback was gathered from Caribou residents and stakeholders. Engagement efforts included a resident survey and an in-person community open house, with a presentation on key data findings and interactive activities to explore preferred housing types and policies. This qualitative feedback helped to validate key data findings and further discern the community's key housing issues, needs, and solutions.

Resident Survey

The resident survey was open from early November 2025 to late December 2025 and received 58 responses.

Background

- 60% of respondents have lived in Caribou for more than 15 years, and 86% reported living in a home they own or owned by another member of their household.
- 45% of respondents reported living in their current home for more than 10 years.
- The most frequently cited reasons for wanting to live in Caribou included “*to live near family or friends*” (53%), “*to be close to work*” (43%), and “*safe neighborhoods*” (34%).
- A majority (56%) also noted no difficulty in finding housing.
- Respondents had a wide range of incomes, educational backgrounds, and household sizes, providing diverse perspectives.
 - However, no respondents reported being younger than 25, and only 12% of respondents were renters, limiting housing perspectives from these groups. Future engagement efforts should target input from these groups.

Housing Affordability and Availability Challenges

- 76% of residents stated they are very satisfied or satisfied with their current housing.
- 42% of respondents felt confident in covering their upcoming housing payment, and 22% reported feeling “*not so confident*” or “*not at all confident*”. 42% of all respondents noted that housing costs are a major source of stress in their lives.
- 28% of respondents reported limiting their consumption of food, medicine, or other essential goods to help cover housing costs during the last year.
 - 46% noted that housing costs have hindered their ability to save for retirement, 42% noted hinderances in their ability to save for emergencies, and 36% noted hinderances in their ability to pay off non-housing debt.

Community Engagement

- Only 16% felt very satisfied or satisfied with the overall affordability of housing in Caribou, with 40% feeling neutral and 44% feeling dissatisfied or very dissatisfied.
- Only 10% felt very satisfied or satisfied with the overall availability of housing in Caribou, with 32% feeling neutral and 58% feeling dissatisfied or very dissatisfied.

Housing Issues

- According to the survey's respondents, Caribou's most pressing housing issues are: *inadequate senior housing (48%), young people cannot afford to buy homes (48%), homes are in poor condition or too old (40%) and there are not enough apartments (38%).*
- Most respondents (90%) were at least somewhat concerned about homelessness in Caribou, with 28% expressing that they are very concerned.
- In January 2025, [local housing coordinators estimated](#) approximately 90 unsheltered individuals had been in contact with services across Aroostook County over the prior year. Homeless Services of Aroostook (HSA) [reports that Caribou](#) is the second-highest source municipality for shelter residents in the County, behind Presque Isle and ahead of Fort Fairfield, Houlton, and Mars Hill.

Housing Solutions and Policies

- 60% of respondents noted it is important for the City to offer a wider variety of housing options. Another 38% noted it is important or somewhat important, indicating vast support for such changes.
- When asked which housing types the City should prioritize going forward, residents most favored *senior/assisted living facilities (70%), traditional single-family homes (56%), apartments (46%), and duplexes, triplexes, and townhomes (42%).*



Community Open House

A community open house was held on November 18th, 2025, at the Caribou Municipal Building. During this event, the project team presented key data findings, discussed residents' housing challenges and needs, and gathered feedback on potential policies and solutions. Residents participated in two interactive activities: a visual preference exercise, where they identified the types of housing they would most like to see in Caribou, and a questionnaire-style activity that asked them to indicate their level of support for eight potential housing perspectives and policy solutions.



Figure 24 Housing Types Board

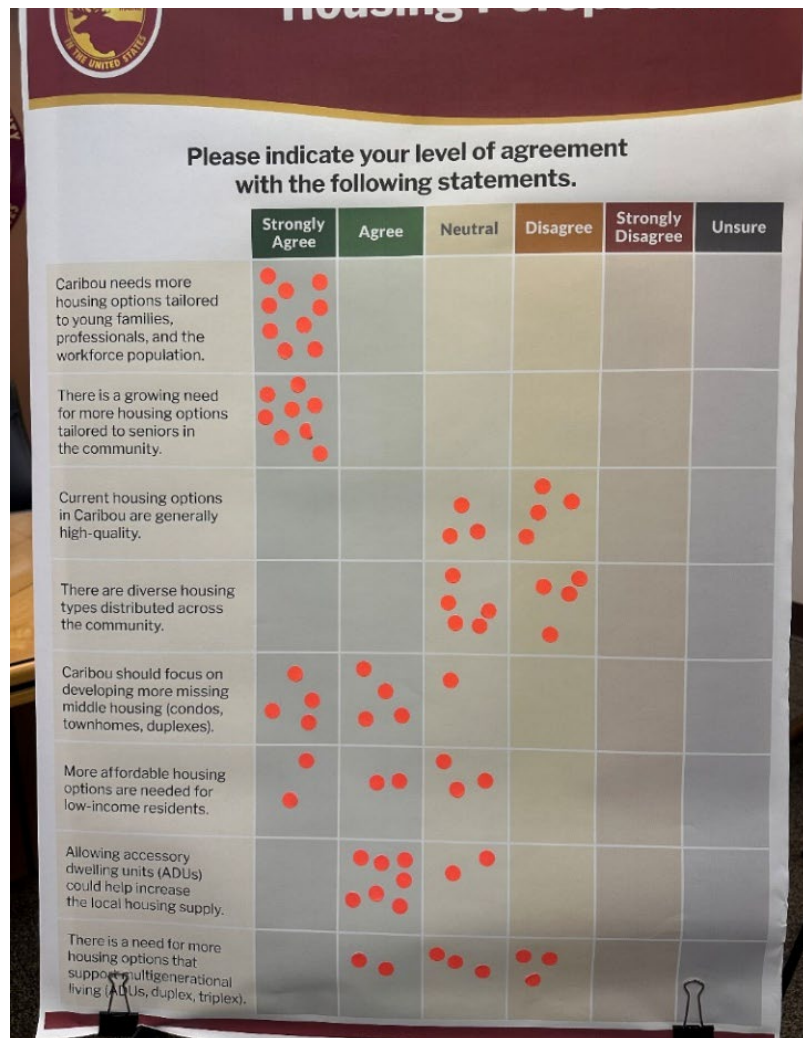


As revealed by the visual preference results (see **Figure 24** above), residents expressed a strong preference for more **senior living communities**, as well as more **traditional single family detached housing**, smaller detached and attached single family housing types like **accessory dwelling units (ADUs)** and **cottage court style housing**, and for **attached townhomes**. There was some desire for duplexes and smaller (2-3 story) apartment buildings.

The housing perspectives activity (see **Figure 25** below) revealed the following:

- Participants felt strongly that Caribou needs more **housing to support and retain young families and individuals**.
- Residents identified a strong need for more **senior living communities, and senior-friendly housing options**, like single-story housing and housing with accessibility features.
- Participants generally felt that the quality of Caribou’s current housing stock is substandard and noted the need for future policies to support **housing rehabilitation and maintenance**.
- Participants felt the City’s housing stock is undiversified, and that the City needs more **affordable housing options** for low-income residents. Residents also expressed support **new “missing middle” housing types**, like townhomes and cottages, as well as ADUs.
- There are mixed levels of support for housing that supports multigenerational living arrangements.

Figure 25 Housing Perspectives Board





Key Takeaways

The quantitative and qualitative data collected revealed several key findings that will inform the policy recommendations contained in the upcoming *Housing Action Plan*:

Caribou's population is shrinking and aging.

- The city's population declined 10% from 2010–2024 and is projected to fall another 10% by 2040, driven by outmigration and limited job growth.
- The median age increased sharply from 47.6 to 52.3 since 2018, faster than the county or state.
- Nearly half of residents are 55+, driving demand for senior-friendly and accessible housing. Residents expressed a strong desire for new senior living opportunities and accessible housing options.

Households are small and getting smaller.

- Most owner and renter households have one or two people, signaling demand for smaller, accessible units (ADUs, cottages, small homes).
- 61% of renter households and 52% of owner-occupied households are single-person households.

Caribou's housing stock is aging, signaling a need for increased maintenance and preservation efforts.

- 60% of all homes were built before 1970.
- Almost no new housing (especially rentals) has been built in the last 20 years.
- Many vacant homes are unusable: units categorized as "other vacant" (often deteriorated or under repair) rose from 31% to 54% of all vacant units, limiting available options for residents.
- An analysis of substandard housing by census tract showed some concentrations of substandard housing in the northern and southern parts of the city, out of the downtown core, but substandard units are generally distributed equally throughout the city.

Caribou's housing stock is largely undiversified, but community feedback shows broad support for more diverse housing.

- The majority (68%) of Caribou's housing units are traditional single-family detached homes. Small multi-family (2-4 units) comprises an additional 17% of Caribou's housing stock.
- Residents expressed strong interest in diversified housing types, like ADUs, apartments, duplexes, triplexes, and townhomes.

Homeownership is rising and home values remain stable, but rental options are tight.

- Homeownership rates increased from 63% to 74% since 2018, now matching Maine and Aroostook County.
- Home prices rebounded since 2020 but remain far below Maine overall (about \$250k below state typical value).
- Homeownership costs are relatively unchanged since 2018 and are lower than statewide levels, reflecting Caribou's continued affordability for homeowners.
- However, the share of high-quality and affordable rental options is stagnating or even declining, as almost no new renter housing has been built in the 2010s or 2020s, and older housing units continue to age out of the market.

Large income disparities exist between renters and homeowners, and the rental market is inexpensive, but still strained.

- 75% of renters earn under \$50,000, compared to 37% of homeowners. 45% of renters are extremely low-income ($\leq 30\%$ AMI), compared to just 13% of homeowners.
- Typical renter income (~\$26k) only supports ~\$655/month, but median rent is ~\$696. Though this median rent is far below that of the state, 42% of renters remain cost burdened, spending more than 30% of their gross income on housing costs.
- 22% of renters are severely cost-burdened, spending over half their income on housing costs and greatly limiting disposable income for other essentials.



Preliminary Policy Recommendations & Next Steps

This *Housing Needs Assessment* will inform the City's *Housing Action Plan*, which is expected to be completed by May 2026. The action plan will contain short-, medium-, and long-term actions to address the community's most pressing needs, including the need for **rehabilitation and preservation** of aging units and the need to **enable and incentivize new development** that meets the needs of seniors, low-income renters, small households, and future workers.

The action plan will examine how Caribou's current **zoning, regulatory frameworks, and administrative processes** support the City's housing needs and goals. Actionable strategies will be recommended to alleviate barriers to housing development and encourage market-feasible development, particularly for affordable and senior housing options; for example, the plan will recommend **zoning reform beyond LD 2003 requirements** to enable and support diverse housing types and to increase development flexibility, such as updating allowable uses, and reducing required setbacks, lot area minimums, and parking. **Pre-approved designs** for accessory dwelling units and common missing middle housing types can further lower construction costs and increase development feasibility. Furthermore, the plan will explore **development incentives** for desired housing types, including density bonuses, public land donations/sales as authorized by Council ordinance, and expedited permitting and review.

The plan will also identify **opportunities to leverage local, state, and federal funding** for housing development, maintenance, and rehabilitation, and may provide recommendations to **improve code enforcement capacity** and to **support housing rehabilitation, maintenance, and weatherization** efforts. Similarly, the plan will focus on **strategies to encourage homeownership and aging in place**, such as downpayment assistance programs, shared equity models, and support for accessibility upgrades.

Additionally, the plan will explore the potential of leveraging city owned properties or pre-approved projects in **partnership with housing developers, employers, land trusts, nonprofit groups, and regional/state agencies** to catalyze new housing production and further expand housing maintenance efforts. Such partnerships can create shared-equity models that support pathways from renting to owning and can help to align housing strategies with workforce needs and economic development goals. Finally, the plan will identify ways to **enhance regional coordination** and local capacities, as well as ways to gather **continued community input** as policies move into the implementation phase.

With clear direction, strong community support, and a shared commitment to meeting the housing needs of current and future residents, Caribou is well-positioned to build a brighter housing future that strengthens the city for generations to come.

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