

# Crisis in the Rental Market

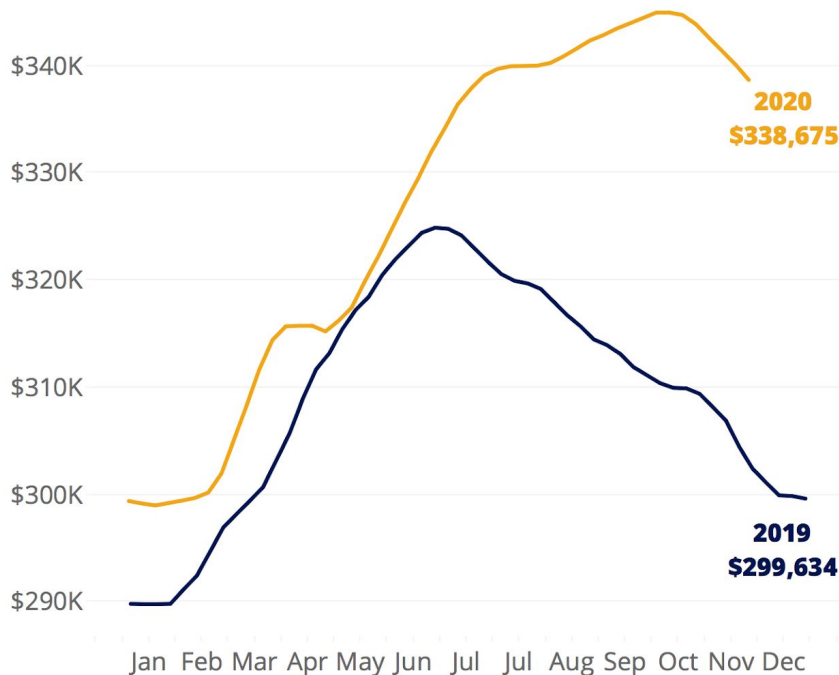
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Connecticut Coalition to End Homelessness  
Cheryl Young, Zillow Senior Economist  
December 2020

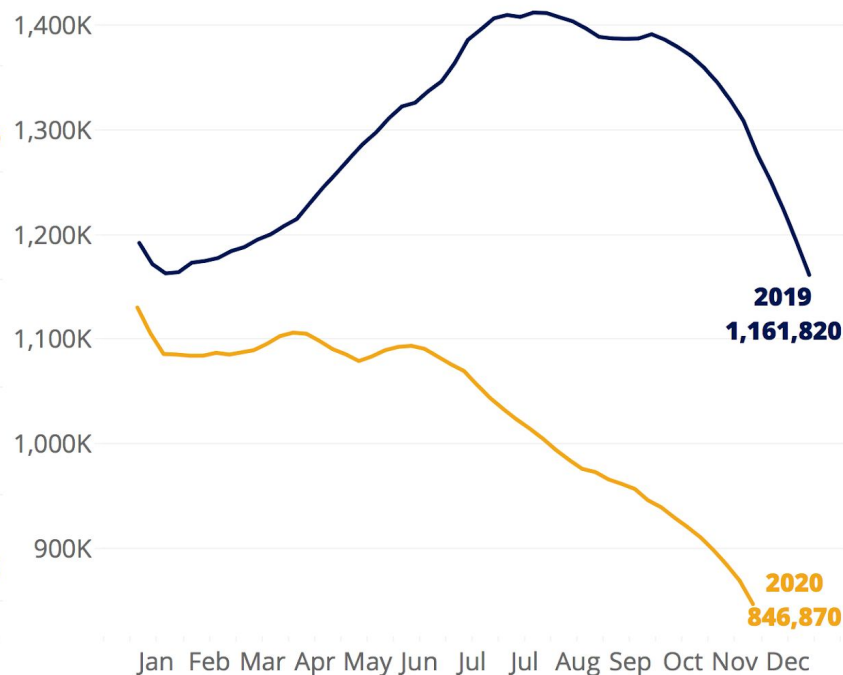


# National for-sale market masks economic instability

## Median List Price

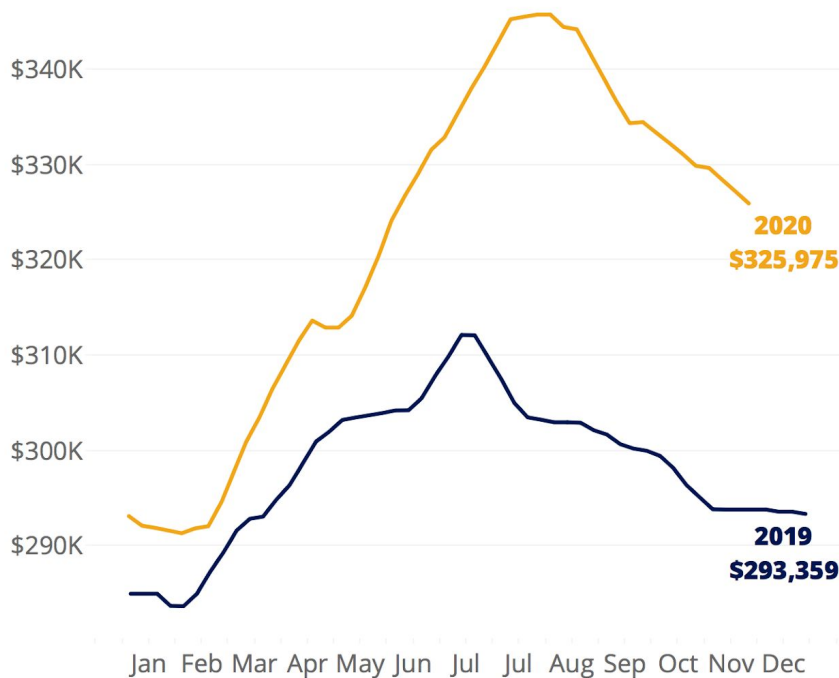


## For-Sale Inventory

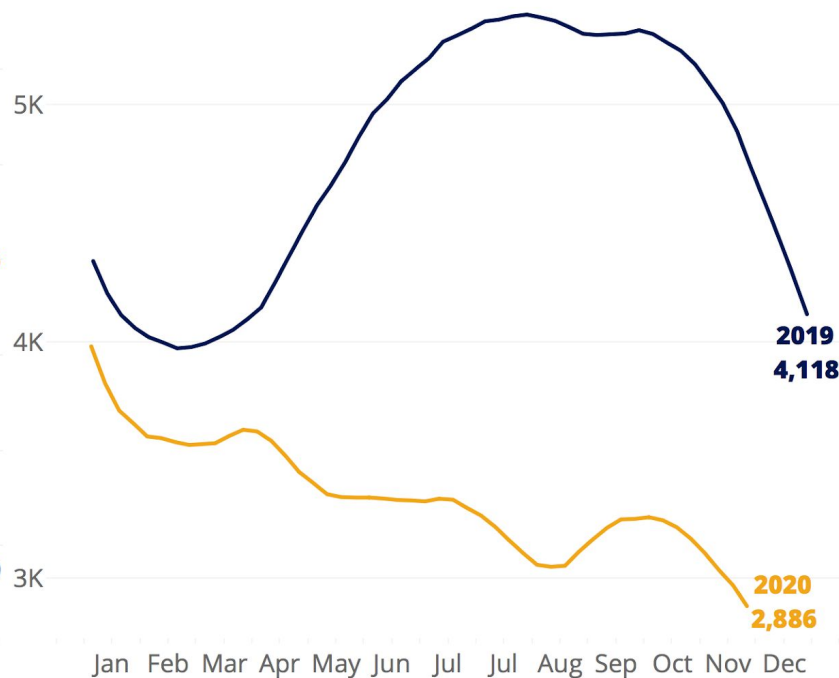


# Hartford for-sale market masks economic instability

## Median List Price

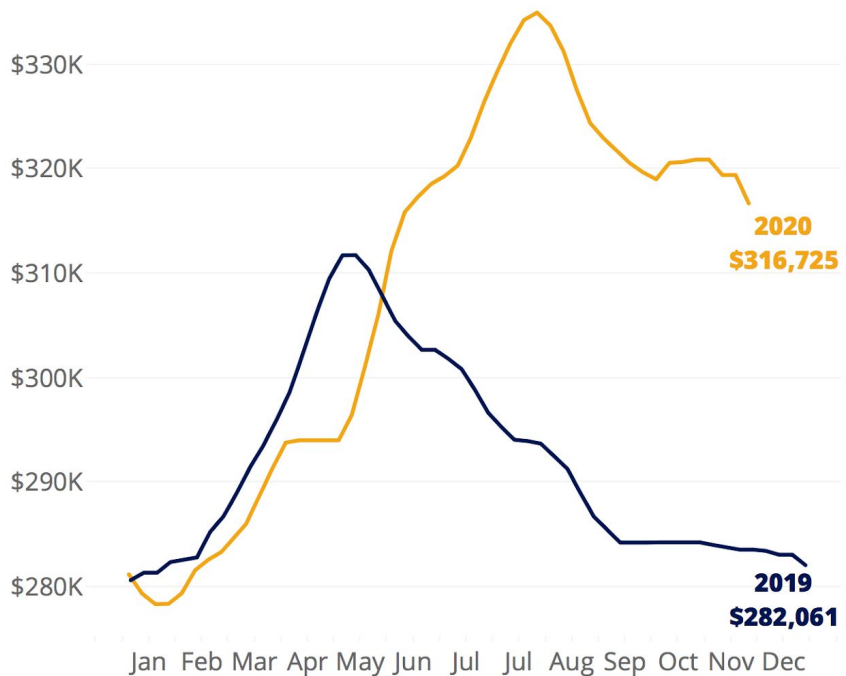


## For-Sale Inventory

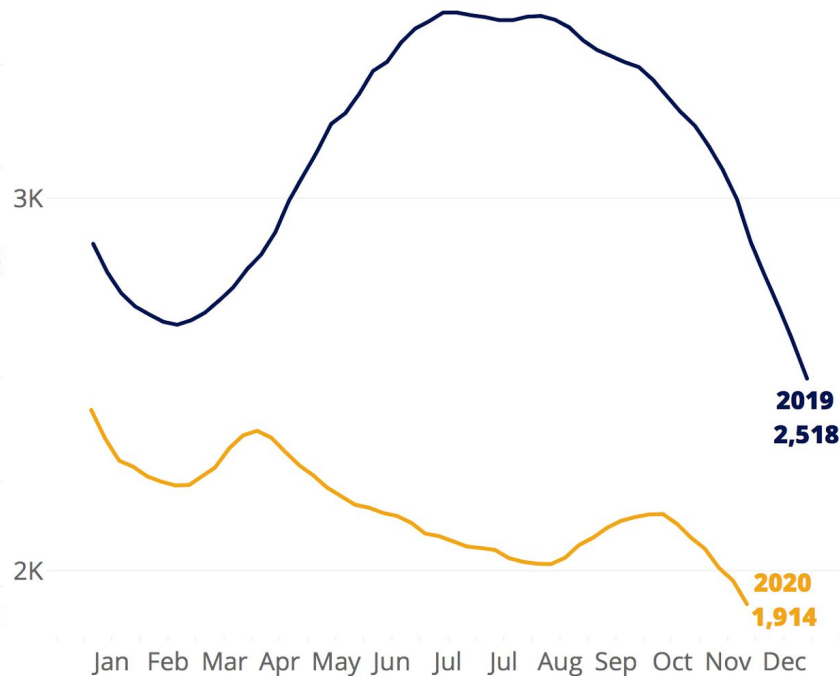


# New Haven for-sale market masks economic instability

## Median List Price

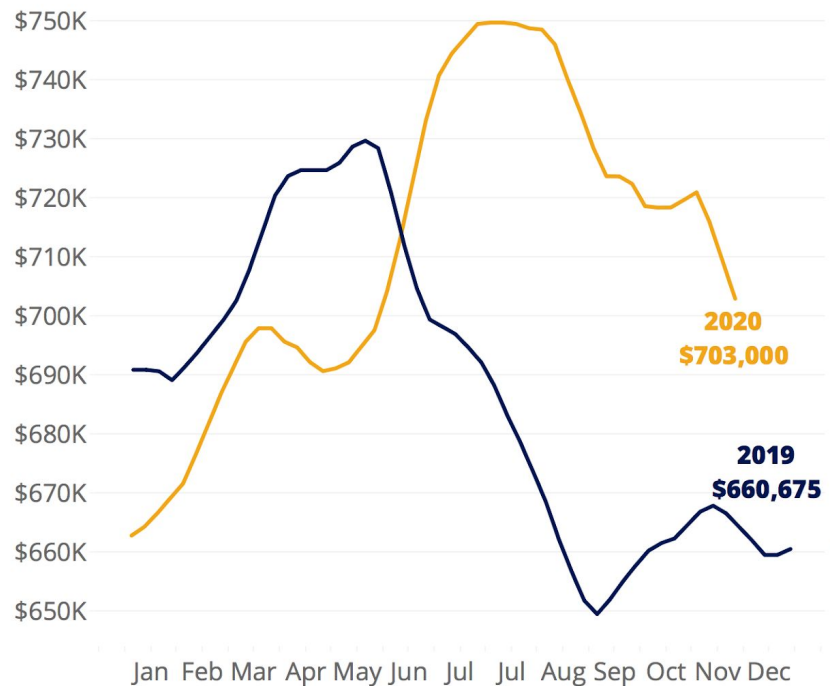


## For-Sale Inventory

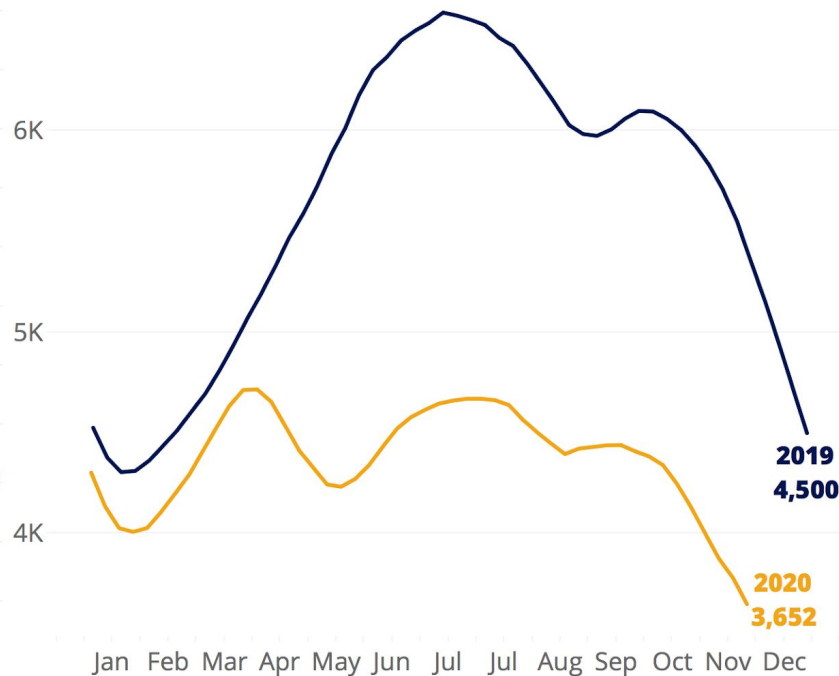


# Stamford for-sale market masks economic instability

## Median List Price

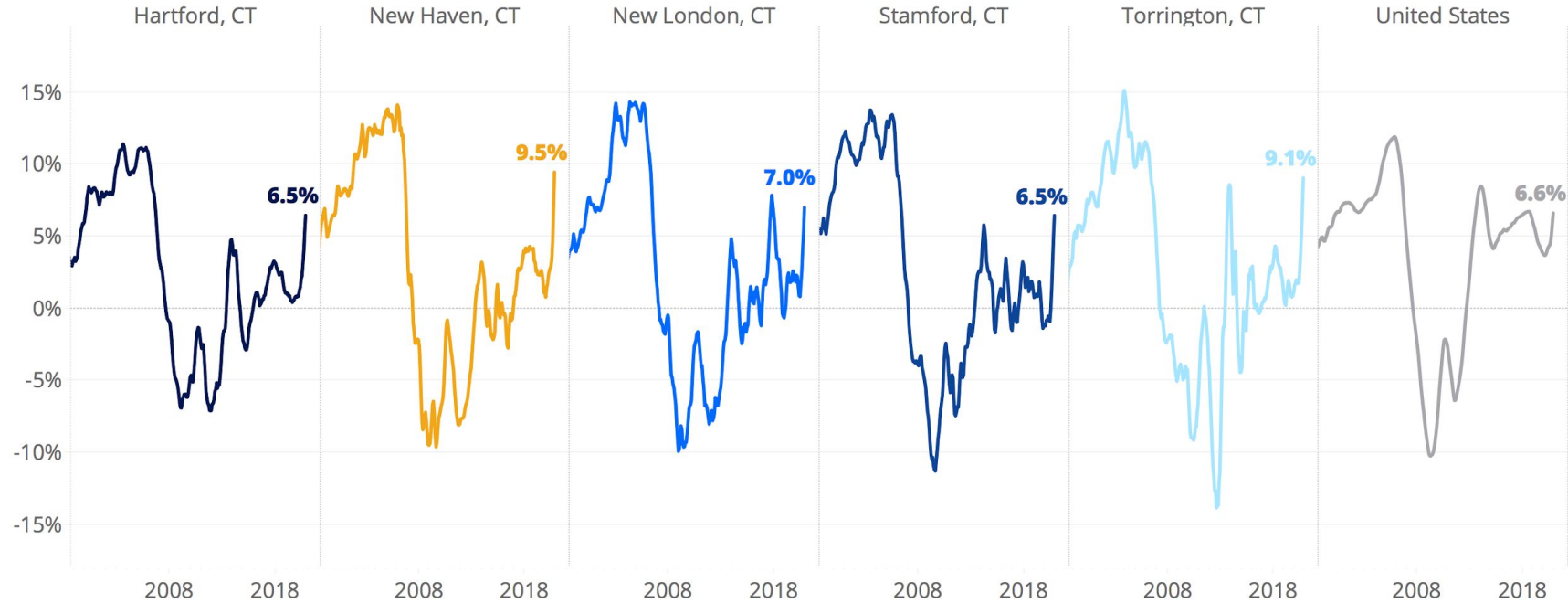


## For-Sale Inventory



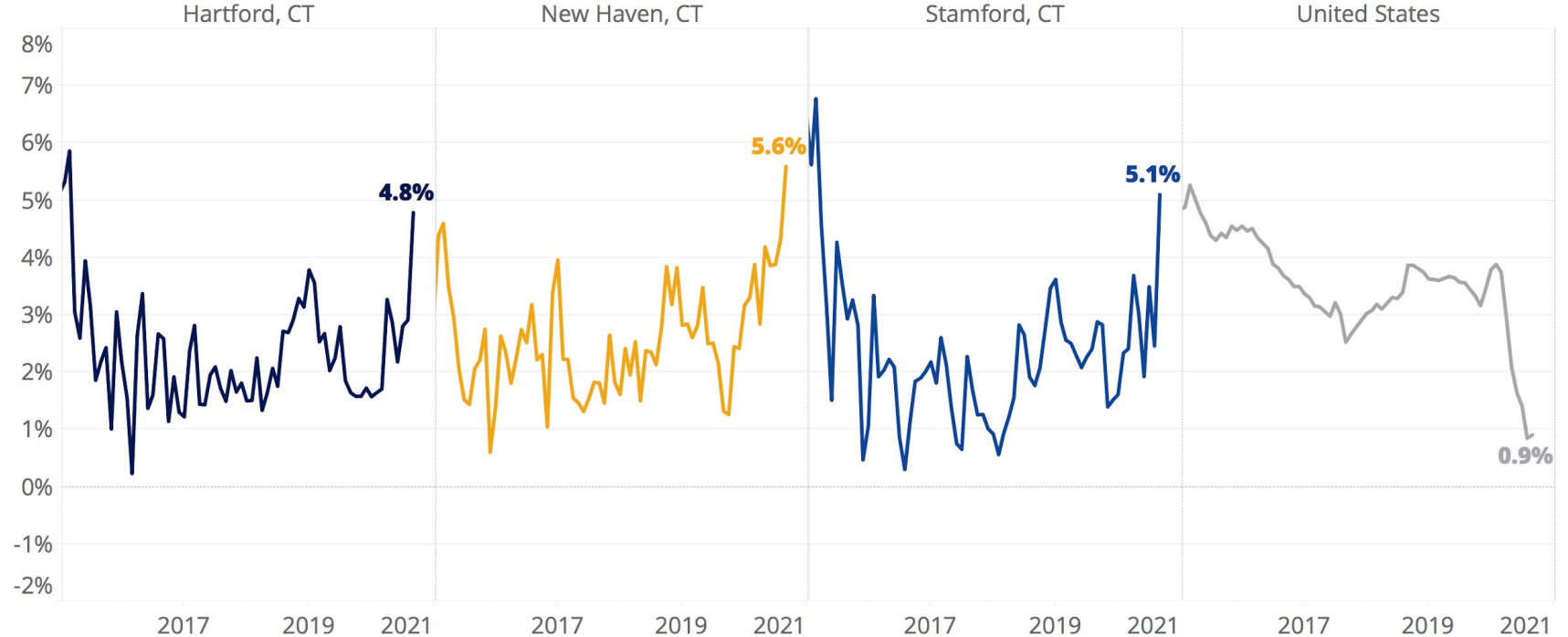
# Incumbent homeowners enjoying home value growth

## Zillow Home Value Index



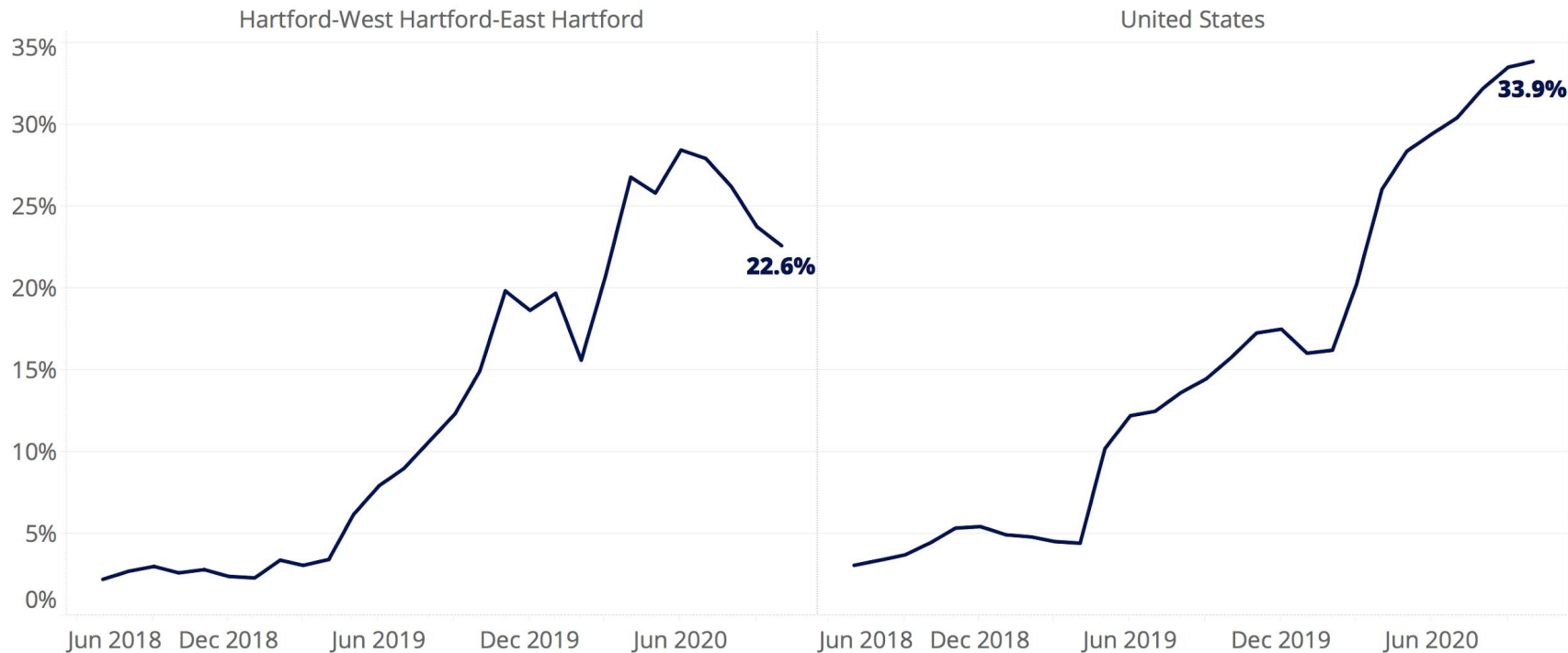
# Rental market cooling relative to home prices

## Zillow Observed Rent Index | YoY



# Rental demand waning amid weakening economy

## Share of Rental Listings With Concessions

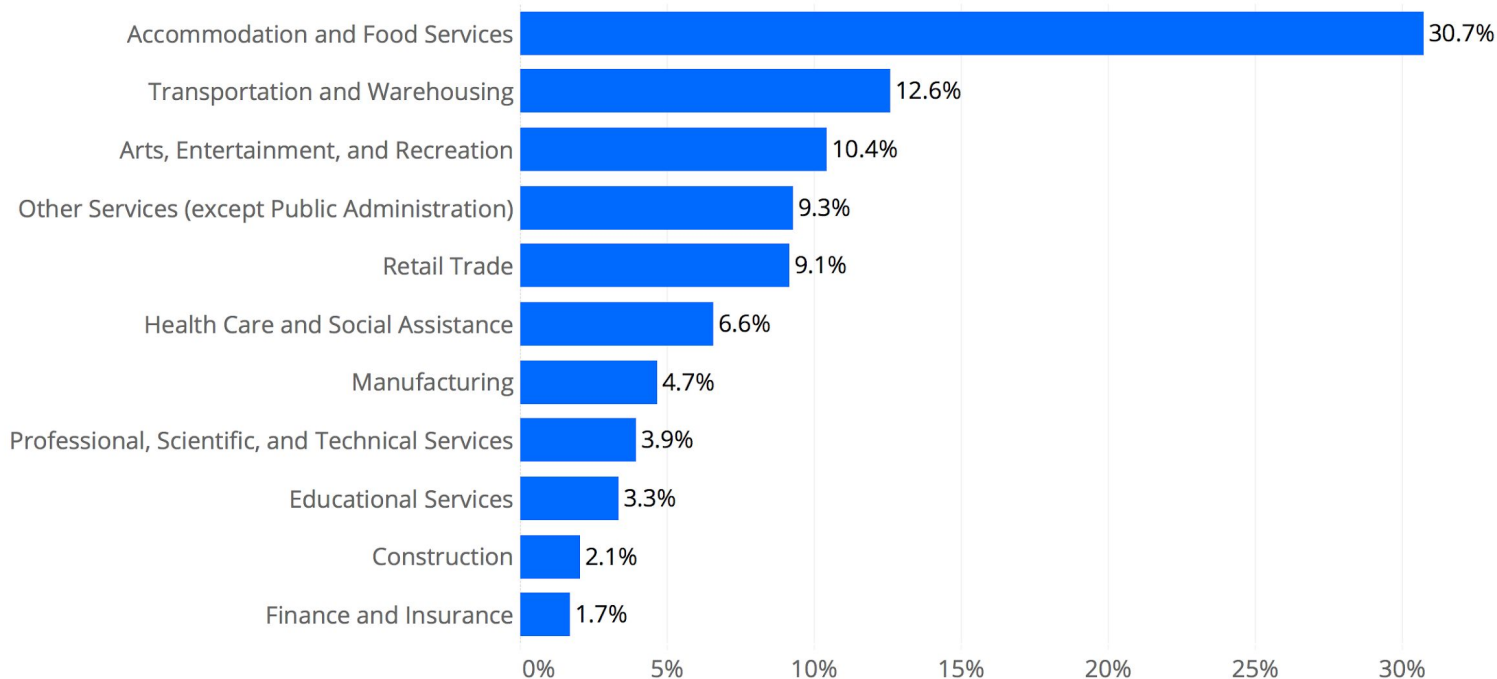




# Recently unemployed owe millions of dollars in housing costs

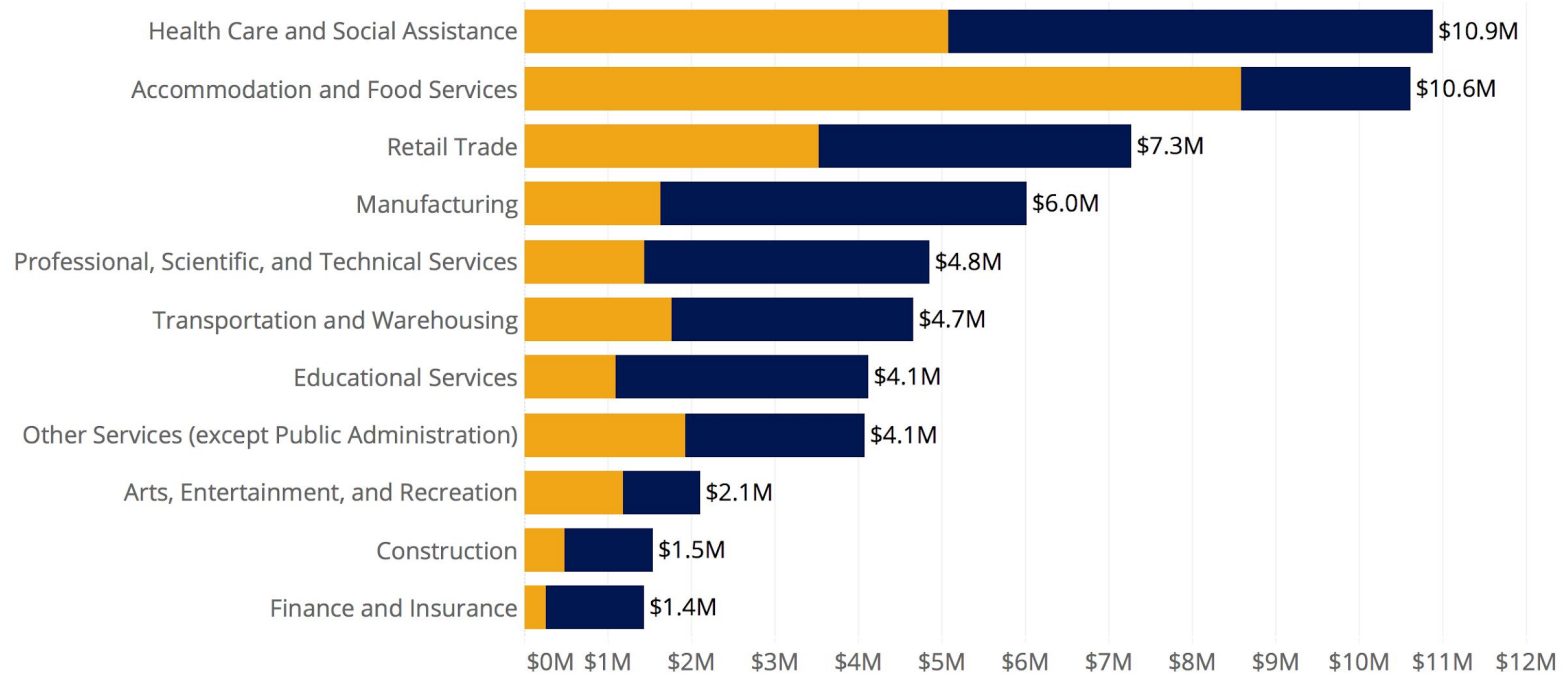
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Share of housing payments owed by newly unemployed in each industry



# CT key industries hit hard by unemployment

Housing payments owed by newly unemployed **homeowners** and **renters** in each industry



# Renter incomes largely come from at-risk jobs

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In **Hartford** households that have a high-contact worker:



of median share of **homeowner household income** comes from high contact-intensity job.



of median share of **renter household income** comes from high contact-intensity job

# Communities of color rely on income from at-risk jobs

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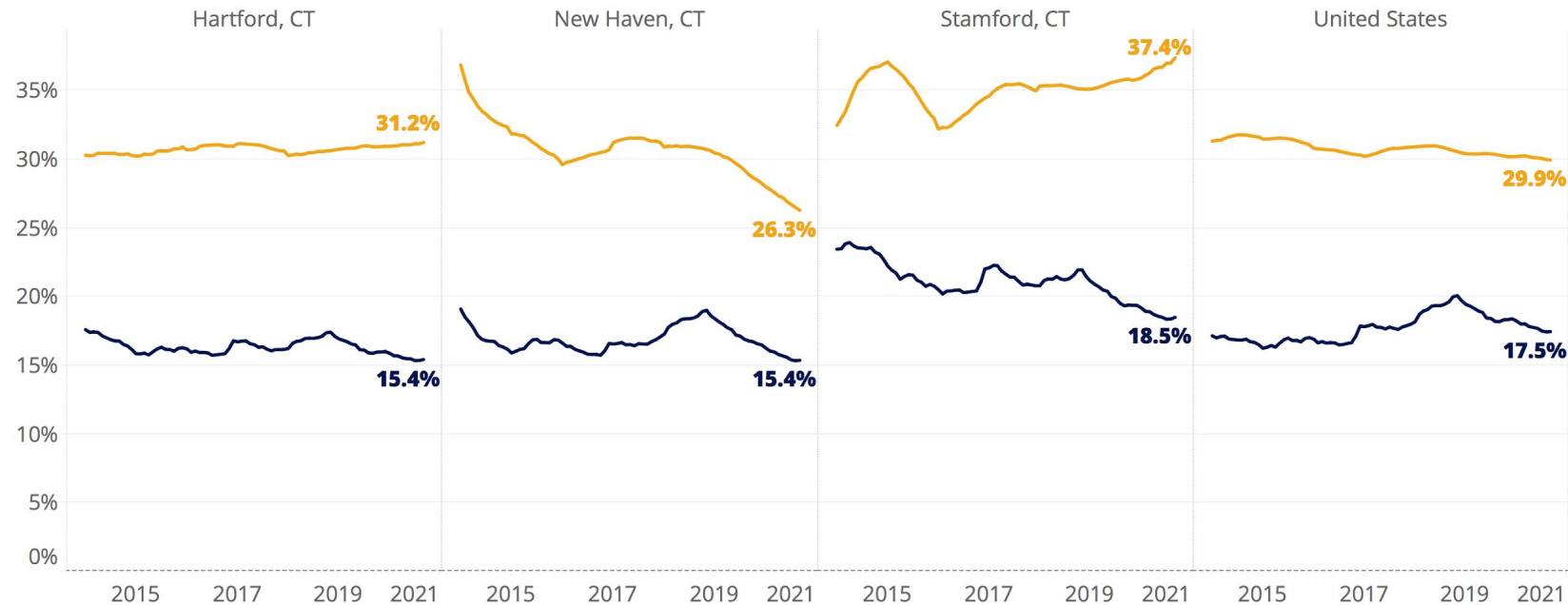
**Median share of household income comes from high contact-intensity job by race**



Source: U.S. Census Bureau, ACS 2018 and Federal Reserve Bank of St. Louis.

# Affordability

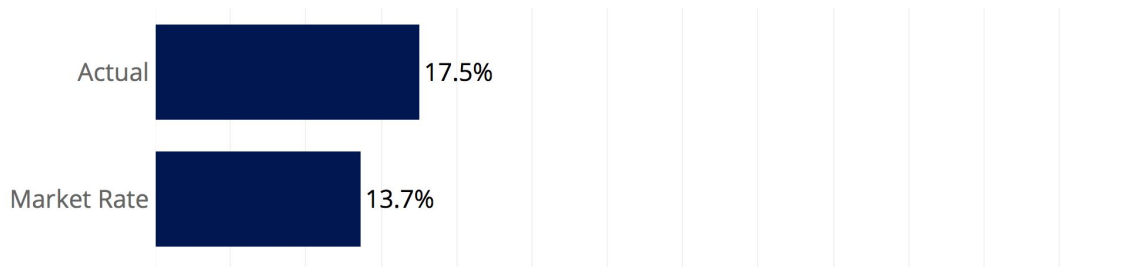
Share of income spent on **rent** and **mortgage**



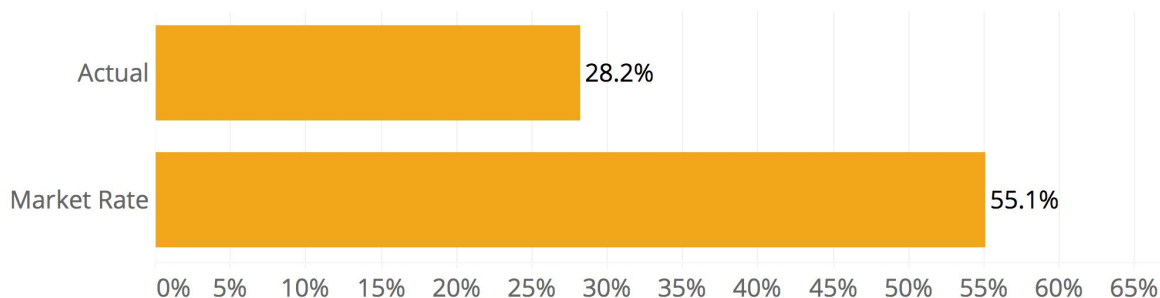
# Recent rent growth impacts affordability in Bridgeport

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## Share of income toward mortgage



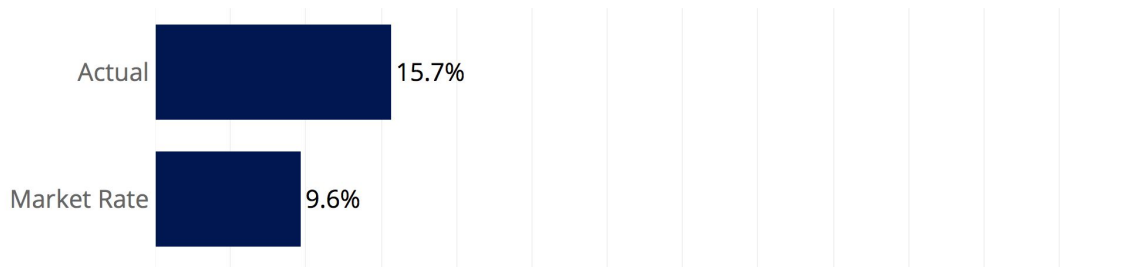
## Share of income toward rent



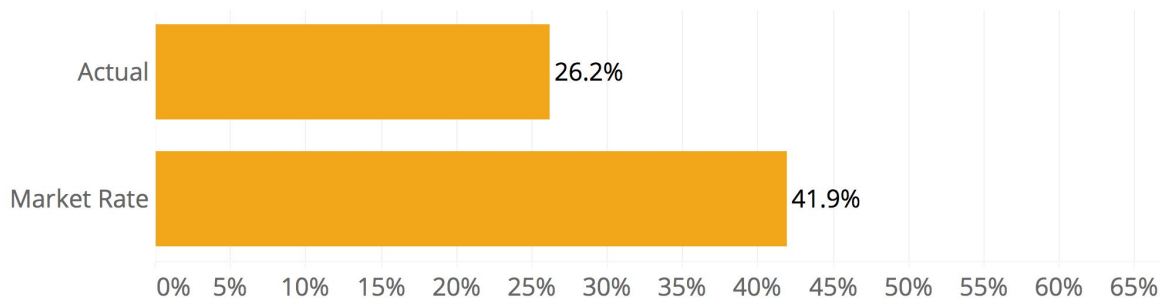
# Recent rent growth impacts affordability in Hartford

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## Share of income toward mortgage



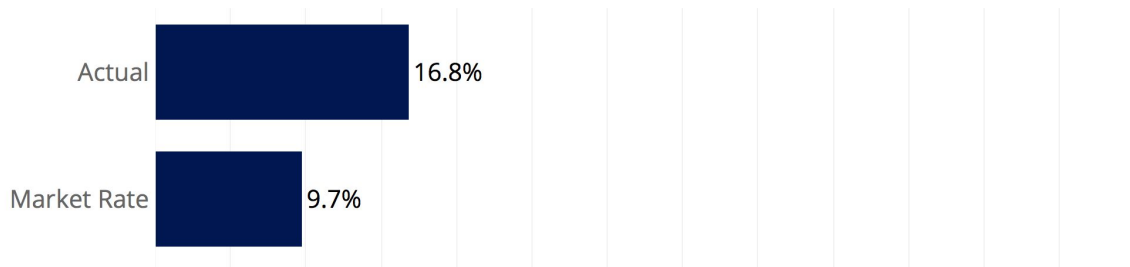
## Share of income toward rent



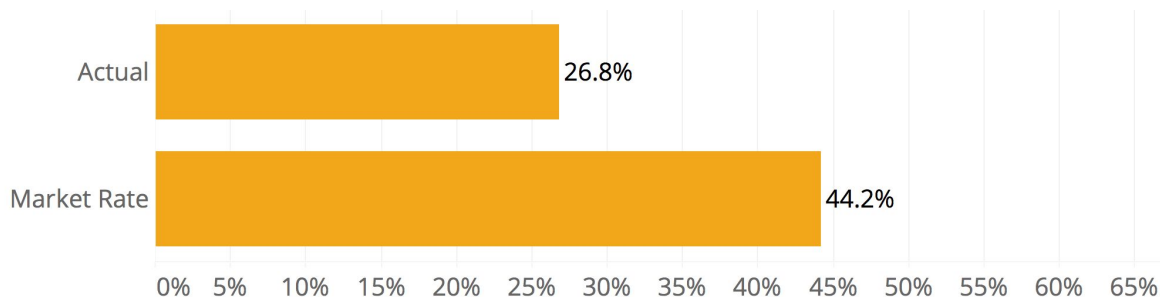
# Recent rent growth impacts affordability in New Haven

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## Share of income toward mortgage



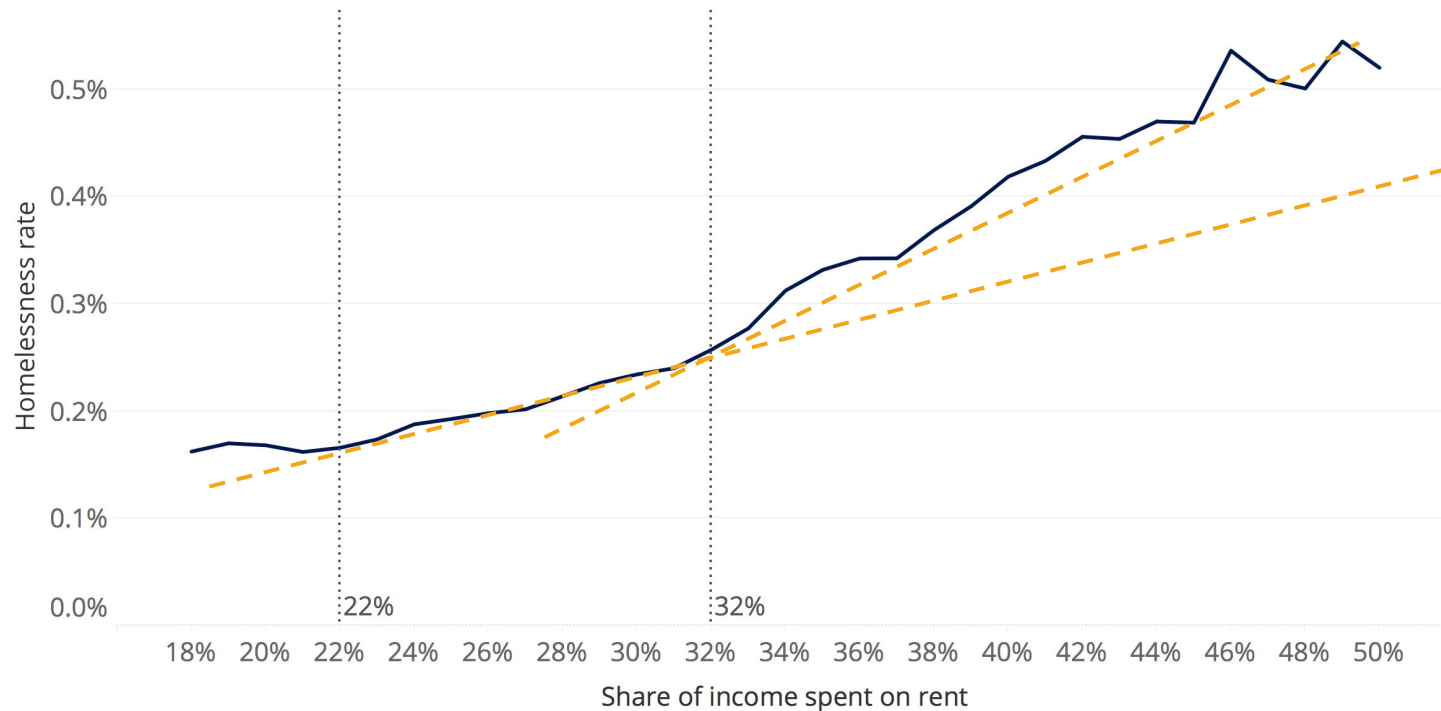
## Share of income toward rent





# Rent affordability directly related to rising homelessness

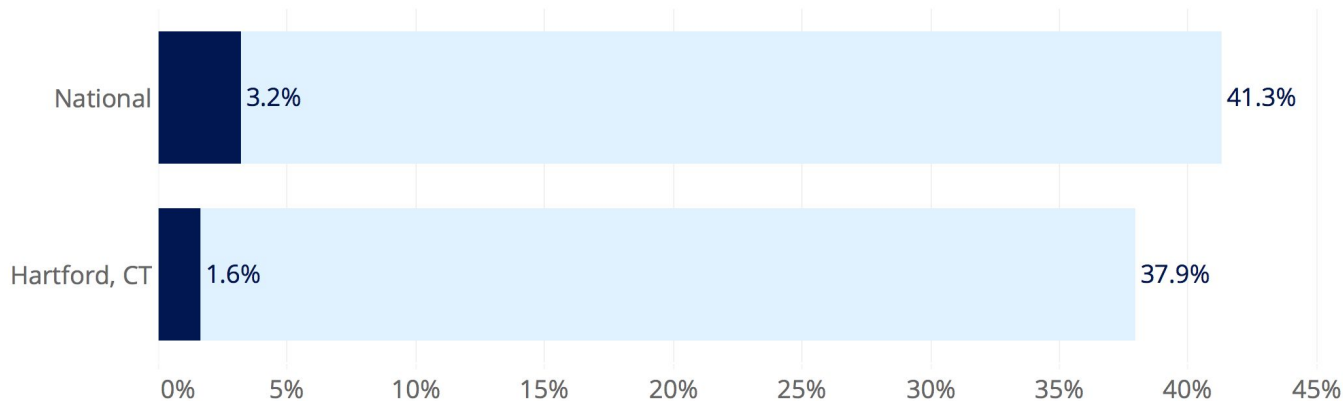
Homelessness rises fast when rent affordability reaches 22% and 32% thresholds



# CARES Act helped households meet housing payments

## Share of households that are severely rent-burdened will skyrocket when \$600/week expires

Share of households that are severely housing burdened **with state unemployment insurance and additional \$600/week** and **without additional \$600/week**



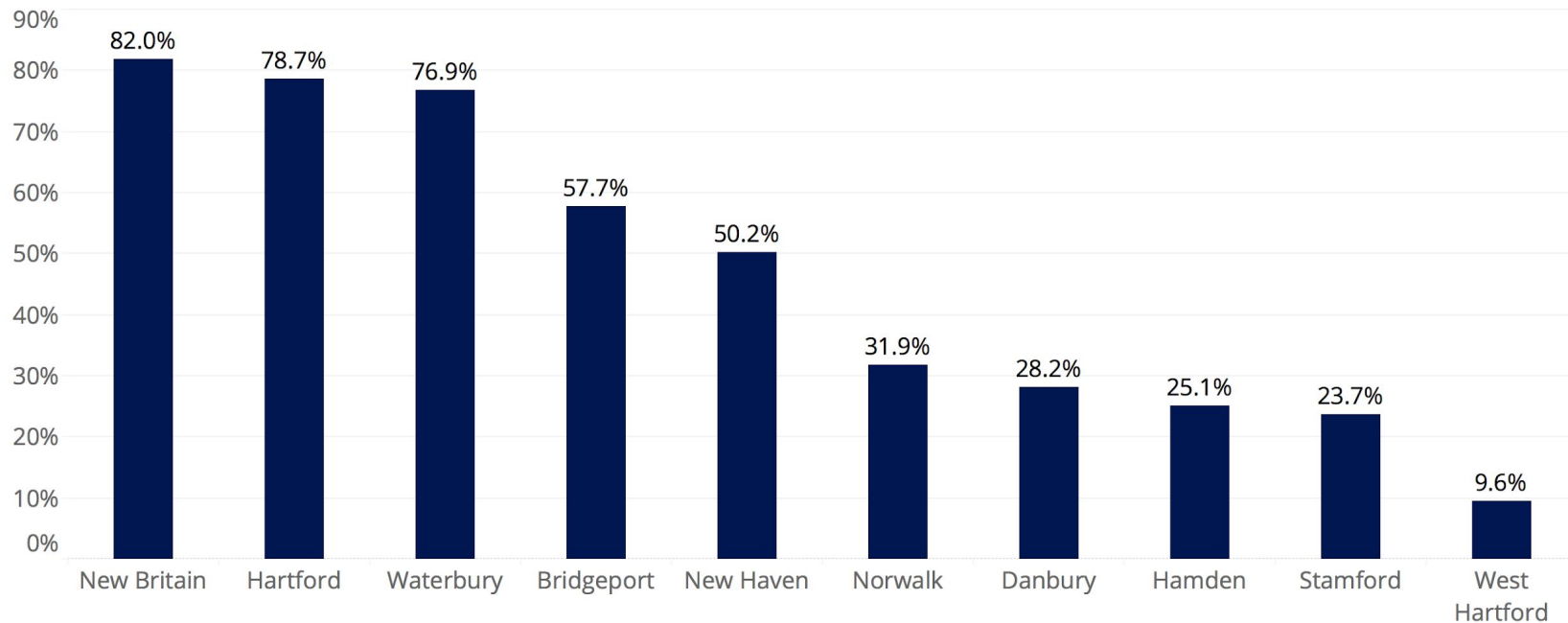
Source: U.S. Census Bureau, ACS 2018 and Federal Reserve Bank of St. Louis.

# Fair market rent

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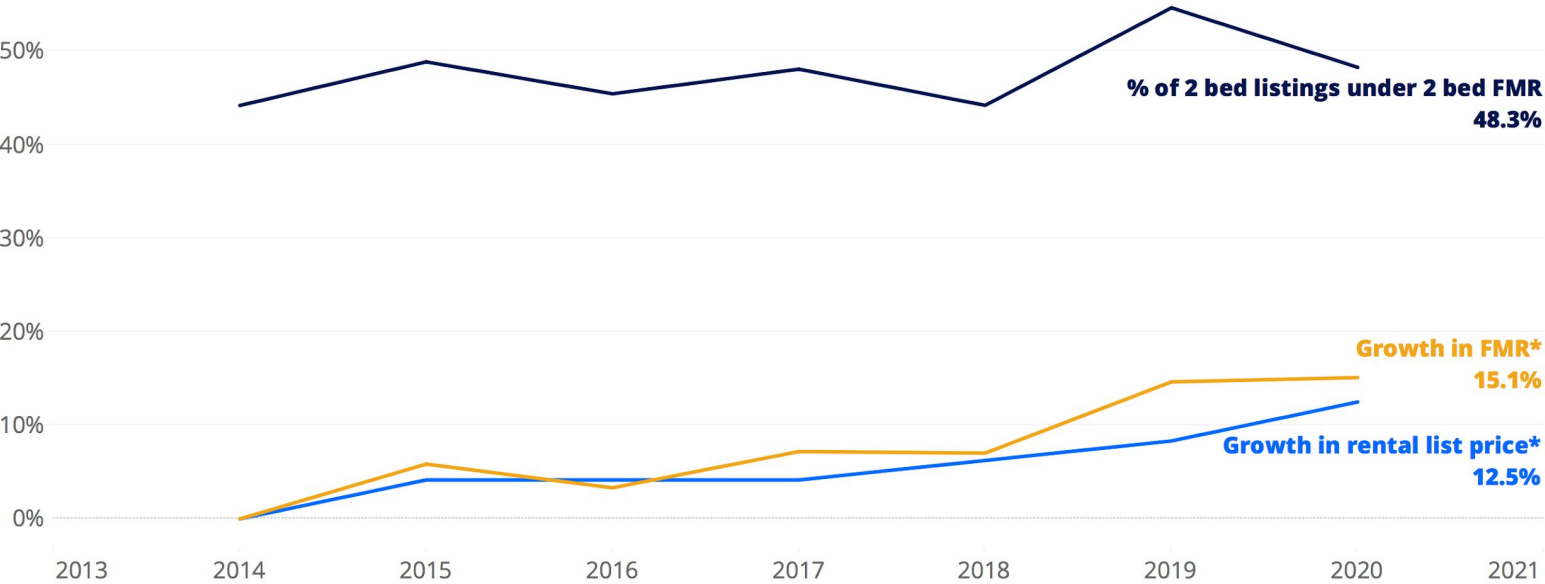
## Share of listings under FMR

1-4 bedroom apartments, 2020 Year-to-date



# Fair market rent growth strong in New Haven County

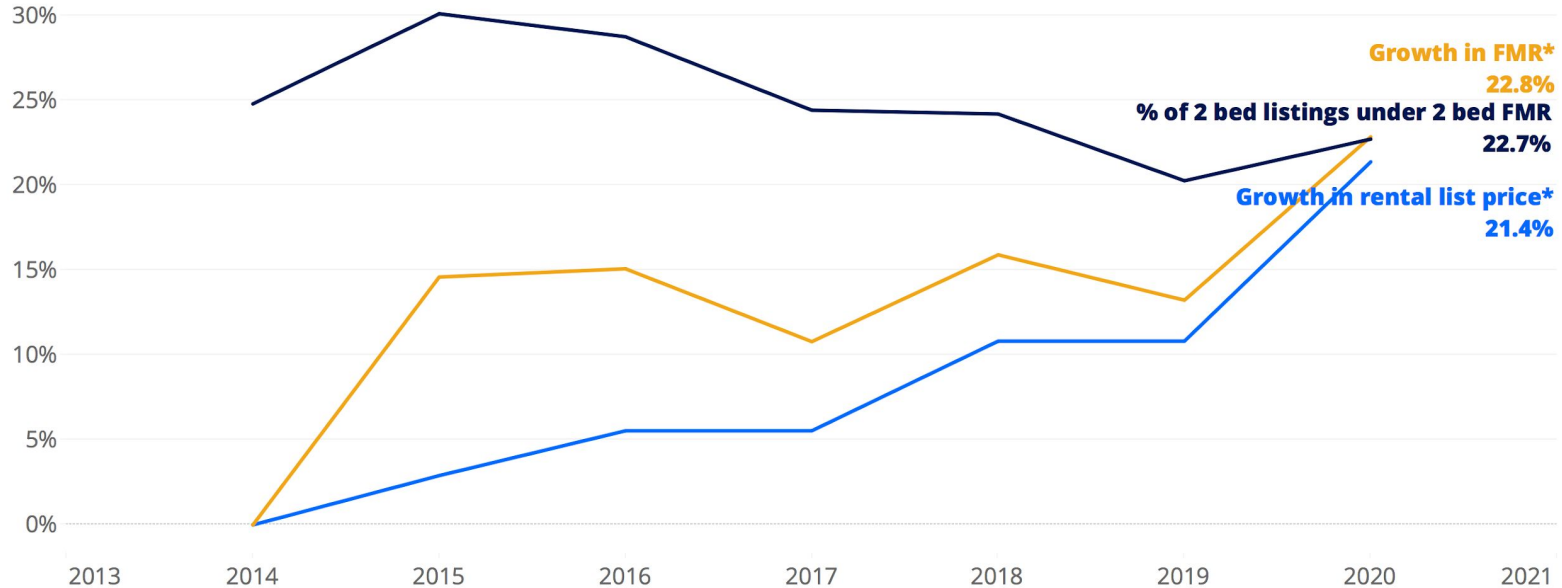
## New Haven County



\*Indexed to 2014

# Fair market rents largely keeping pace in Fairfield County

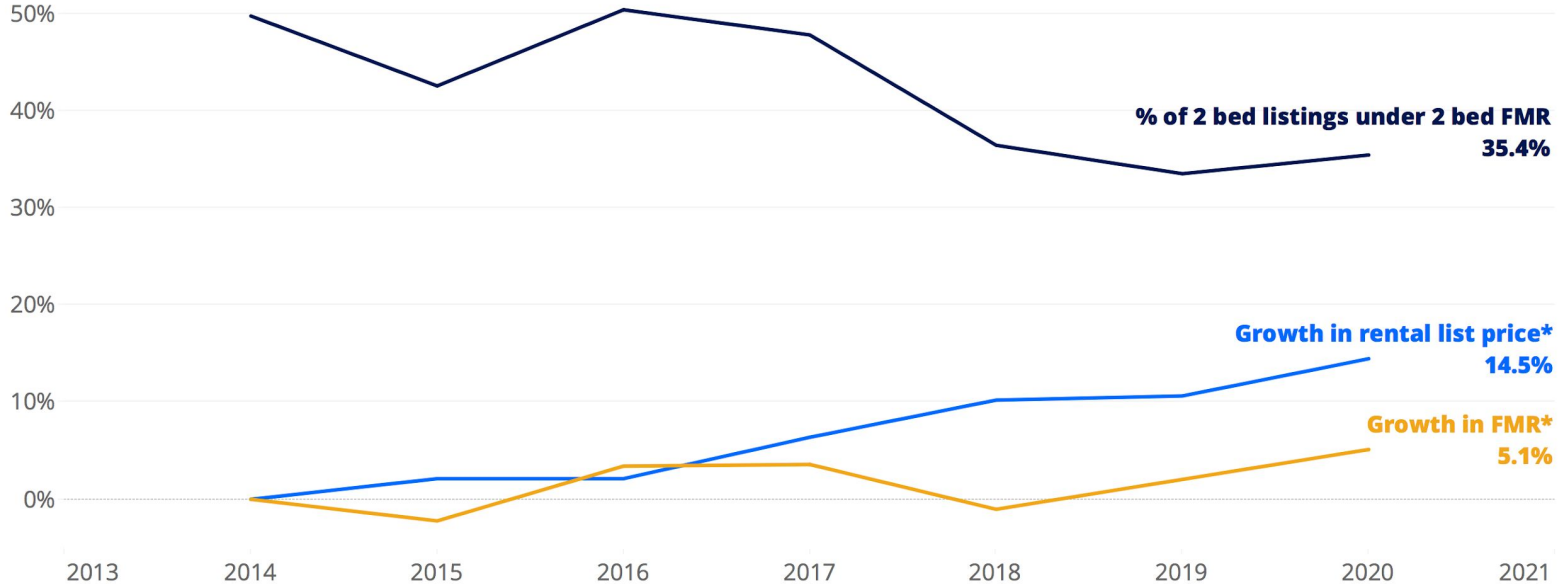
## Fairfield County



\*Indexed to 2014

# Fair market rents well below rent growth in Hartford County

## Hartford County



\*Indexed to 2014

# Thank you.

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