

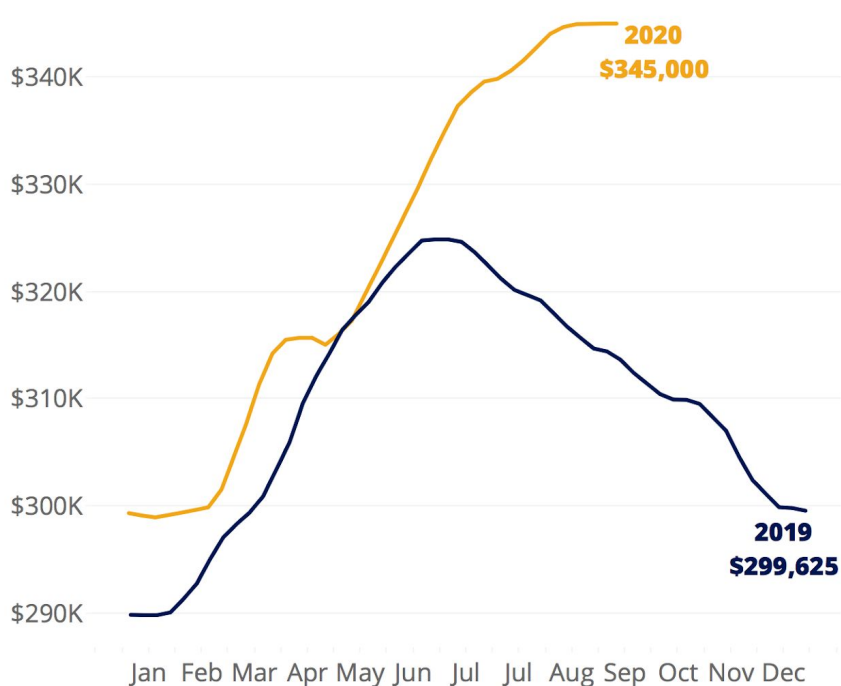
Crisis in the Rental Market

Connecticut Coalition to End Homelessness
Cheryl Young, Zillow Senior Economist
October 6, 2020

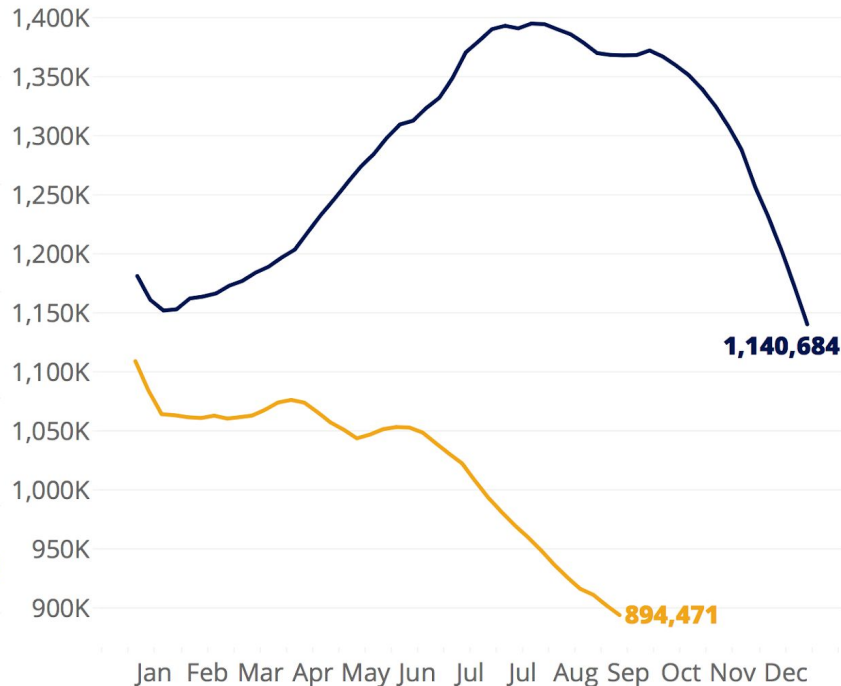


National for-sale market masks economic instability

Median List Price

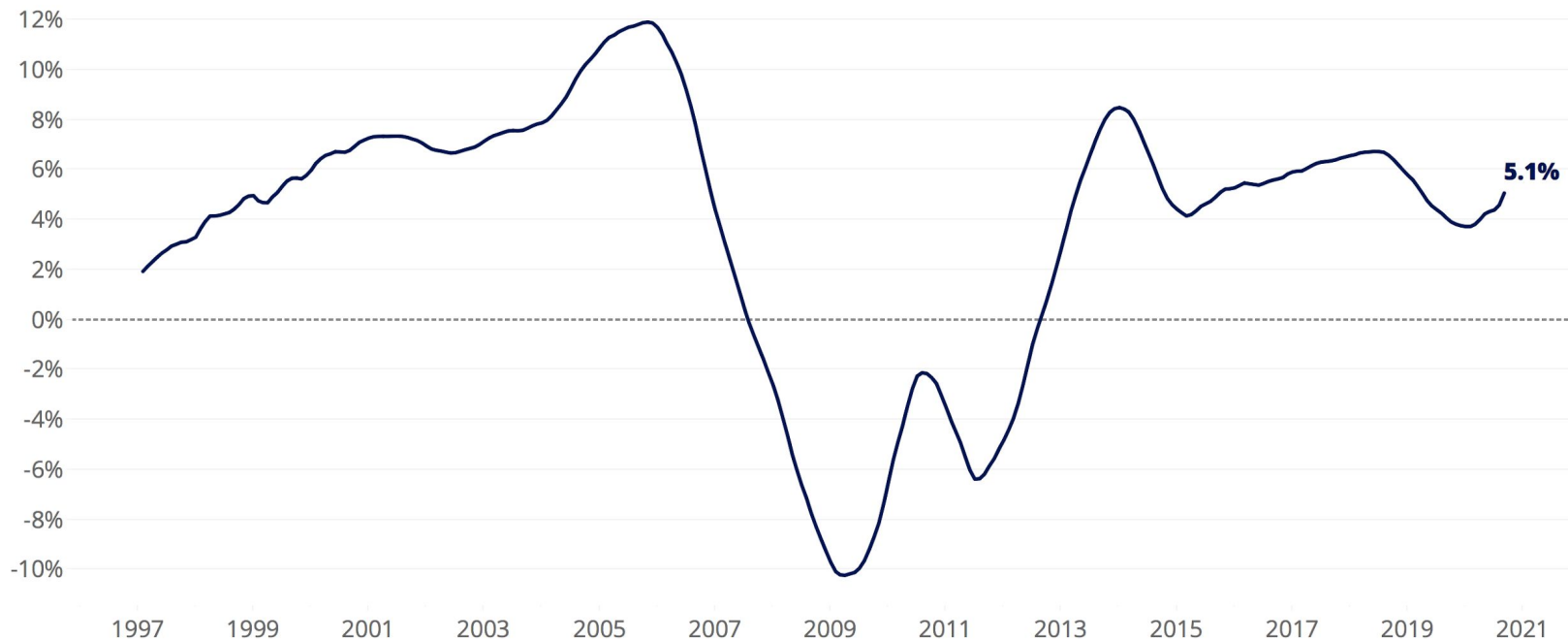


For-Sale Inventory



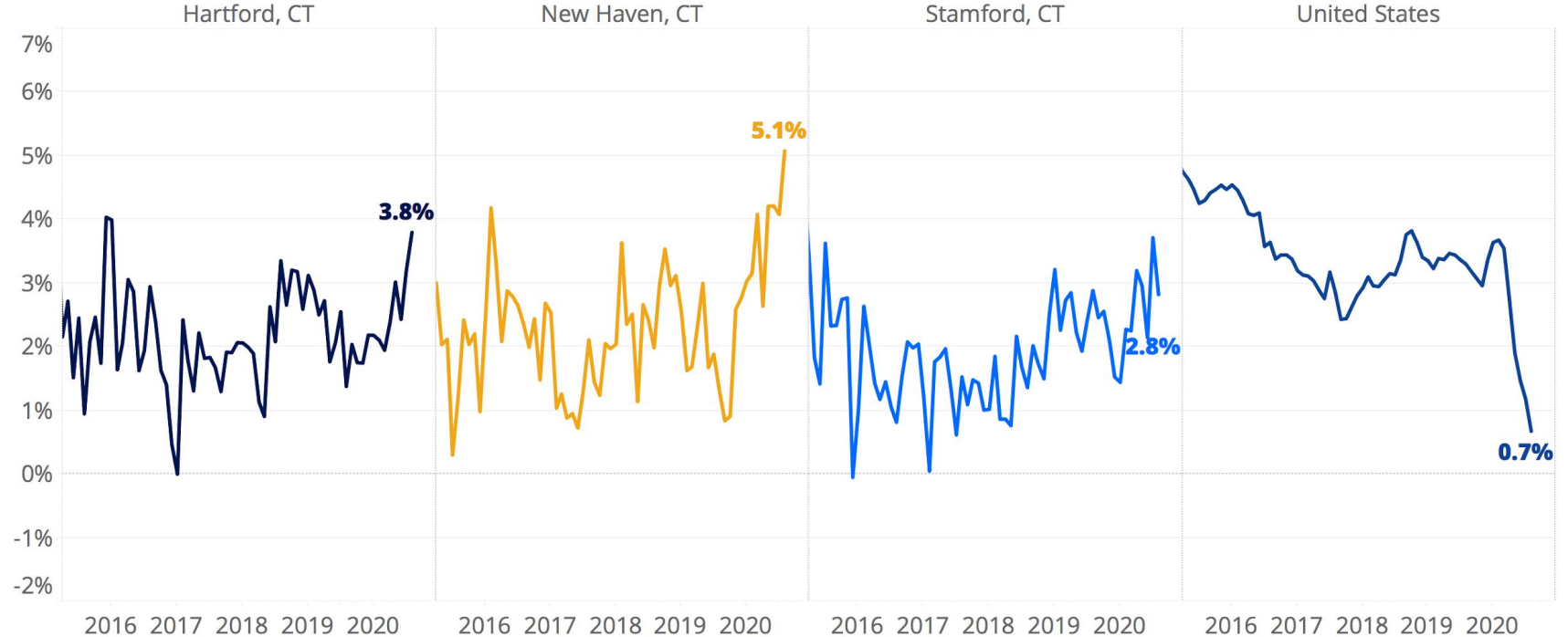
Incumbent homeowners enjoying home value growth

Zillow Home Value Index, YoY



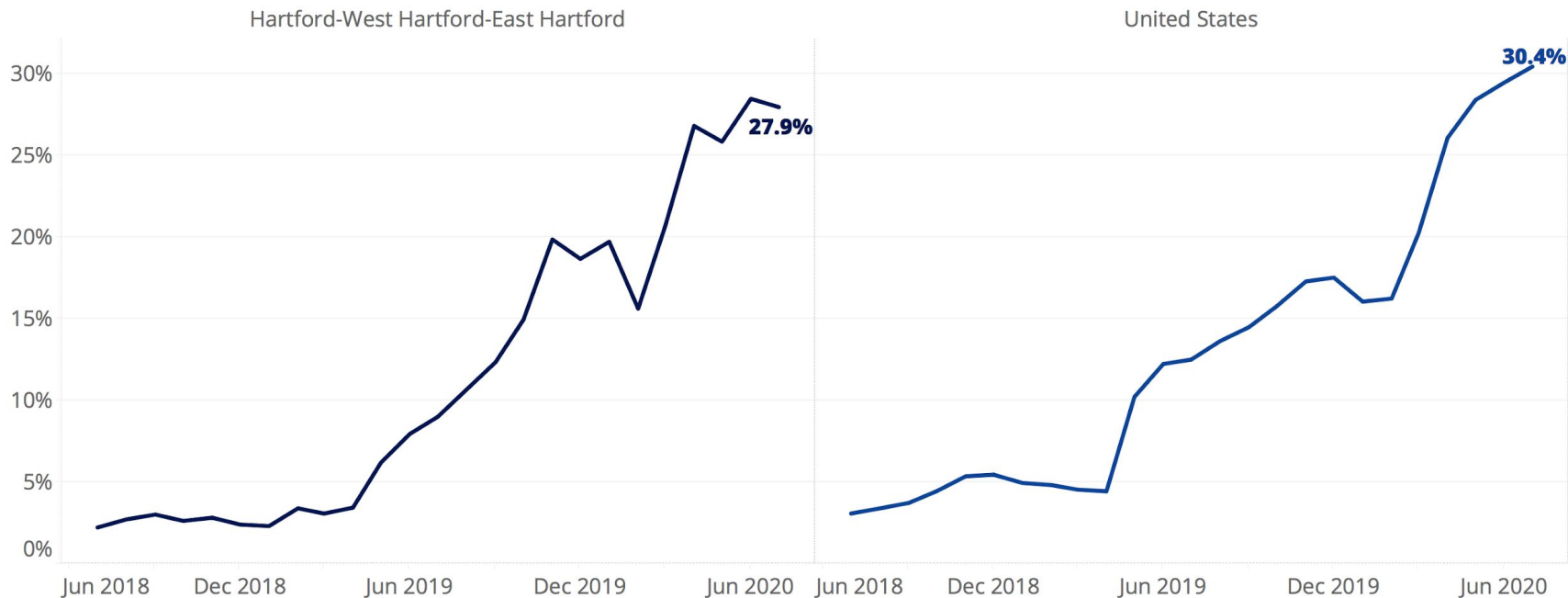
Rental market cooling relative to home prices

Zillow Observed Rent Index | YoY



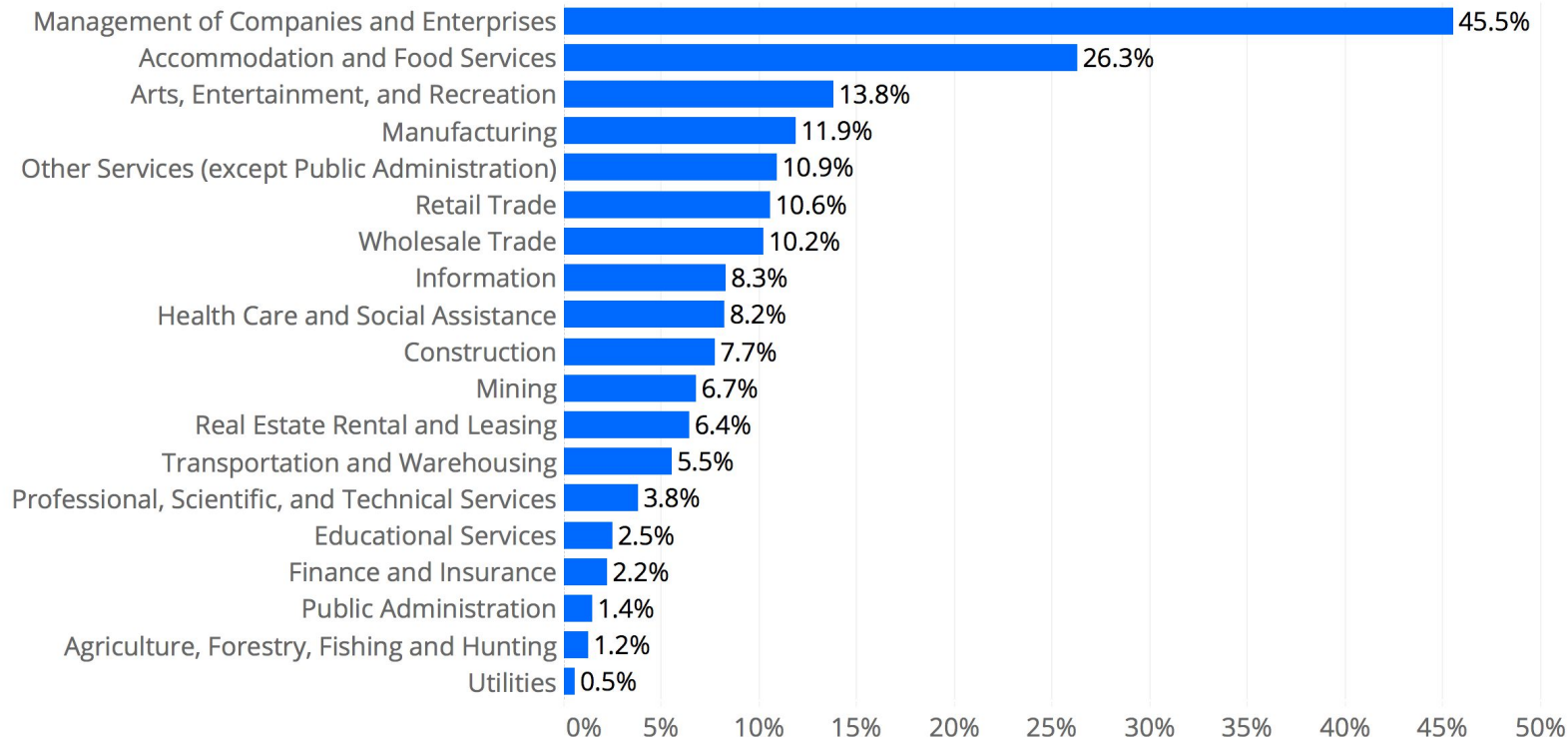
Rental demand waning amid weakening economy

Share of Rental Listings With Concessions



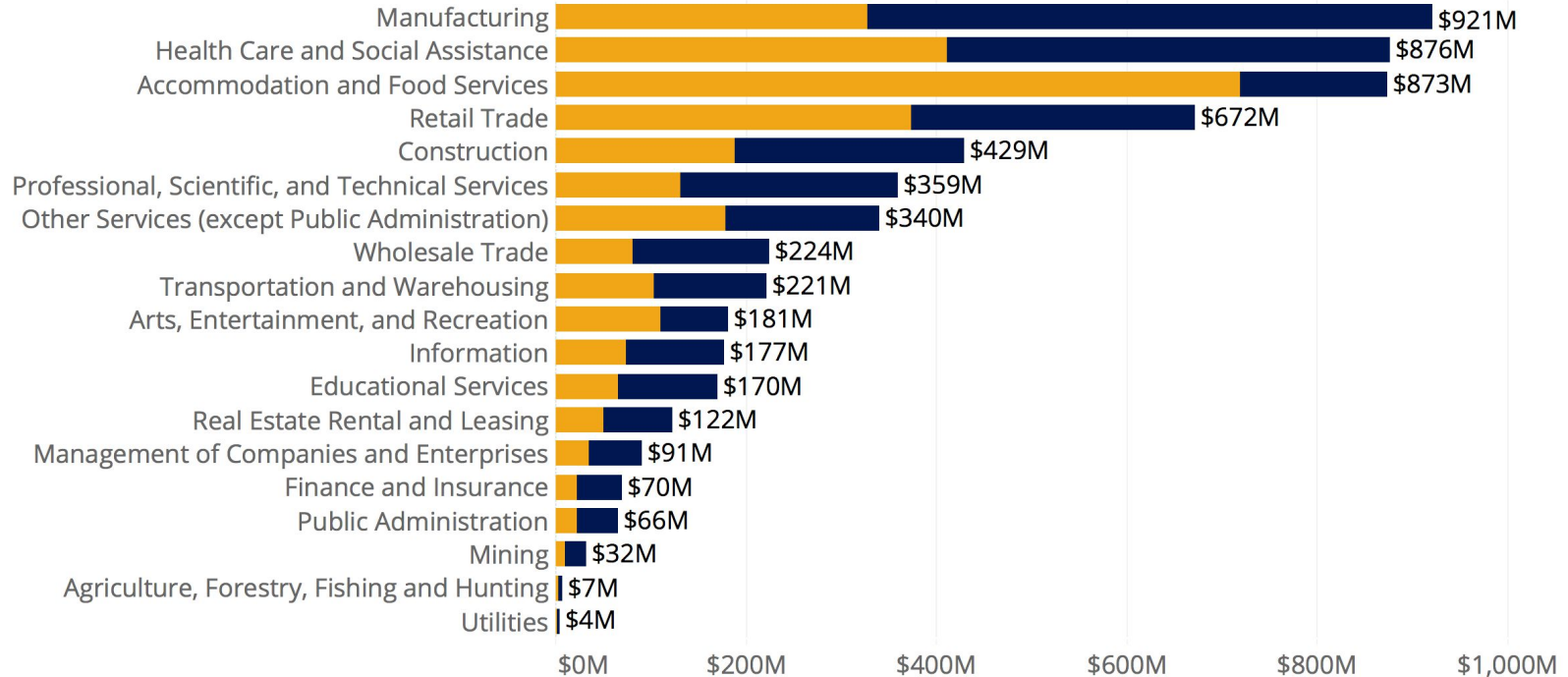
Recently unemployed owe millions of dollars in housing costs

Share of housing payments owed by newly unemployed in each industry



Key industries hit hard by unemployment dominated by renters

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

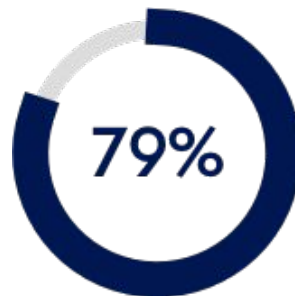


Renter incomes largely come from at-risk jobs

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

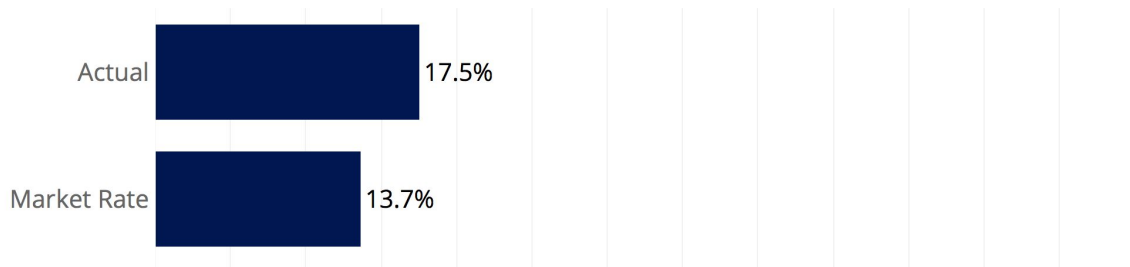
Median share of household income comes from high contact-intensity job by race



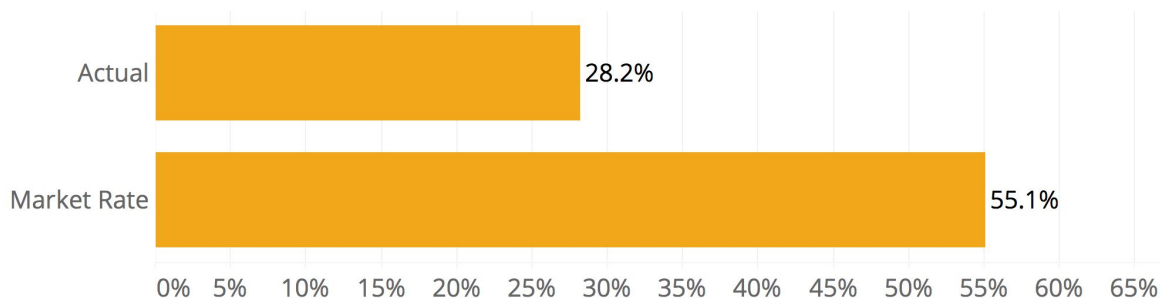
Source: U.S. Census Bureau, ACS 2018 and Federal Reserve Bank of St. Louis.

Recent rent growth impacts affordability in Bridgeport

Share of income toward mortgage

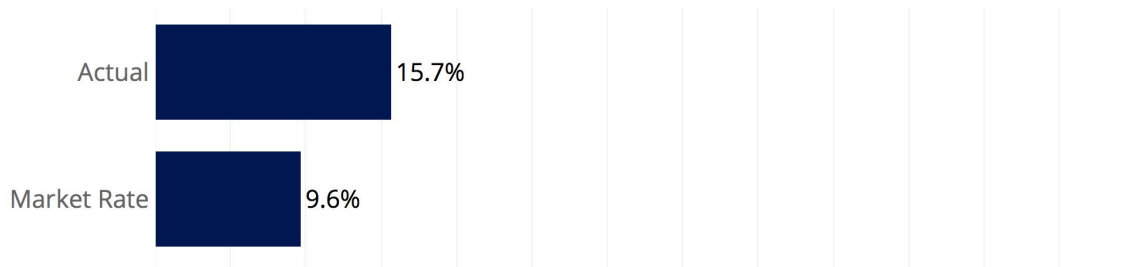


Share of income toward rent

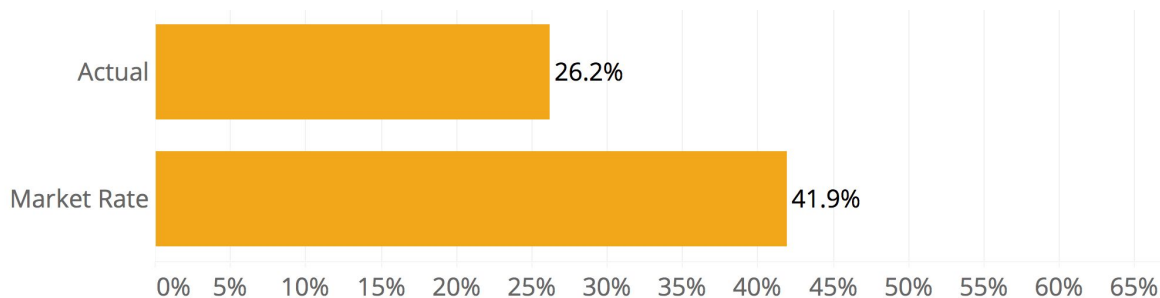


Recent rent growth impacts affordability in Hartford

Share of income toward mortgage

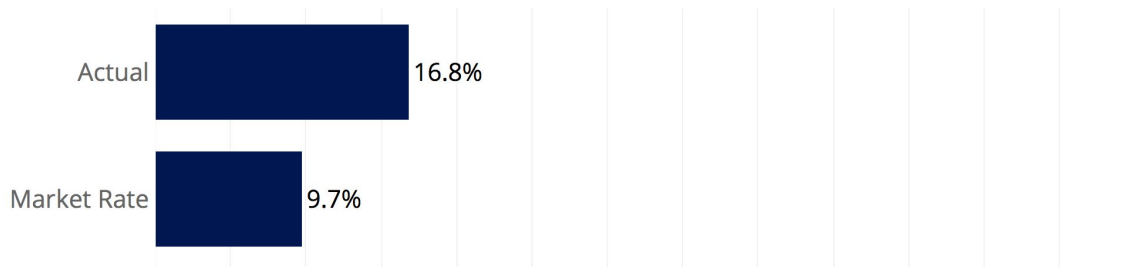


Share of income toward rent

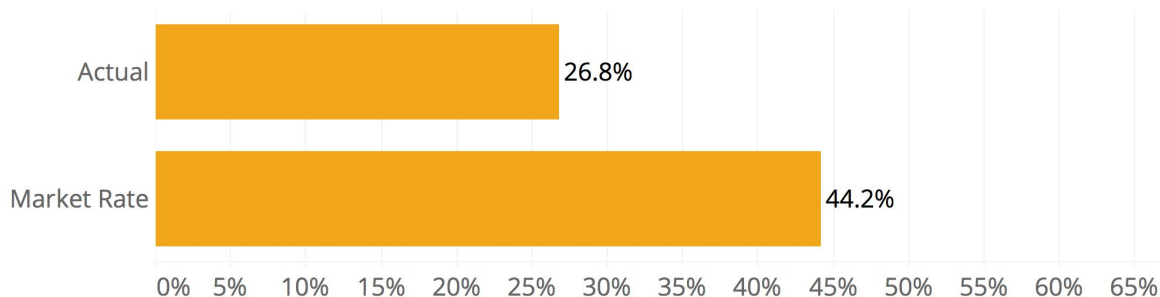


Recent rent growth impacts affordability in New Haven

Share of income toward mortgage

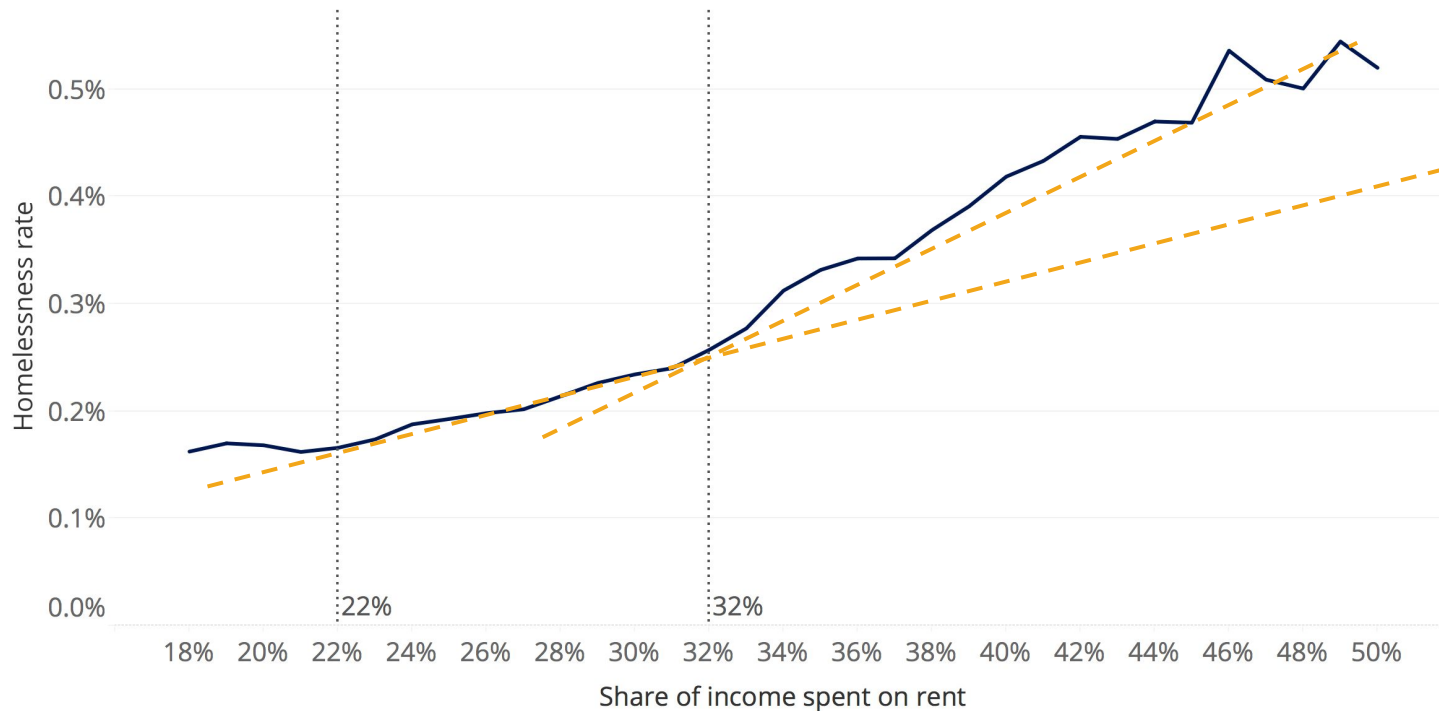


Share of income toward rent



Rent affordability directly related to rising homelessness

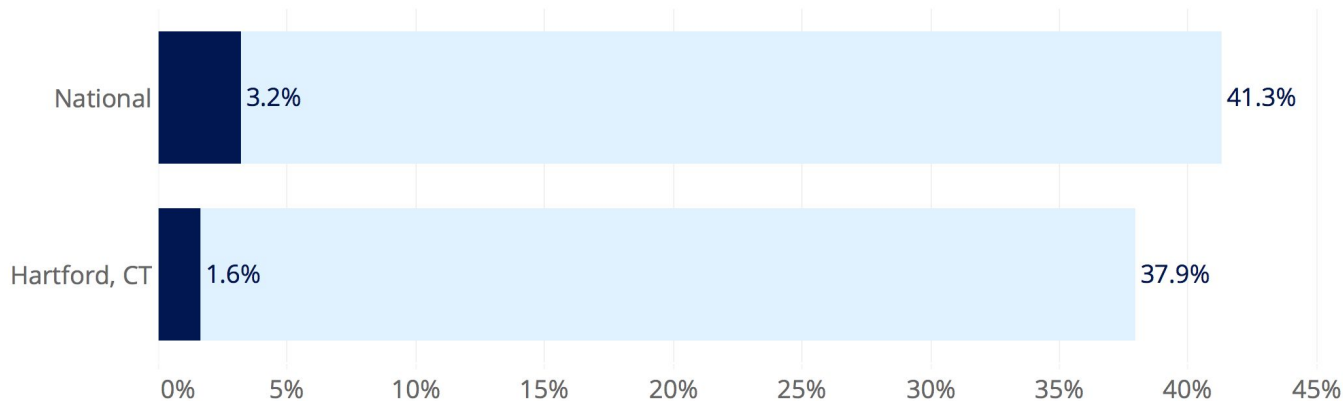
Homelessness rises fast when rent affordability reaches 22% and 32% thresholds



CARES Act helped households meet housing payments

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

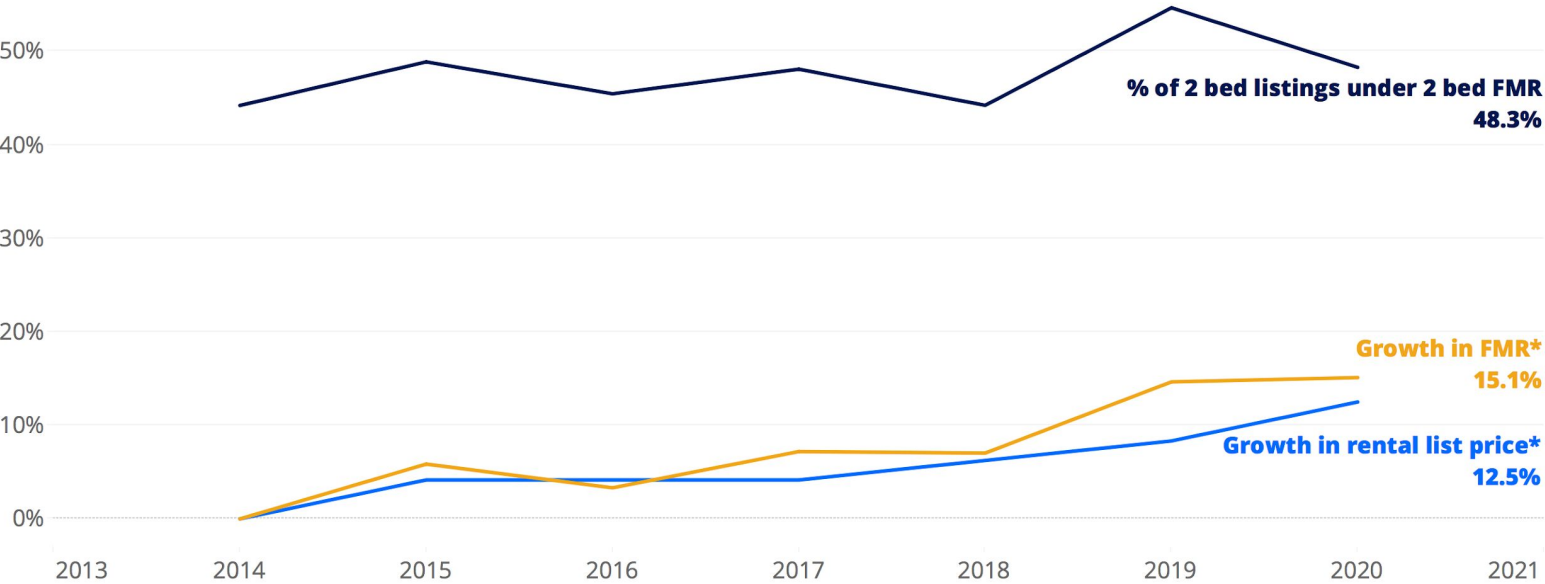
Share of households that are severely housing burdened **with state unemployment insurance and additional \$600/week** and **without additional \$600/week**



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

Fair market rent growth strong in New Haven County

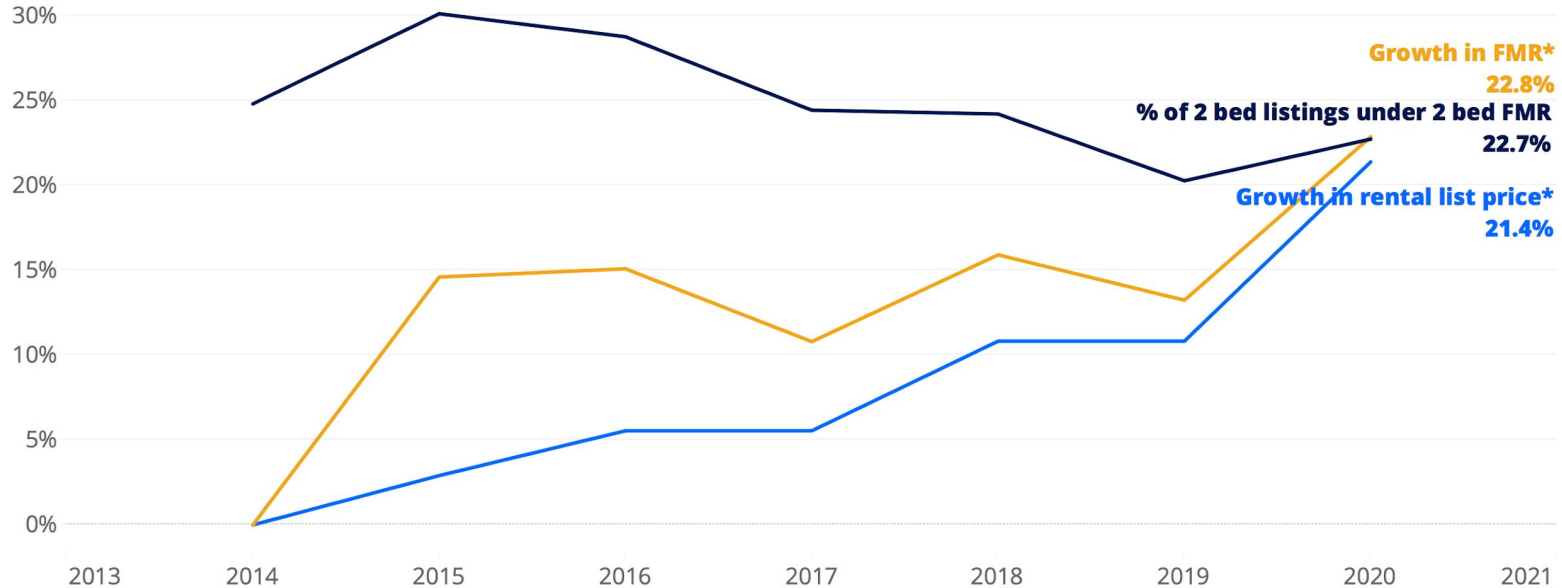
New Haven County



*Indexed to 2014

Fair market rents largely keeping pace in Fairfield County

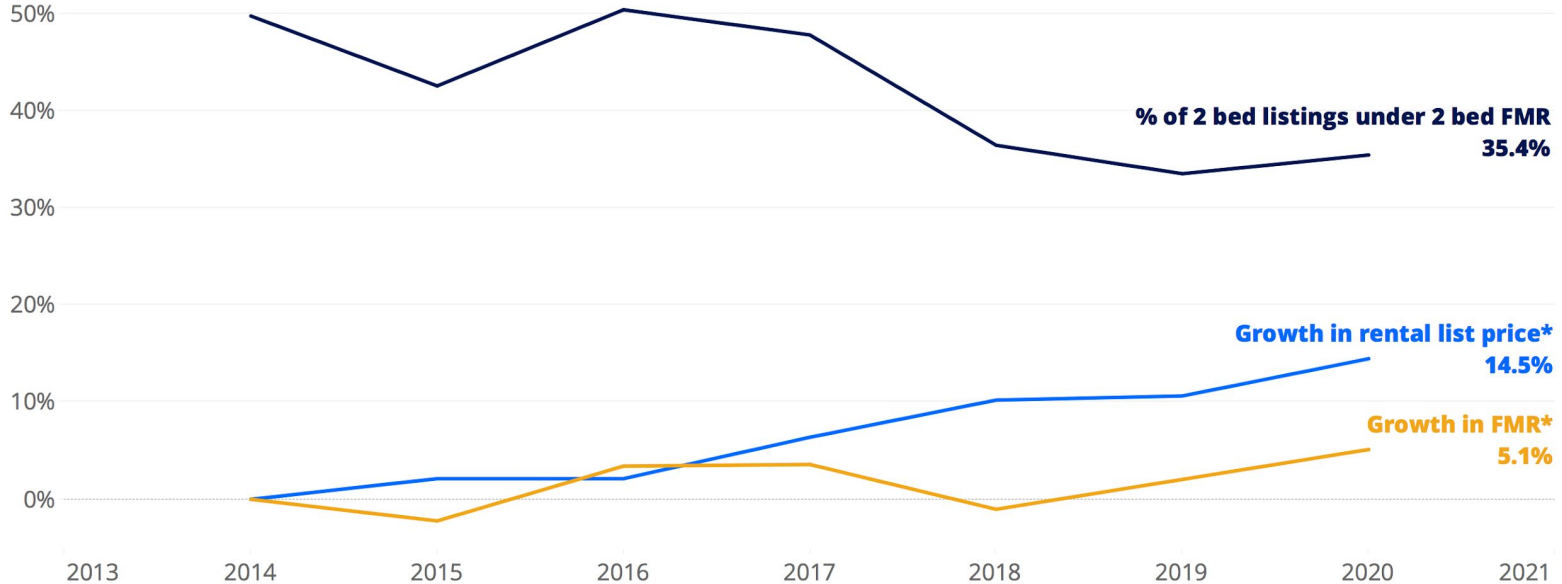
Fairfield County



*Indexed to 2014

Fair market rents well below rent growth in Hartford County

Hartford County



*Indexed to 2014

Thank you.
