



MULTIFAMILY FORUM

A photograph of a modern multi-story apartment building with balconies, set against a blue sky. In the foreground, there is a courtyard with a wooden pergola, benches, and some landscaping. The image has a dark blue overlay.

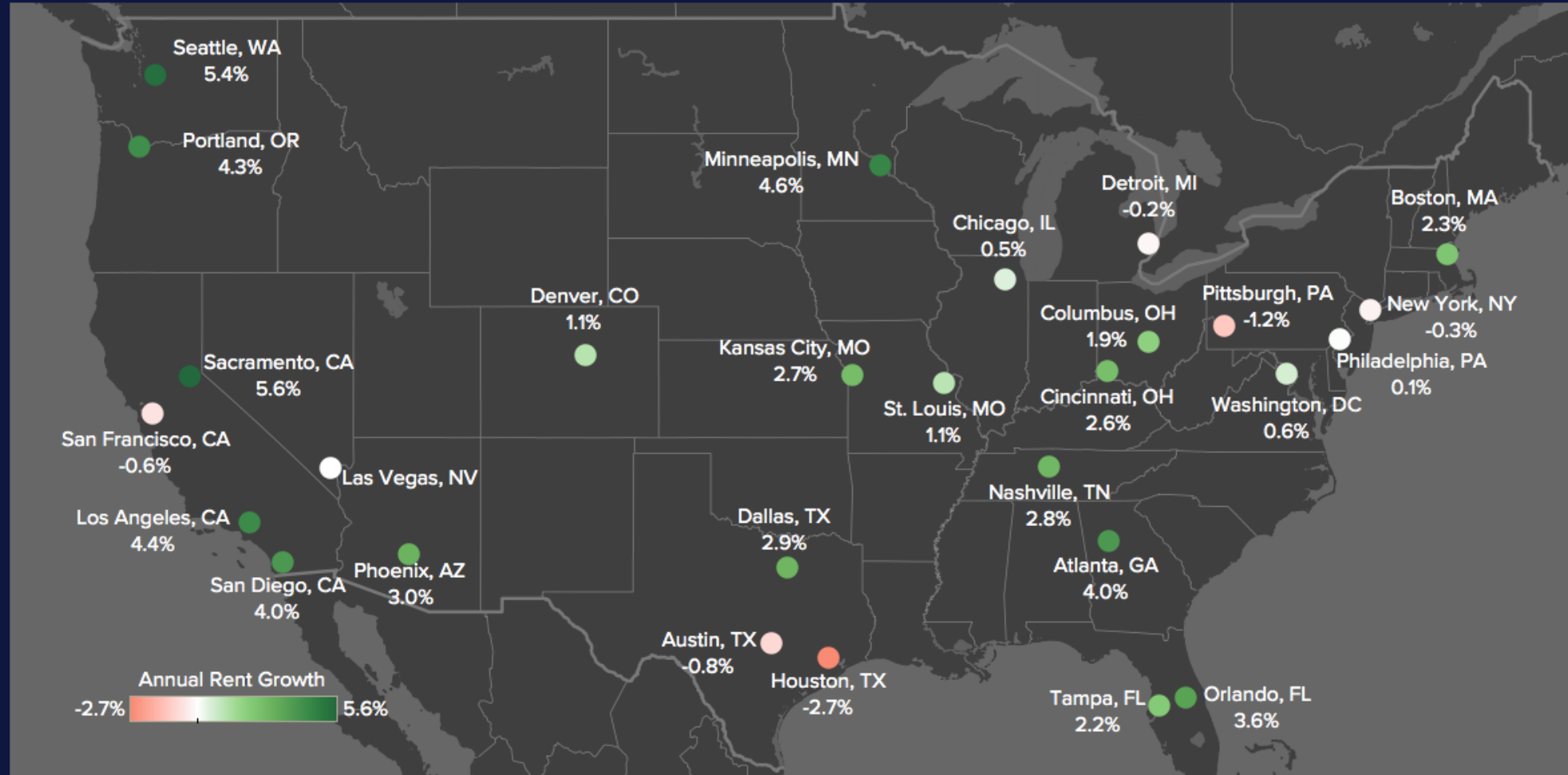
What's Happening in the Rental Economy

Skylar Olsen, PhD, Senior Economist

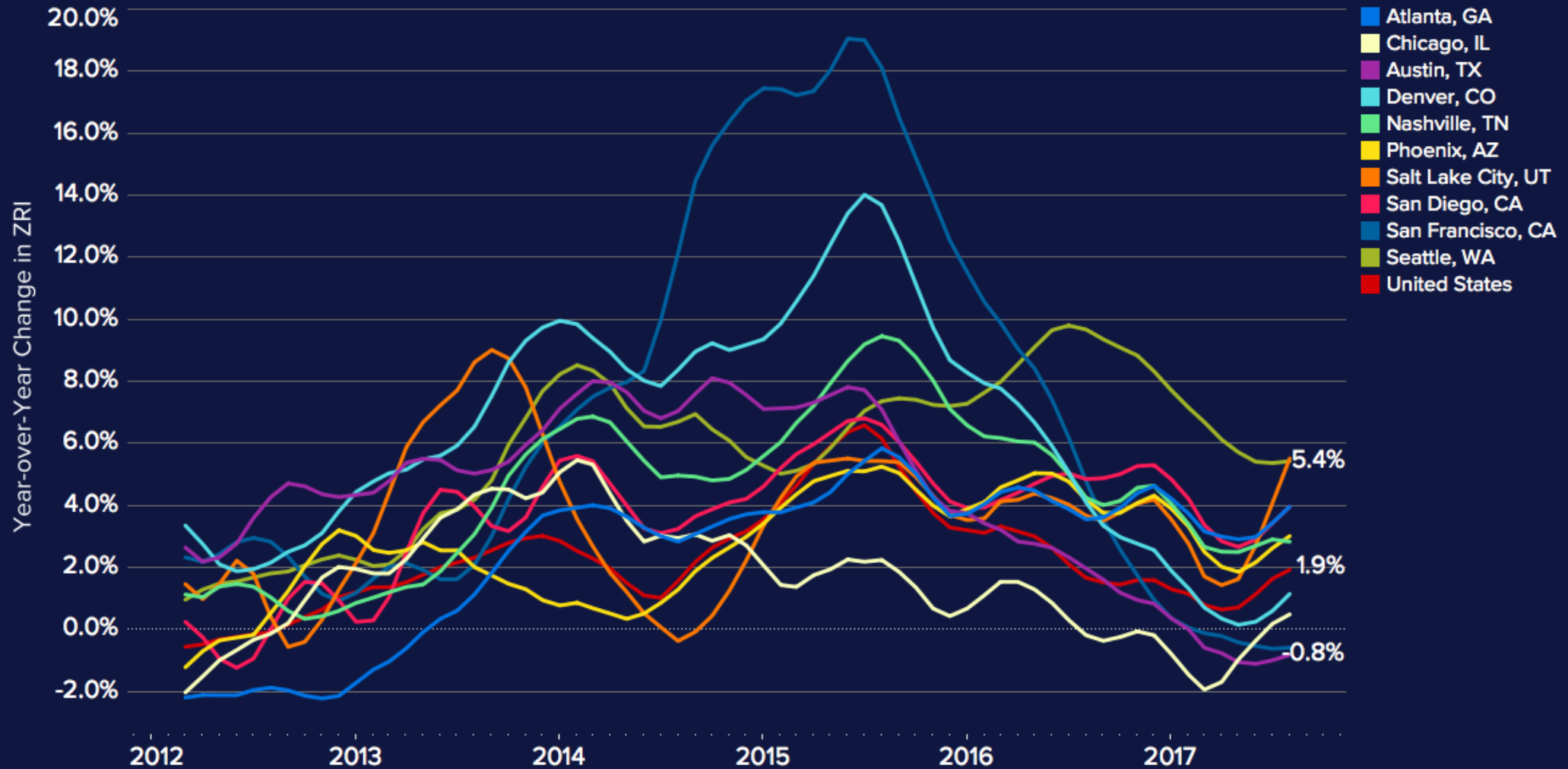
Annual growth in rents picked up somewhat in the first half of 2017, but remains far below 2015 highs



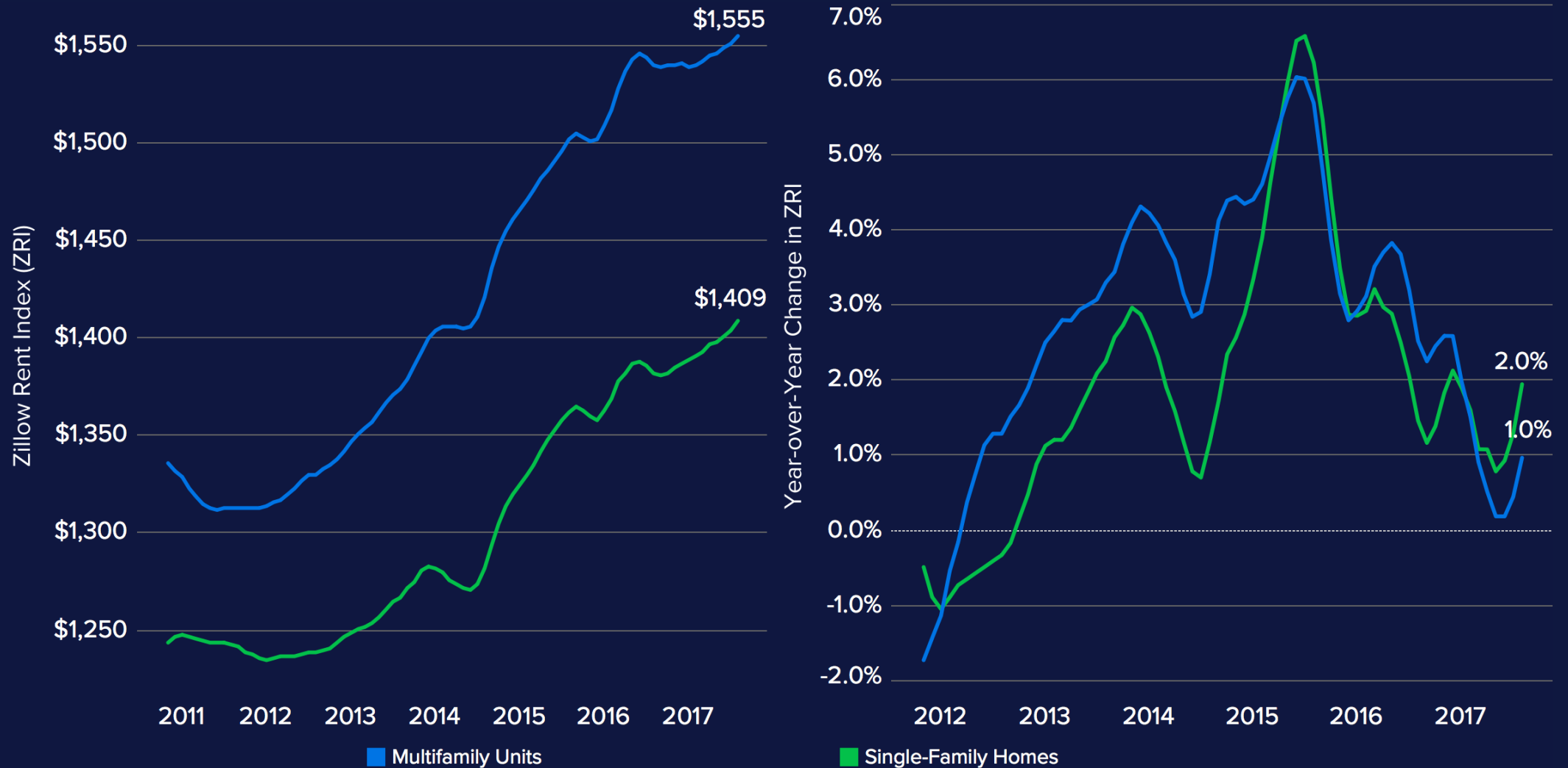
Rent is falling in several large markets nationwide, aggressive in others



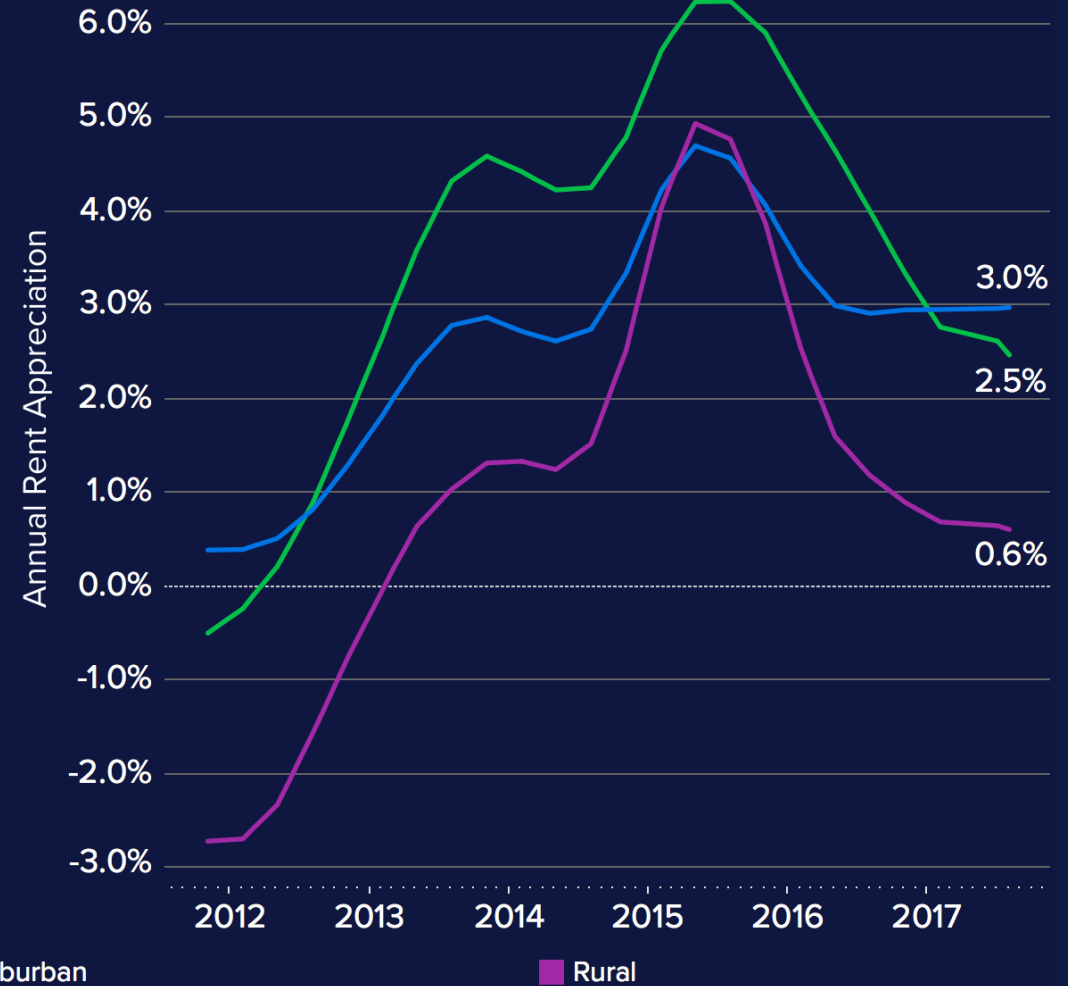
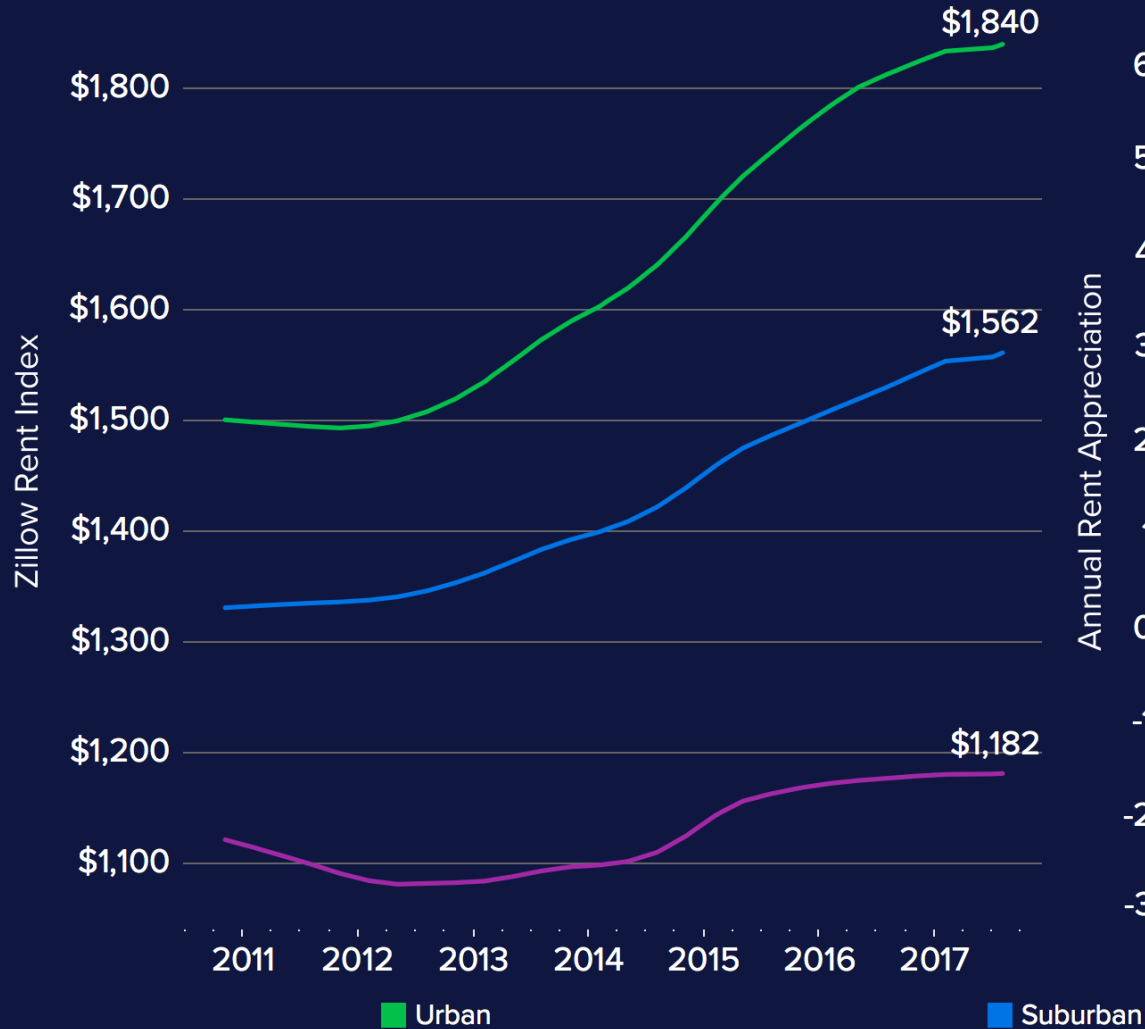
Rent is falling in several large markets nationwide



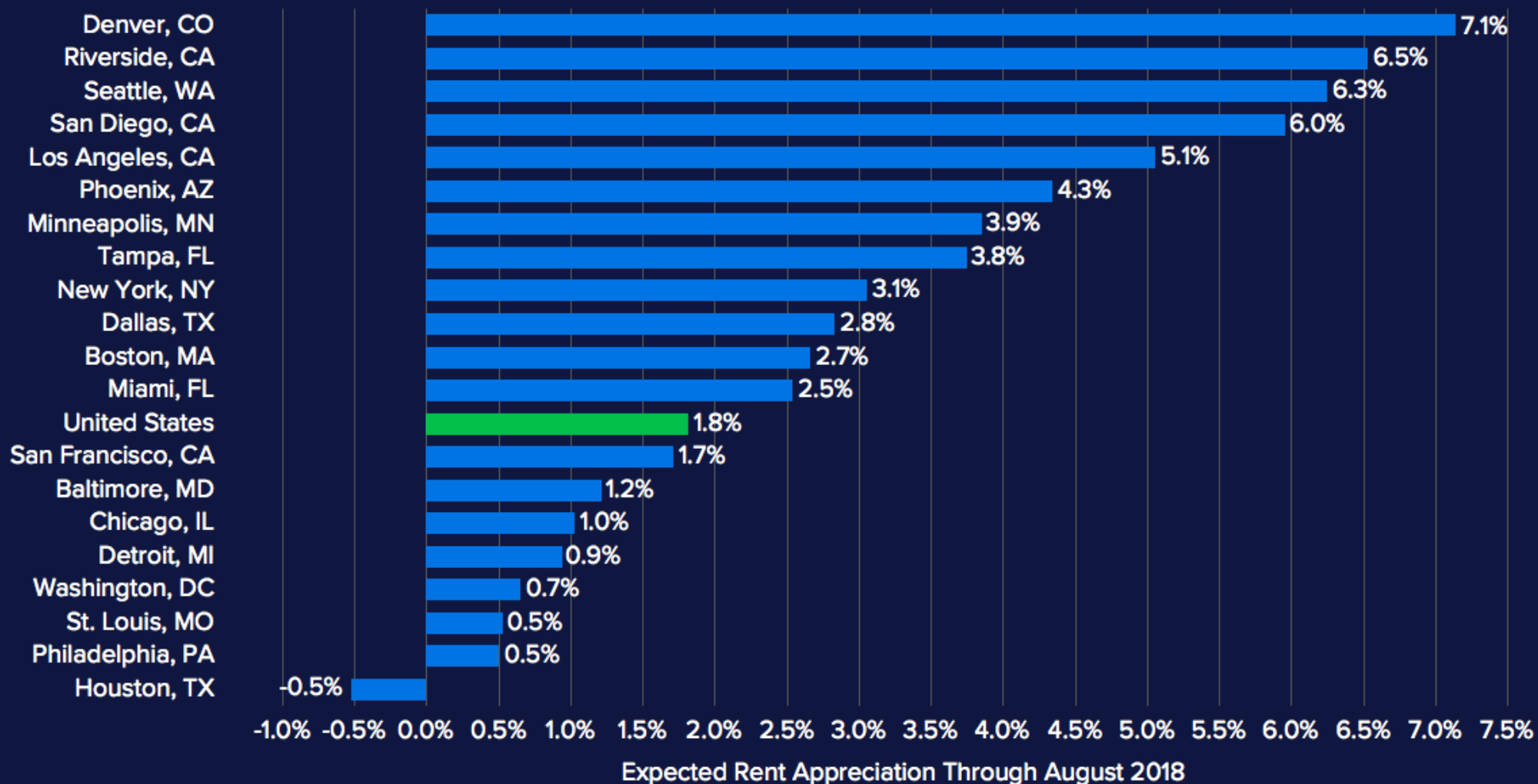
Rents for single-family homes and units in larger multifamily buildings share similar trends



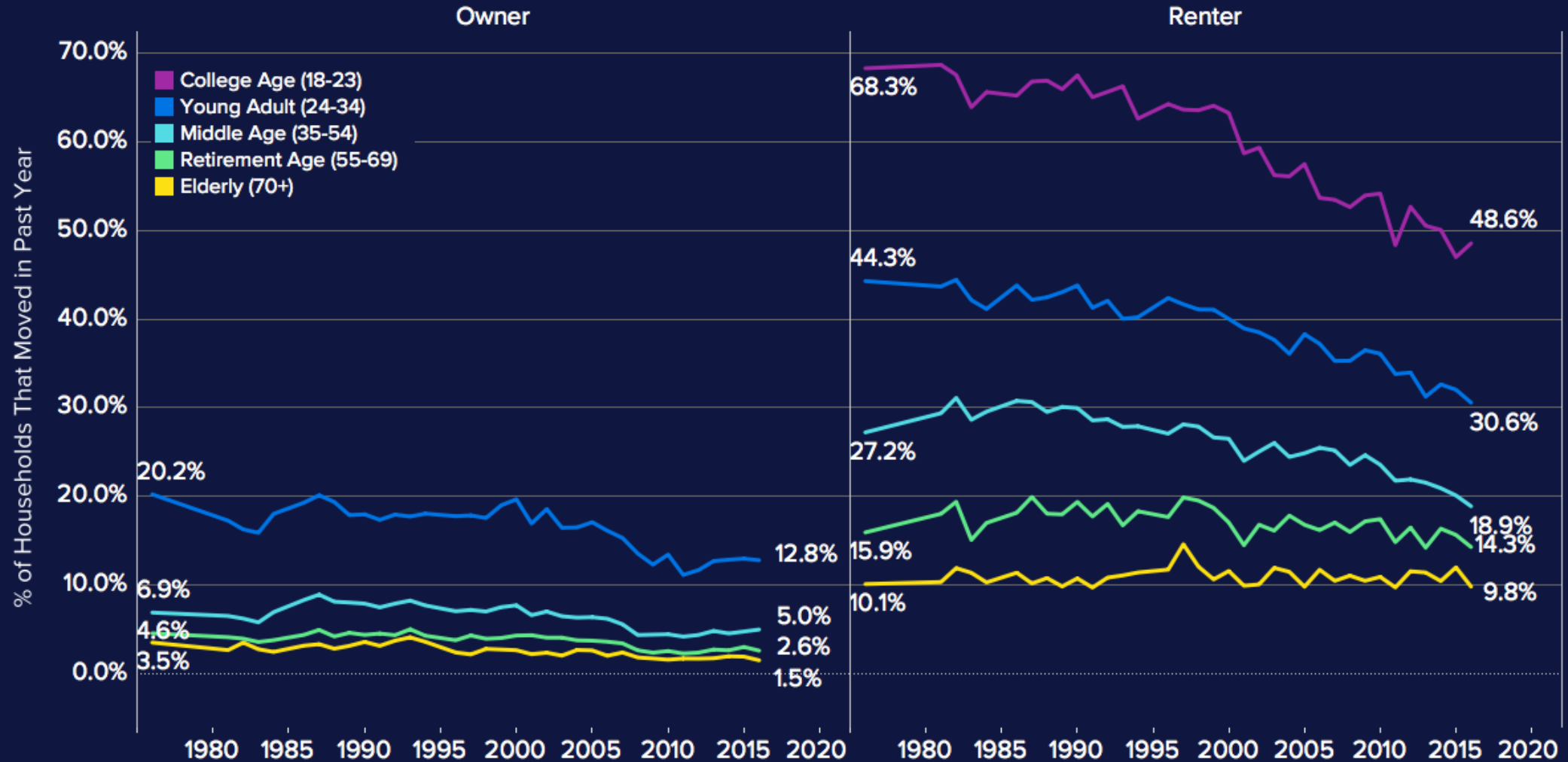
Rents in the city are higher than rents in the suburbs, but suburban rent is growing more quickly



Rental appreciation is expected to accelerate over the next year

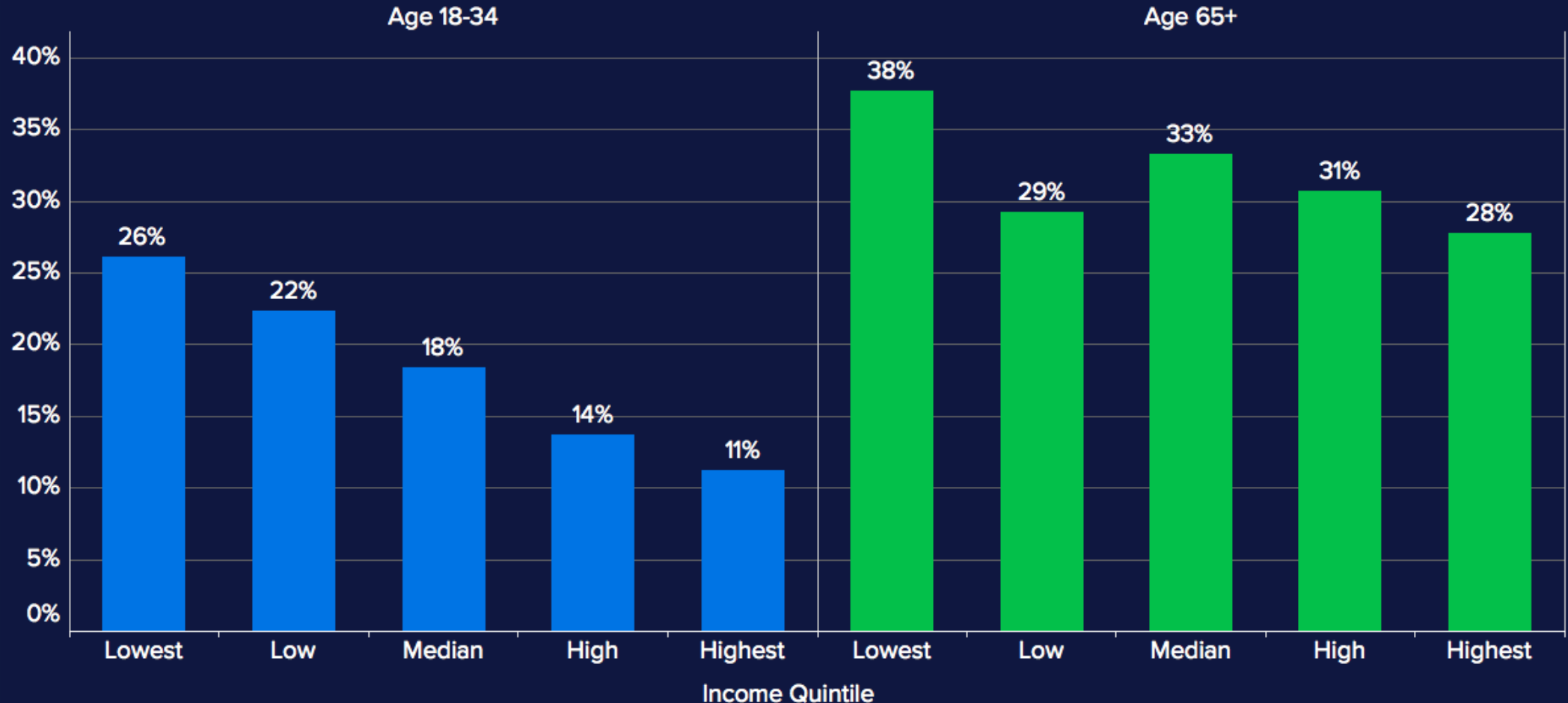


Migration rates are declining across all age groups

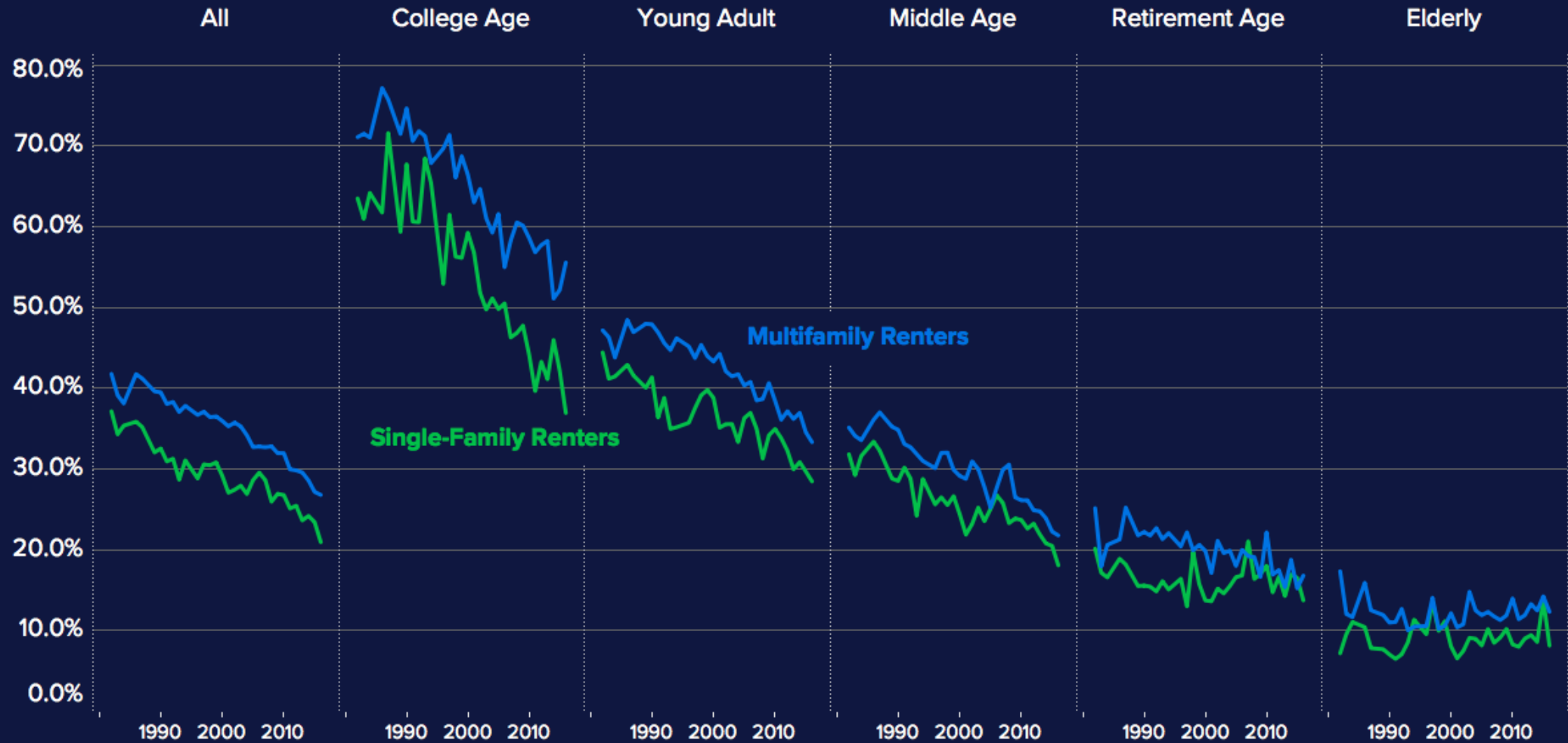


Older Americans value proximity to extended family more than young Americans do

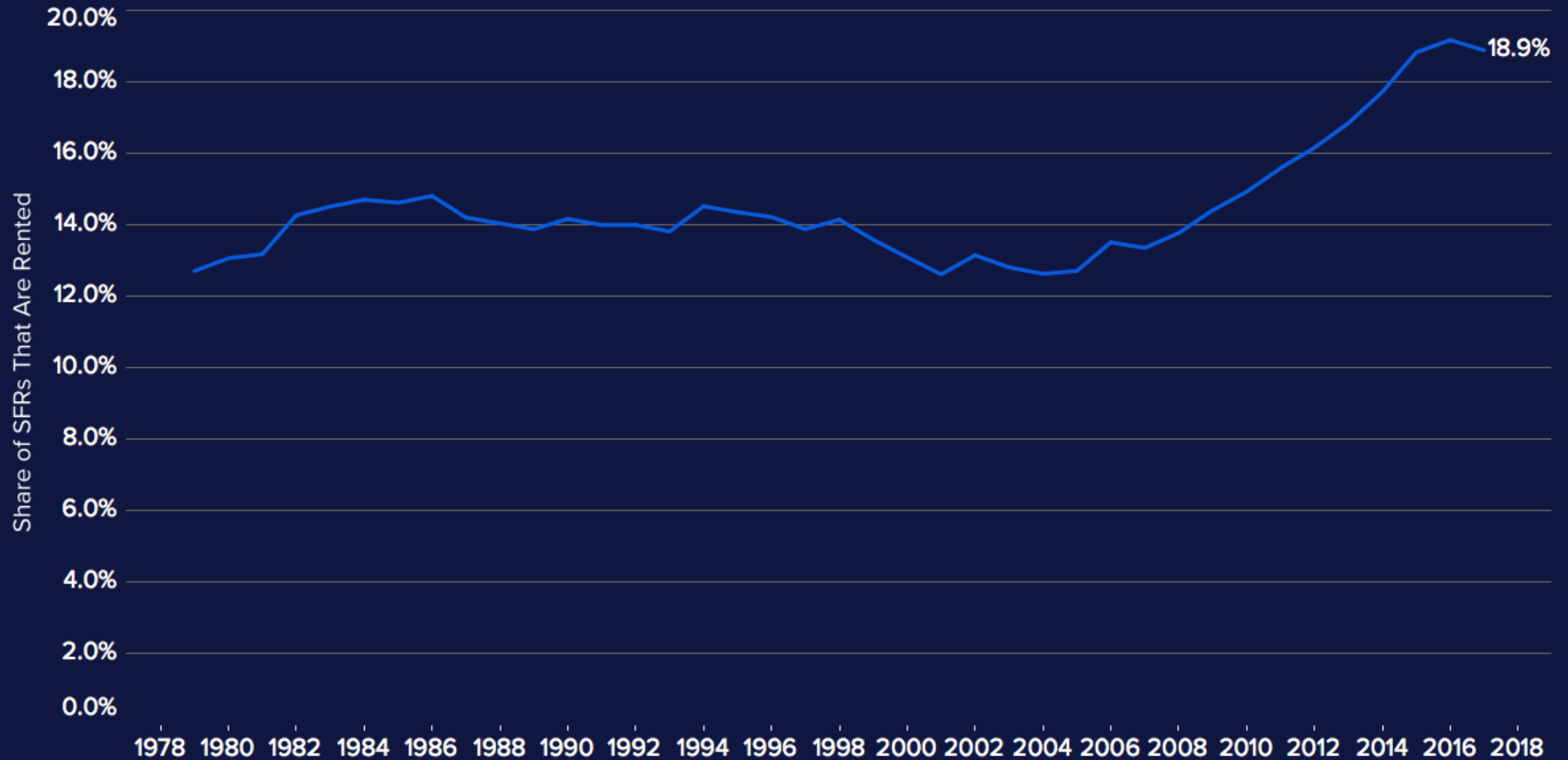
Share of low-income adults for whom proximity to family completely impacts decision of where to live, by age and income quintile



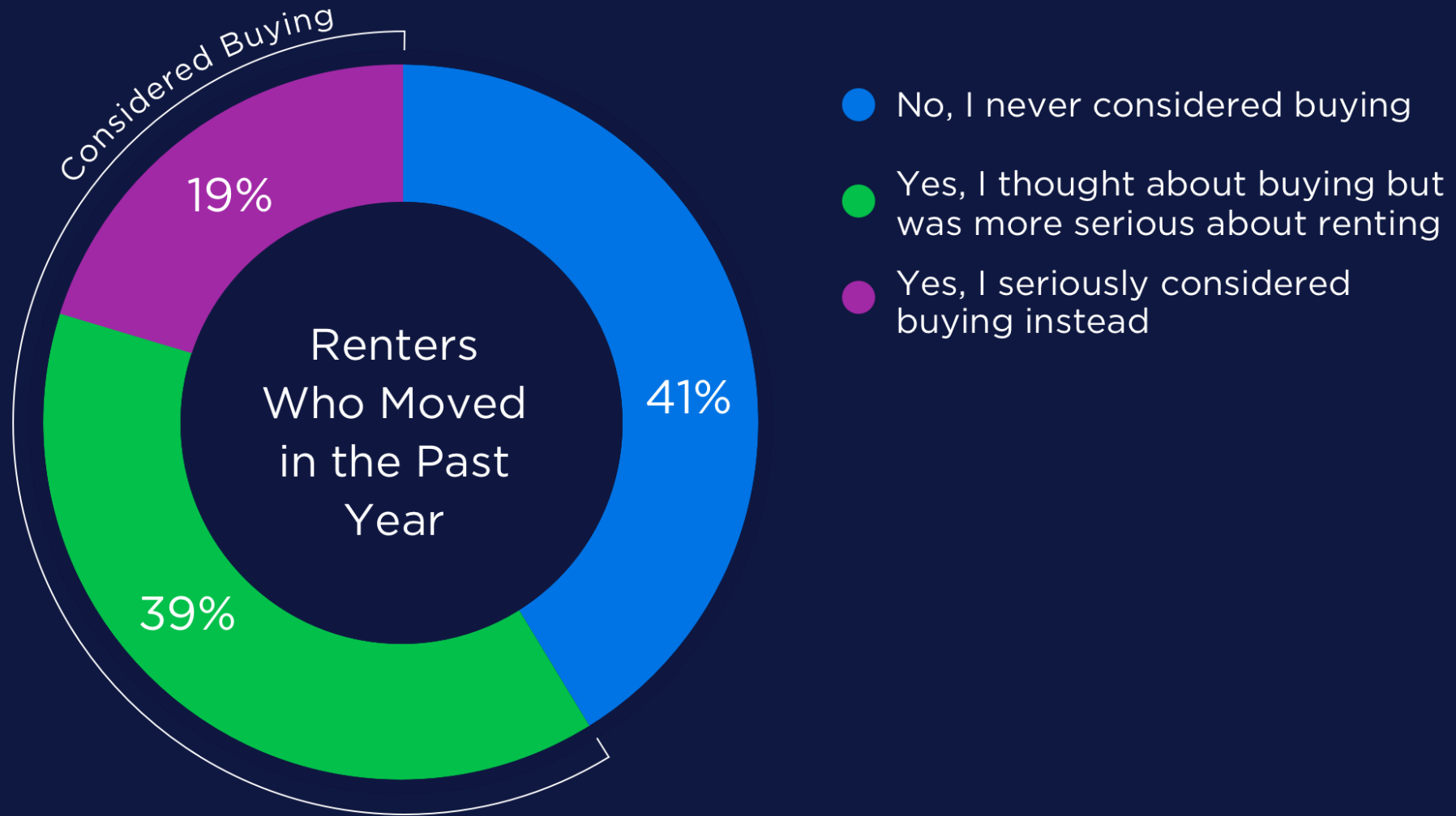
Renters in single-family homes move less



The share of SFRs that are rented is increasing

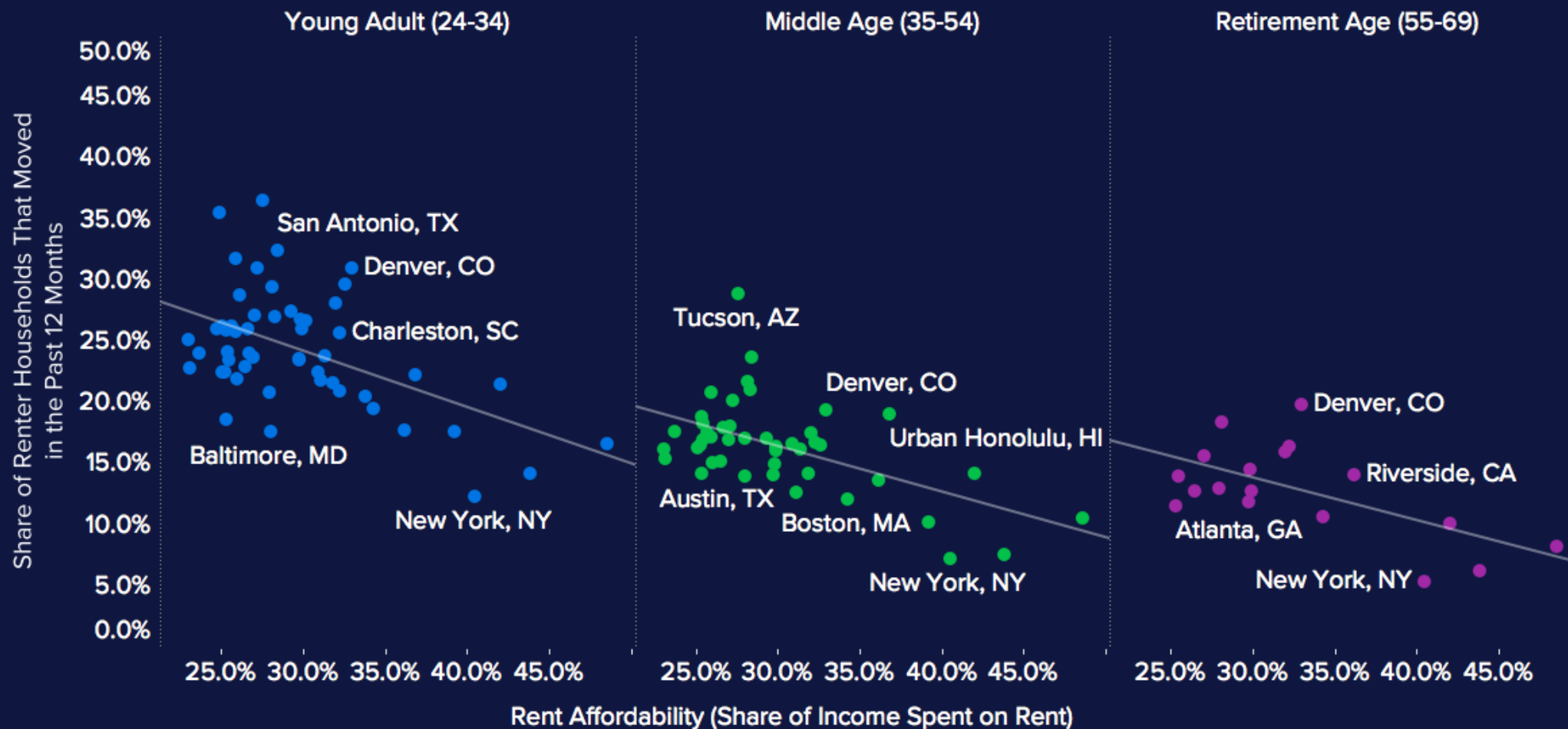


Over half of renters who moved in the past year considered buying

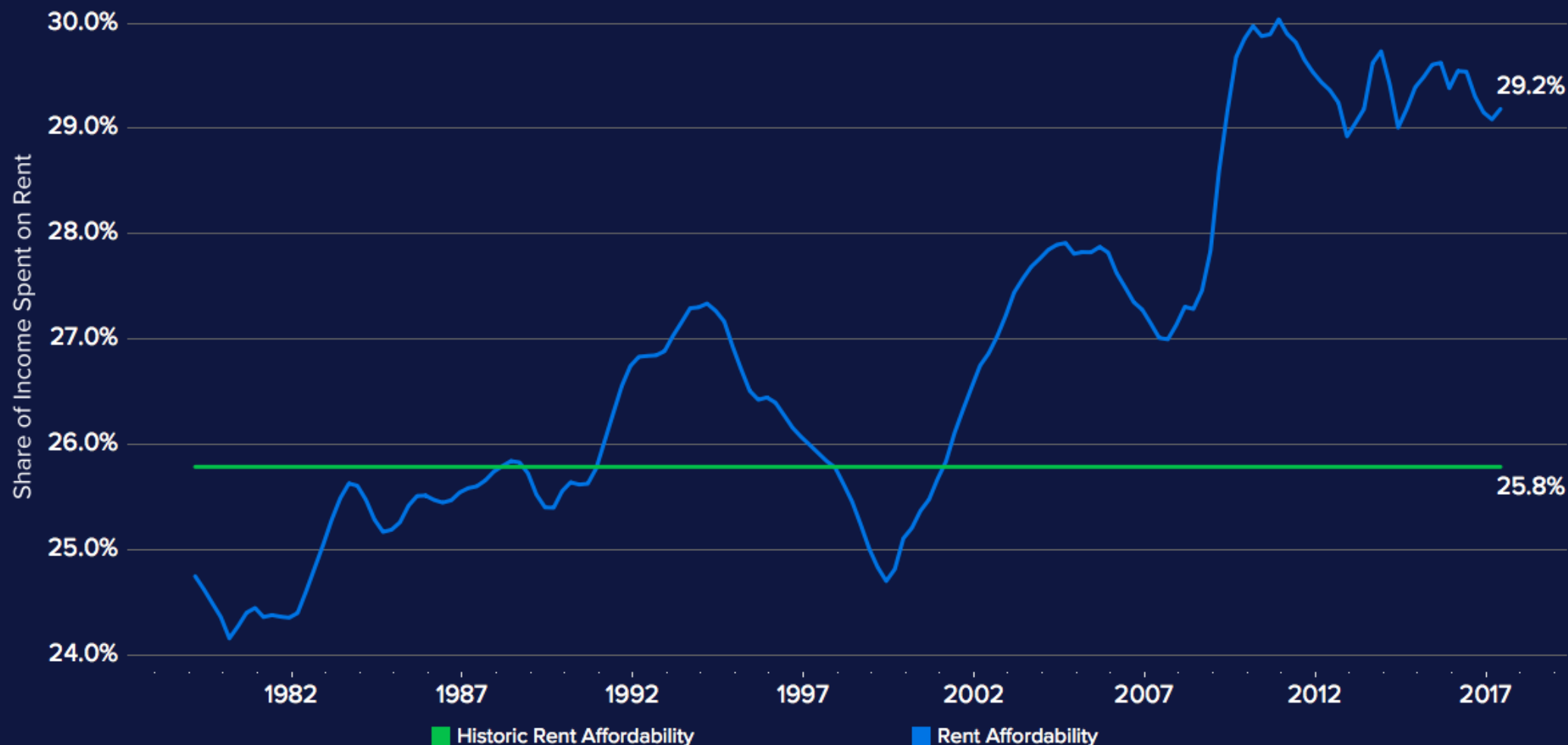


Renters move less in markets with high rents

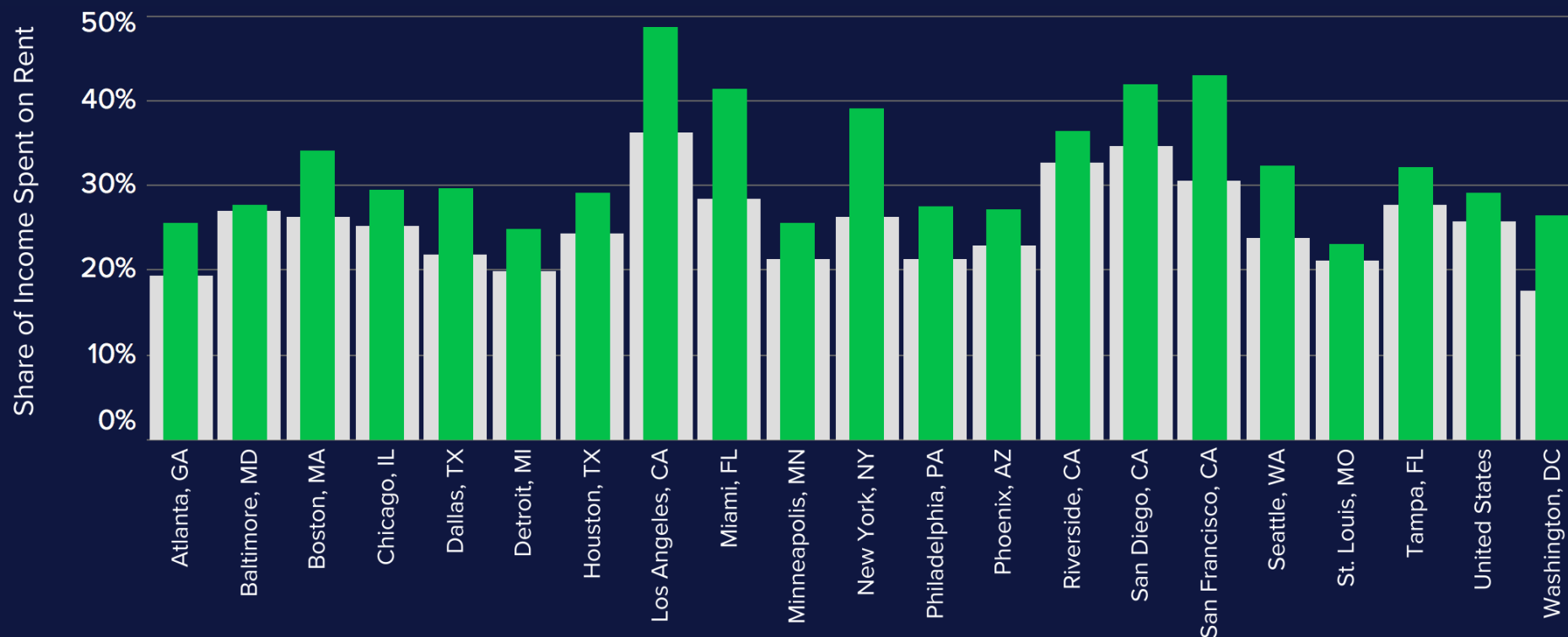
Share of Renter Households That Moved in the Previous 12 Months, by Age and Affordability



Renters are devoting larger portions of their income to rent than they have historically



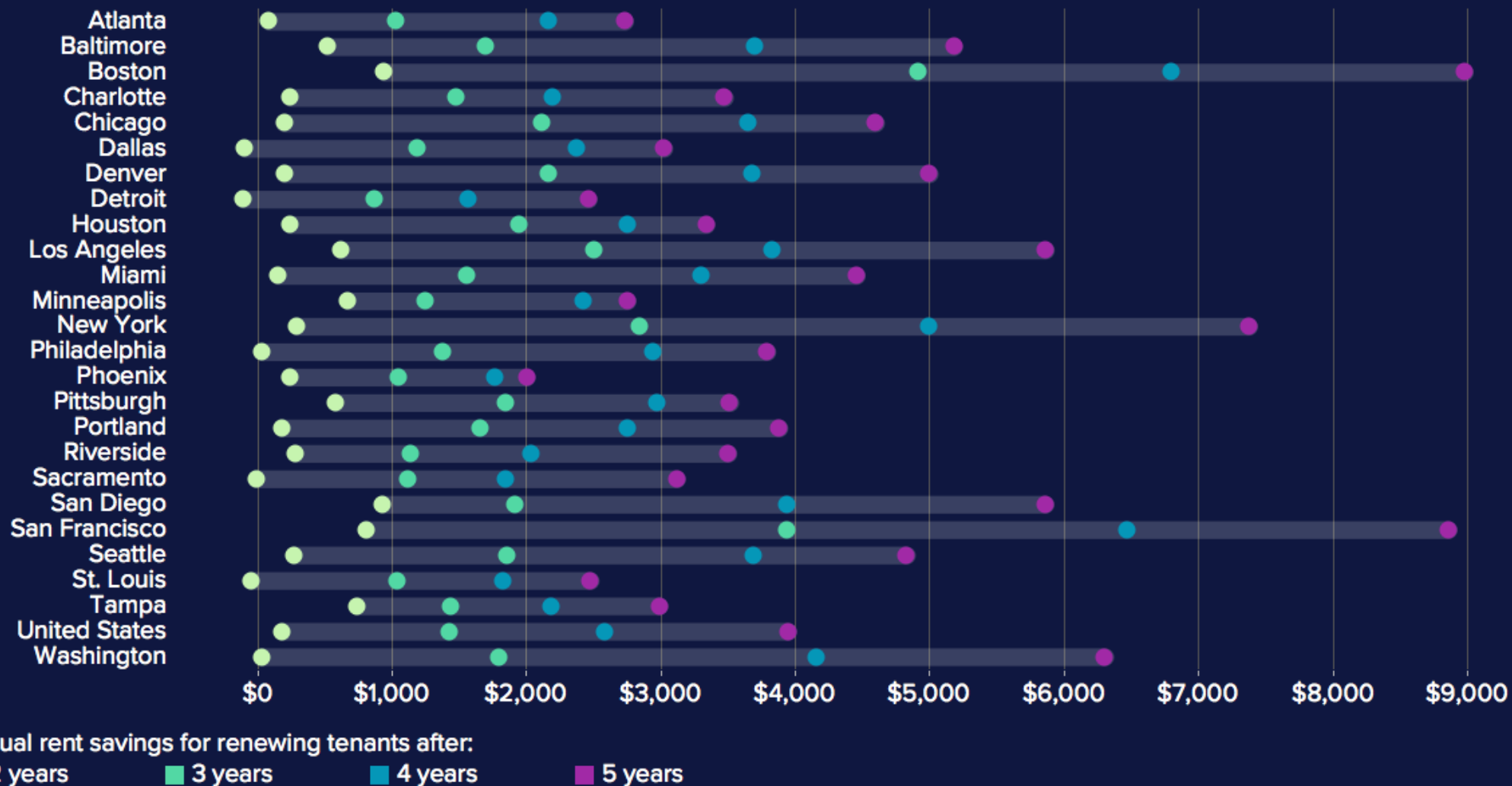
The share of income spent on rent is higher than the historic average in the nation's 20 largest metros



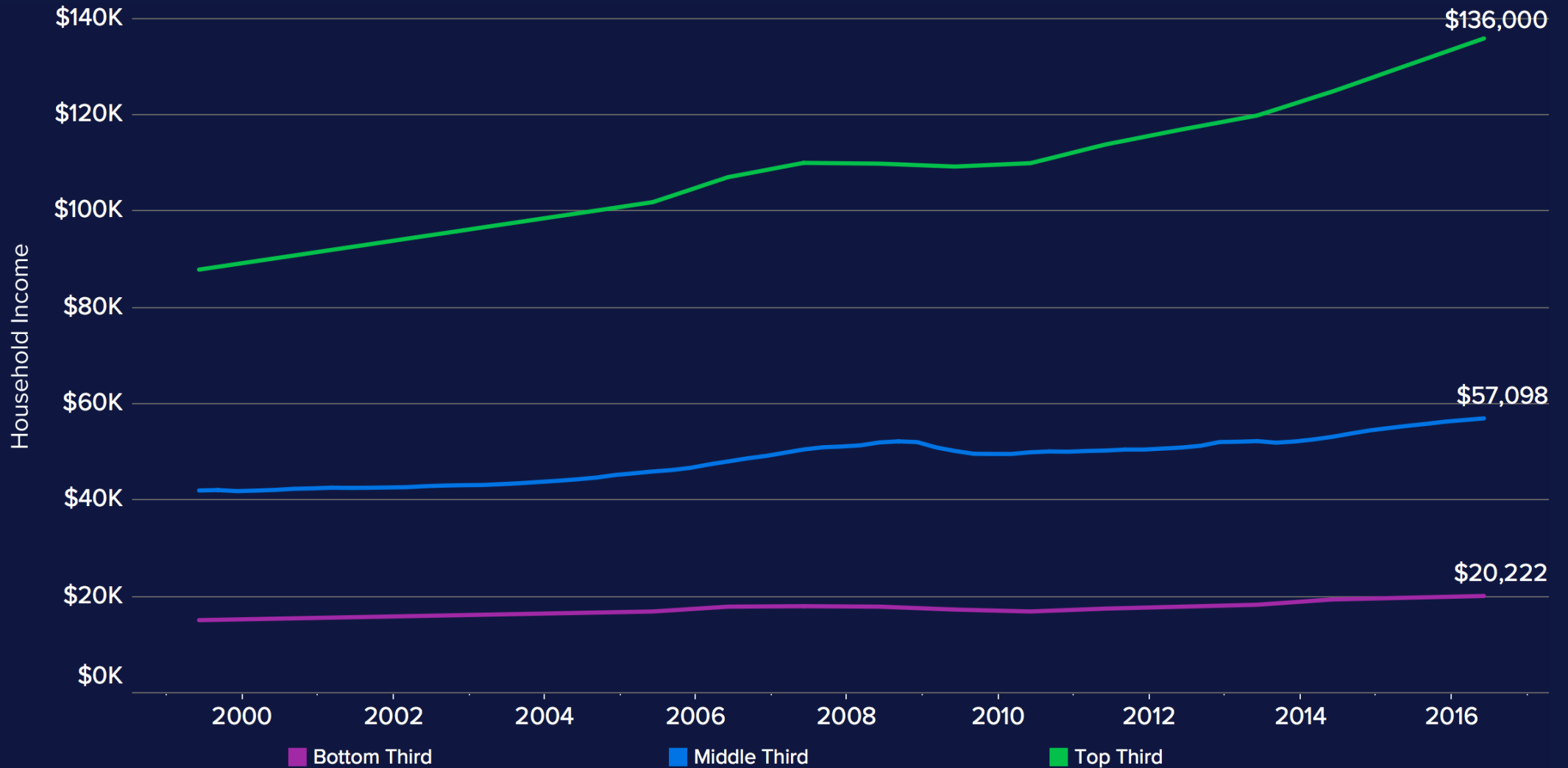
SHARE OF INCOME SPENT ON RENT, 2016 Q2	26%	28%	34%	30%	30%	25%	29%	49%	41%	26%	39%	28%	27%	36%	42%	43%	32%	23%	32%	29%	26%
AVERAGE SHARE OF INCOMES SPENT ON RENT, 1985-2000	19%	27%	25%	25%	22%	20%	24%	36%	29%	21%	26%	21%	23%	33%	35%	31%	24%	21%	28%	26%	18%

■ Rent Affordability, 2017 Q2
■ Average Rent Affordability, 1985-2000

It pays to renew



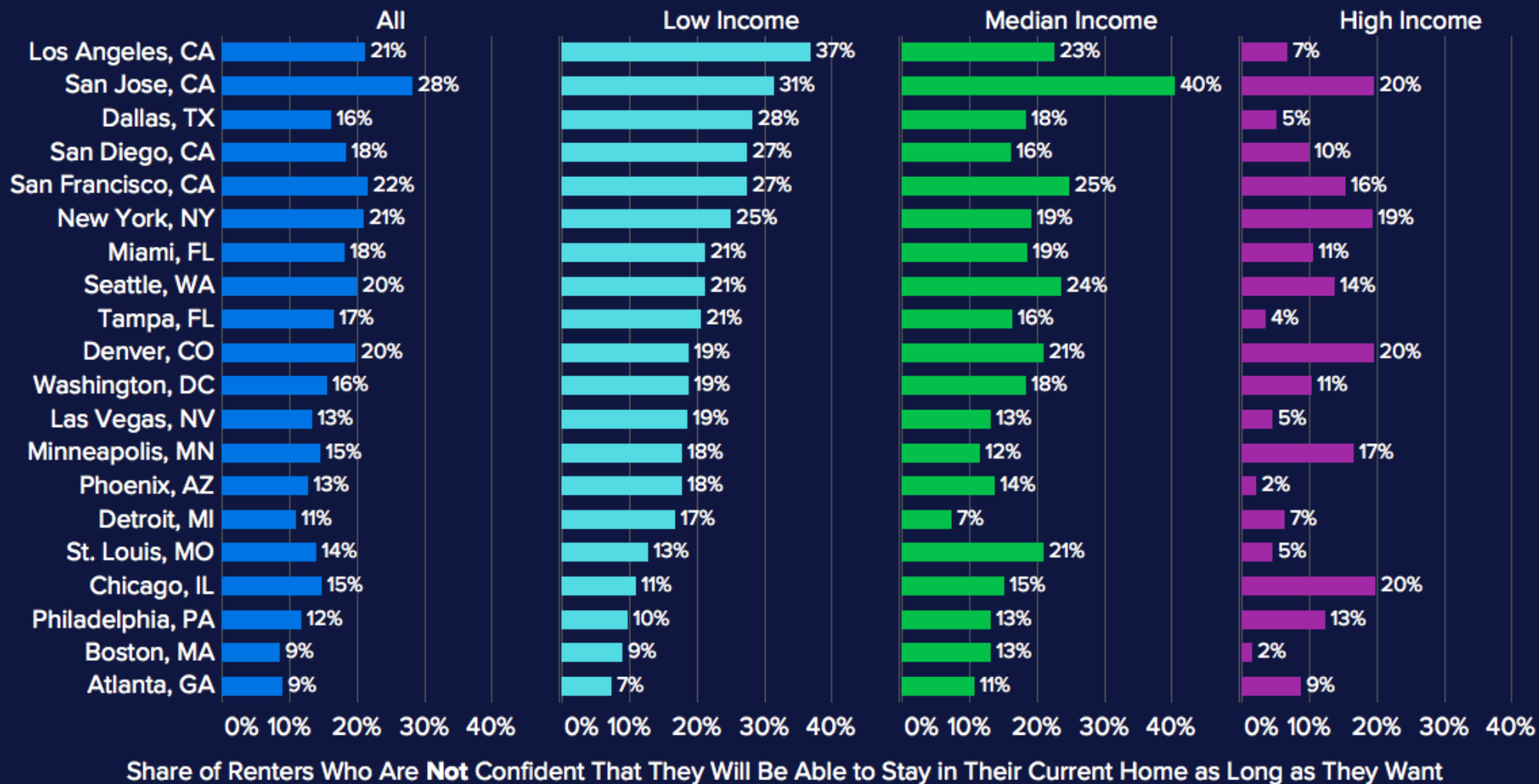
Income growth for the lowest earners has been especially weak



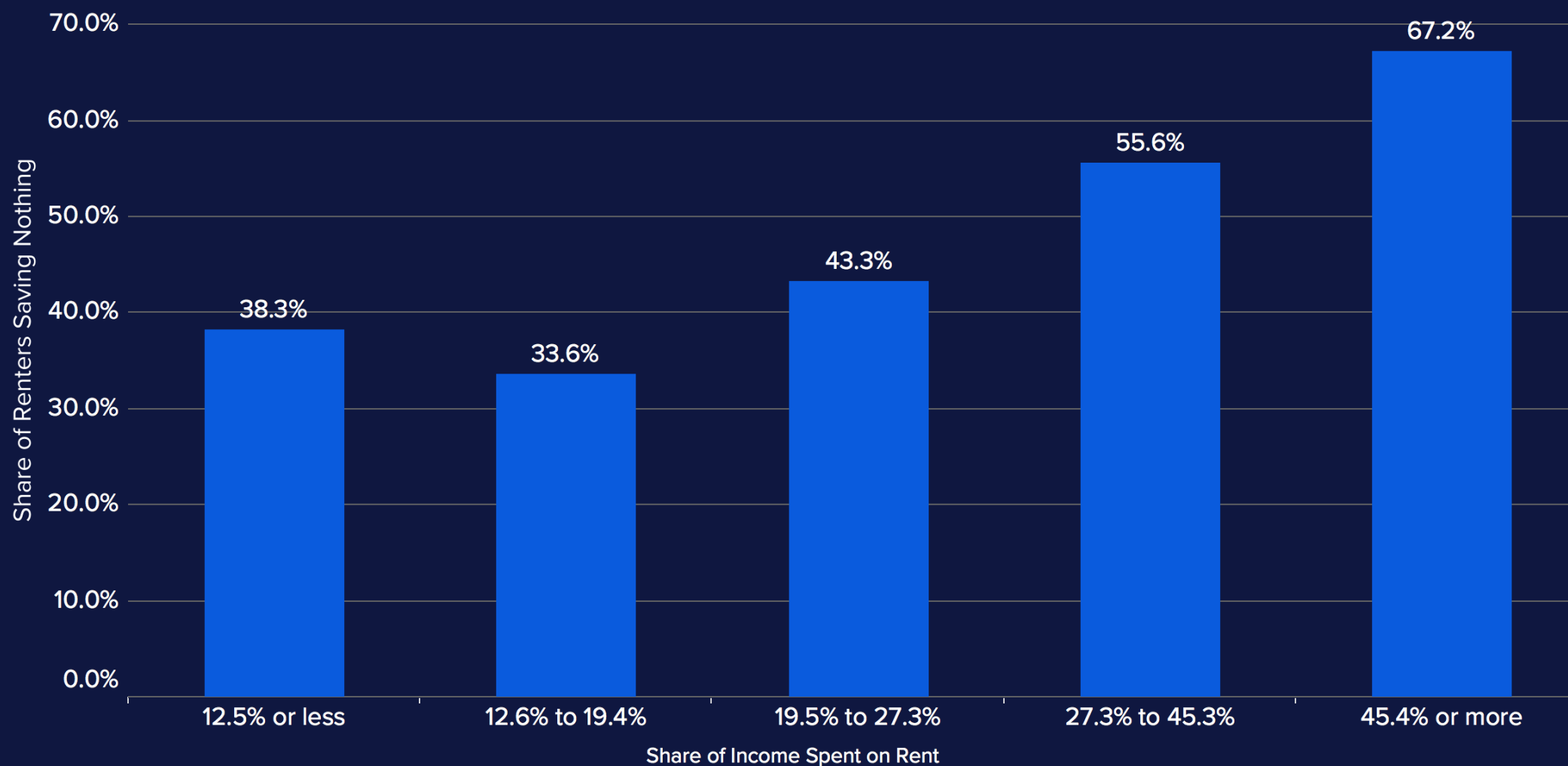
Zillow Rent Tiers, Miami



Low-income renters don't feel secure in their homes



As the share of income spent on rent rises, more renters report saving nothing



Rising rents contribute to rising homelessness. This connection is strongest in LA, New York, Seattle and D.C.

If Rents Increase:	Forecasted Increase in Homeless Population in:			
	Los Angeles	New York	Seattle	Washington
1%	378 people	609 people	52 people	30 people
2%	773	1,196	103	78
3%	1,180	1,787	154	126
4%	1,584	2,383	206	174
5%	1,993	2,982	258	224
6%	2,402	3,586	311	272
7%	2,814	4,197	363	322
8%	3,230	4,811	416	372
9%	3,650	5,428	469	423
10%	4,072	6,048	523	474



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