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CT ECONOMIC DIGEST

The *Connecticut Economic Digest* is a joint publication of the Connecticut Department of Labor and the Department of Economic and Community Development. Its purpose is to regularly provide users with a comprehensive source for the most current, up-to-date data available on the workforce and economy of the state, within perspectives of the region and nation. *A brief monthly summary will constitute the major monthly topic of this newsletter.*

Connecticut's Housing Market Trended Upward in 2019

Connecticut's housing market experienced robust growth in 2019, but the onset of the COVID-19 pandemic casts doubt on this trend continuing in 2020.

According to the forecast from National Association of Realtors (NAR), home sales will drop 13.5% this year. Prior to the pandemic, the organization forecasted a 3% increase in 2020. Many experts believe that prices will be relatively flat for the rest of the year. NAR projected a 1% increase in 2020. Lawrence Yun, NAR's Chief Economist, said, "As the economy steadily re-opens and people feel more comfortable about social distancing activities, home buying should normalize."

It is worth noting that segments of Connecticut's real estate market could realize gains as some choose to vacate high-density environments like New York City.

Connecticut's housing market won't be known until this year's housing data is compiled.

What Commuter Rail Brings to Central Connecticut

Until economic activity came to a standstill as a result of the COVID-19 pandemic, there was little doubt that investments in new mixed-use developments around existing or proposed CT Rail stations of about \$430 million – including 1,400 residential units and 242,000 square feet of commercial and office space – cited by ConnDOT (Connecticut Department of Transportation) were well on their way to fruition. Notwithstanding the pause in economic activity and its related upheaval in employment that was expected to fuel growth in passenger rail service, the development activity cited in this article suggests that the momentum toward increased economic prosperity invigorated by the

nine operating and four planned CT Rail stations stands a decent chance of resumption once the regional economy regains its footing.