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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.*

Summary of 2018 Housing Market in Review

Connecticut's housing market experienced growth in 2018 with many economic indicators posting gains over the prior year. New housing can be broken down into single family and multifamily homes that ranges from two-unit duplexes to large apartment buildings with hundreds of units. Although the majority of households live in single family homes, multifamily units have become increasingly important to the housing market.

Employment, gross domestic product (GDP), and personal income are some of the economic indicators that can impact growth in the housing sector. Connecticut's economy experienced a modest growth last year.

Connecticut saw an employment increase in 2018. With the improved job market, Connecticut's unemployment rate continued to fall. Personal income is a component of consumer spending. Higher income translates to higher disposable income that implies stronger growth in consumer spending that can lead to a stronger economy. Connecticut's per capita income remains the highest in the nation at \$74, 561.

With an improved economy, strong consumer confidence and a lower unemployment rate in 2018, Connecticut's real estate market had a strong showing as home prices rose and house sales were at their second highest level in ten years. Housing is generally affordable if the mortgage or rent consumes 28% or less of gross household income.