

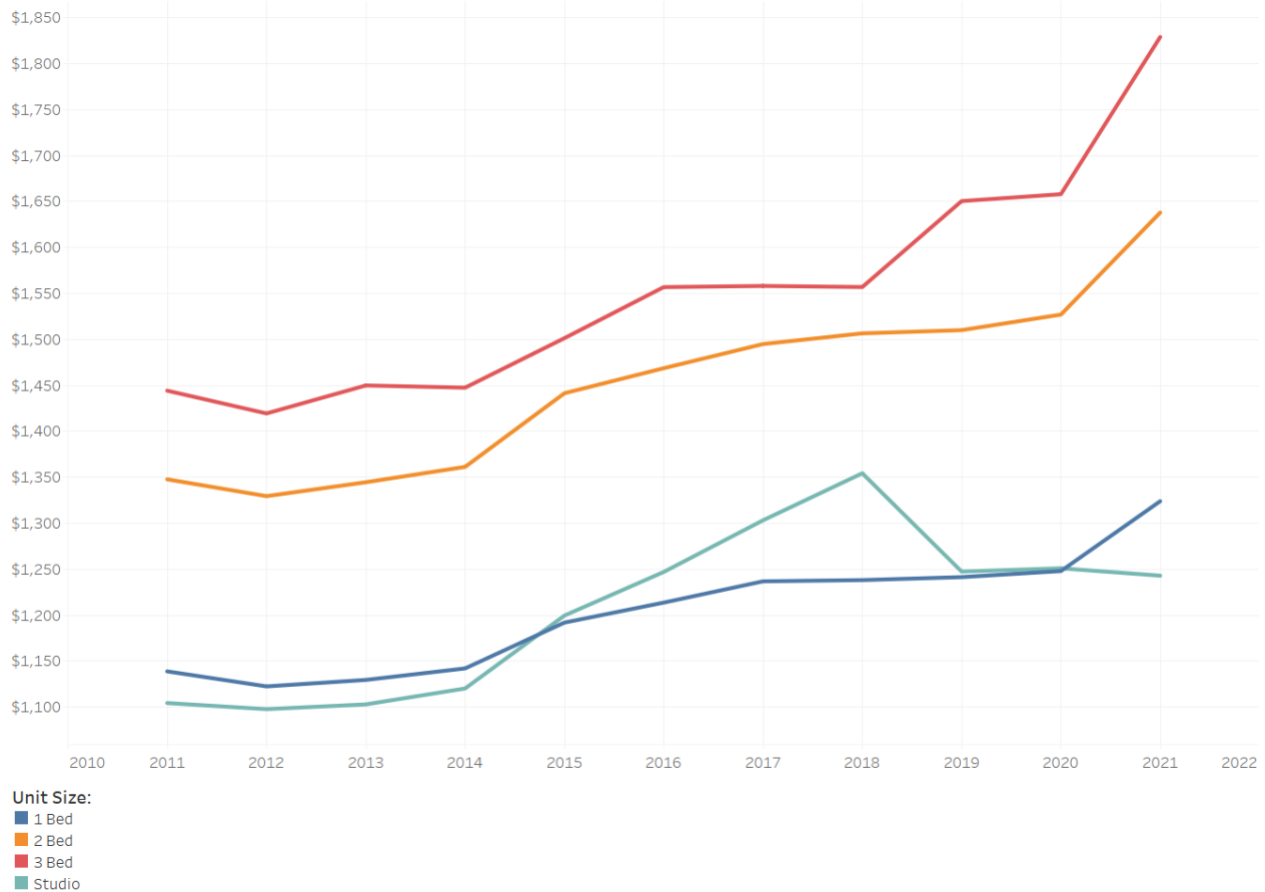
February 7, 2021

2021 Rent Survey Findings

Each year RIHousing compiles data on average rental costs across the state by municipality and bedroom size. The purpose of this survey is to track changes in the rental housing market to support program planning and policy efforts.

Rents on the rise, especially for larger units

- Average rents were up significantly for one bedroom (+\$65), two bedroom (+\$111) and three bedroom (+\$171) and larger units, but flat for studios (-\$8). This is in line with a national shift in renter preferences for larger units that has been widely reported.
- The monthly rent for all unit types in Rhode Island averages over \$1200 per month, which is well above what the typical renter can afford. As of 2019, the median income for a renter household in Rhode Island was \$37,333. A household earning this amount can afford to pay \$934 per month without becoming cost burdened.
- Due to issues with 2020 American Community Survey (US Census) data collection, utility costs from the 2020 rent survey were used for the 2021 rent survey. This will not significantly impact the rent survey figures as a measure of the cost of rental housing.

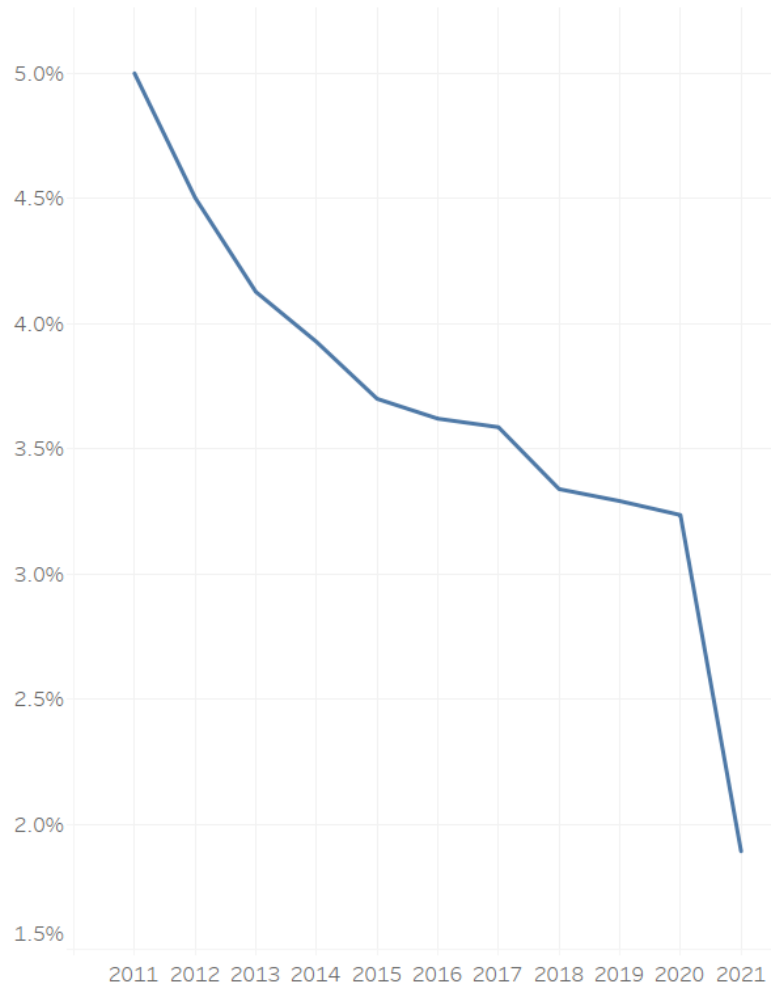


Rent plus utilities by unit size

Rental Supply and Demand

- Rental vacancy has plummeted over the past year, dropping from 3.2% to 1.9%. A healthy vacancy rate where there is little upward pressure on rents is in the 6-7% range.
- Rather than increasing during the pandemic, as many expected, vacancy has remained historically low throughout the state. This is believed to be due to the success of rental assistance programs and eviction prevention measures, as well as the continued slow pace of building activity.

Vacancy Rate



Notes on data sources

The Rent Survey sample is drawn from CoStar, a commercial database of multifamily properties representing over 60,000 units in the state. CoStar mainly collects data on large, professionally managed apartment buildings. As such, smaller multifamily and single-family rentals are not typically included in the sample. Utility costs are drawn from the Census American Community Survey and include average monthly expenditures for fuel, gas, electricity, and water for renters in units of different sizes. All values are presented in 2021 dollars to ensure comparability over time.