



## LAST WEEK IN SFR

### SFR Unit Sizes

- According to a recent NRHC Research Team analysis of the US Census Bureau's annual survey of new construction characteristics, the median size of a newly built single-family home for rent (BTR) was 1,571 square feet in 2023 — a 10% decrease from the previous year.
- Despite this decline, the median size remains larger than in 2013 when tracking began, though the trend shows a shift towards smaller units in recent years. BTR units have historically been smaller than those built for sale, with the size gap between the two narrowing over the past decade.
- Two factors likely contribute to the shrinking size of BTR units: the rising popularity of attached single-family rentals, which are typically smaller, and the ongoing rental affordability crisis. As housing costs consume a significant portion of renters' incomes, the market is responding by building smaller, more affordable units.

### CPI Inflation

- The Bureau of Labor Statistics' Consumer Price Index (CPI) rose 2.9% in July 2024, the smallest annual increase since Spring 2021. According to Bloomberg, economists had anticipated a 3.0% yearly gain.
- According to Bloomberg, the CPI was also up 0.2% monthly in July 2024 — in line with economists' estimates. Shelter cost increases remain a concern. A 0.4% increase in shelter costs caused nearly 90% of the 0.2% monthly increase in CPI. Shelter costs continue to run somewhat hot — countering the narrative that government measures of housing costs will fall in line with private-sector measures.
- Overall, the CPI report aligned with expectations of a September rate cut but shifted expectations to the size. One week ago, market participants assigned a 51% probability to a 50-basis point rate cut. As of Friday, around 8 a.m., that figure was 31.5%.

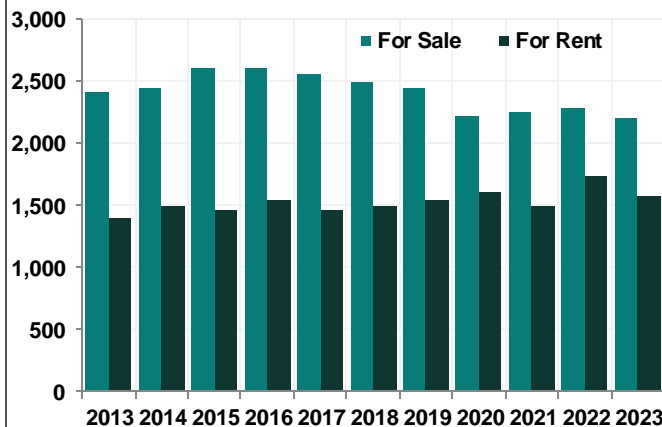
## INTEREST RATES & INFLATION

<small>Data are updated through 8/16/2024</small>	Current	One-Week Change	One-Year Change
<b>10-Year Treasury</b>	3.89%	-5 bps	-39 bps
<b>10-Year Breakeven Inflation</b>	2.08%	-2 bps	-24 bps
<b>30-Year Mortgage</b> <small>Source: Freddie Mac</small>	6.49%	+2 bps	-63 bps

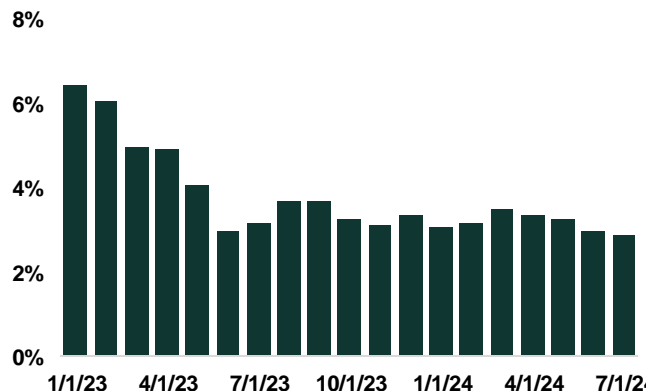
## THE WEEK AHEAD

This week's (8/19-8/23) data release calendar will start slowly but pick up towards the end of the week. On Tuesday (8/20), Chandan Economics and RentRedi will release its monthly tracker of SFR rent collections. The Mortgage Bankers Association will release its weekly mortgage data on Wednesday (8/21). Additionally, on Wednesday (8/21), the Fed will release its FOMC minutes. On Thursday (8/22), the National Association of Realtors will release its estimate of existing home sales, and NAHB/Wells Fargo will release their quarterly Cost of Housing Index. Lastly, on Friday (8/23), the Census Bureau will release its estimate of new home sales.

## Median Sized of Newly Completed SF Homes Through 2023



## Annual CPI Inflation Through July 2024



## UPCOMING DATA RELEASES

**Aug. 20**

**SFR Rent Collections (Chandan Economics / RentRedi)**

**Aug. 22**

**Cost of Housing Index (NAHB / Wells Fargo)**

**Sources**  
 CHART 1: US Census Bureau; Through 2023  
 CHART 2: US Bureau of Labor Statistics; Through July 2024

**Disclaimer**  
 Neither National Rental Home Council (NRHC), its employees, agents, successors, and/or assigns, make any warranties, express or implied, including the warranties of merchantability or fitness for a particular purpose, or assume any legal liability or responsibility for the accuracy and completeness, or usefulness of any information contained in this report or represent that use of this information would not infringe other third-party rights. Further, NRHC shall not be liable for any direct, indirect, consequential, or incidental damages to the user, or a third party arising from use of the information contained herein. In providing this information, NRHC does not assume any liability as a result of the use or misuse of the information. By your use of this information, you recognize and agree to hold NRHC harmless from any liability as of your using this information, materials, products or services.