

Macro Roundup Article

Headline: [America's Missing Empty Homes](#)

Article Link: <https://www.apricitas.io/p/americas-missing-empty-homes>

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Tweet: Residential vacancy rates are at multi-decade lows. Raising unoccupied inventory rates back to pre-pandemic levels would require building 2.7mm units (vs. current pacing of 1.4 million units for 2023).@JosephPolitano

Summary: To get rates back up to the 12% pre-pandemic level would require adding 2.7 million new housing units—more than the entire housing stock of the state of Maryland or more than 1.5 years of construction at 2022 rates—and leaving them all empty. Assume half occupancy and America needs 6.2 million new units—more than currently exist in Pennsylvania. If you assume that 75% of units will get filled on net then America needs more than 18 million additional housing units—roughly as many as exist in California and Washington state combined. Actual construction stood at only 1.4 million in the first half of 2023, failing to keep up with demand and leading to further declines in unoccupied housing rates—in other words, the structural shortage of housing is keeping prices high and vacancies down. Related: Repeat After Me: Building Any New Homes Reduces Housing Costs For All and On the Move: Which Cities Have The Biggest Housing Shortage? and Have Rising Mortgage Rates Frozen the Housing Market?

Primary Topic: Housing

Topics: GDP, Housing, Op-Ed/Blog Post

Permalink: <https://www.edwardconard.com/macro-roundup/residential-vacancy-rates-are-at-multi-decade-lows-raising-unoccupied-inventory-rates-back-to-pre-pandemic-levels-would-require-building-2-7mm-units-vs-current-pacing-of-1-4-million-units-for-2023?view=detail>

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