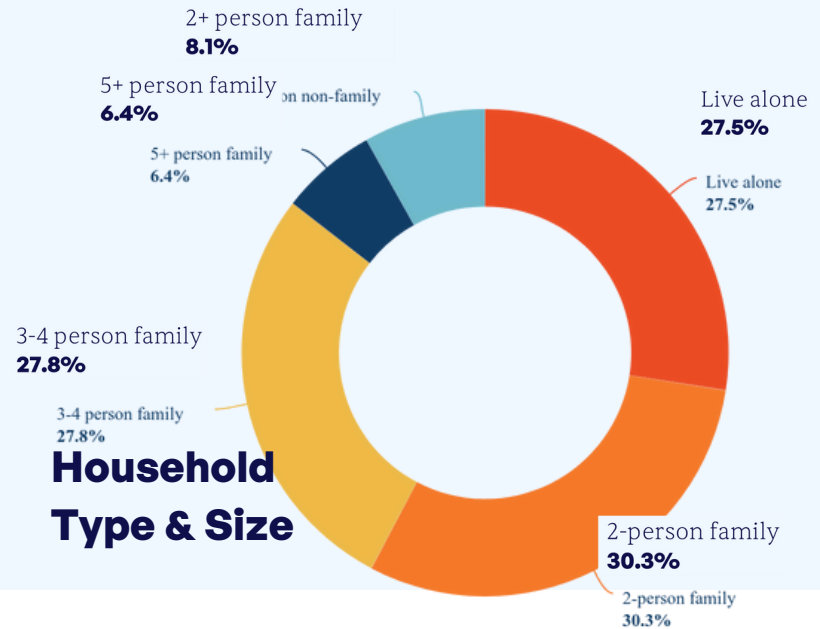


Housing Needs in Eastern Connecticut

New London, Tolland, and Groton Counties

Everyone in eastern Connecticut should be able to find an affordable home when they need one. Yet even for those working multiple jobs and earning the area median income, it's not easy. Why?

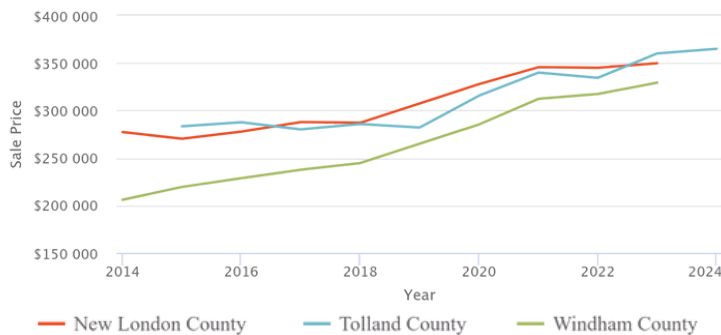
Household composition has changed, but the type of homes we build has not changed in response. As a result, there is a gap between the homes we have and the homes residents need. Meanwhile, although the overall population has been declining, the number of households is actually growing. As a result, the region requires more housing even though there are fewer people.



Household Type & Size

Median Single-Family Home Sale Price

Adjusted for Inflation



Over the last 20 years, single-family home prices have increased significantly in the region, while the number of homes built annually has decreased. When communities do permit new homes, they are most often single-family homes or, less often, homes in multifamily buildings with five or more units. Homes in buildings with two to four units, are generally missing. In some communities, zoning prohibits the construction of multifamily housing.

Housing Permits Issued



©2025 Centers for Housing Opportunity All Rights Reserved



The median cost of housing in Salem is higher than the national median cost and lower than the state median cost. The median household income in Salem is **\$108,953**. For this income, monthly housing payments (including rent or mortgage plus taxes and insurance) should not exceed **\$2,518**. In terms of purchasing power, a household can afford a house that costs **\$400,945** with a 20% downpayment, 5% interest, and no other debts. In Salem, the median home sales price in 2024 was **\$421,355**, which is higher than most households can afford. As a result, 10% of households are cost burdened (they pay more than 30% of their incomes for housing, and 8% are severely cost burdened (they pay more than 50% of their income to housing). Additionally, transportation costs are high, creating an additional financial burden.

1,599

Households

55%

1-2 person
households

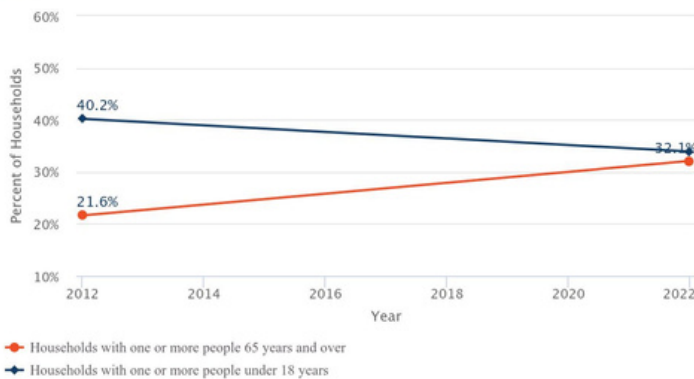
11%

Rise in folks over
the age of 65 since
2012

\$16K

Average yearly
transportation
cost

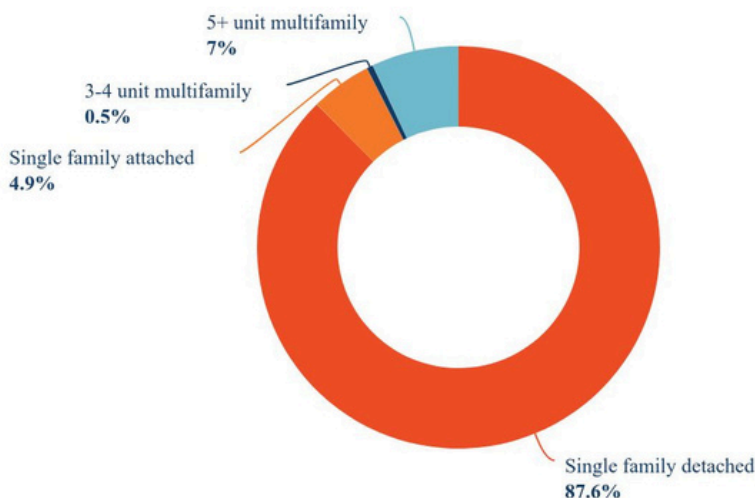
% HOUSEHOLDS WITH YOUTH & SENIORS



Salem's housing is overwhelmingly single-family, with about 82% having 3-5 bedrooms. These big homes may work well for growing families, but do they work well for the growing *senior* population? Or people with long commutes and no time for extensive home maintenance?

Promoting different *types* and *sizes* of housing within Salem may help support residents better as they scale up and down in their lives. This approach helps people afford stay in Salem, keep more money in their pockets, and contribute to the community.

HOUSING UNIT TYPES



HOUSING BY NUMBER OF BEDROOMS

