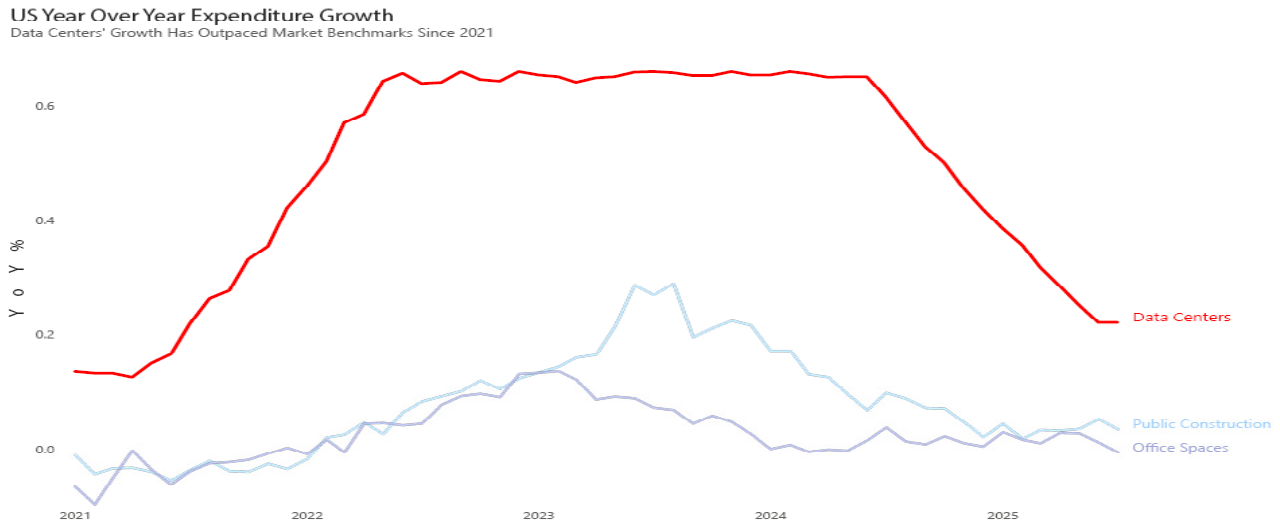
December 2025

The Property Digest
Real Estate Newsletter

Hot Sector: Data Centers

When OpenAI released Chat GPT in November 2022, the rapid adoption of AI pushed computing demand far faster than new capacity can be delivered. Since then, we have seen a boom in data centers being built to train LLMs and maintain model interference at scale. Industry forecasts, including from IEA, estimate electricity demand will sharply continue to rise and could even double by 2030, necessitating larger, denser, and more efficient facilities.

Because direct investment is capital intensive and operationally complex, most investors turn to the public market for entry points. Data center REITs (Real Estate Investment Trusts) provide diversified exposure with high appeal due to growth closely tied to cloud and AI. The largest data center REIT by market cap is Equinix Inc. (EQIX), which has proven to have strong earnings and remains the benchmark for market leadership. Since November 2022, they have boasted a 38% price increase and consistent dividend yields over 2%.



Rental Market

Finding housing off campus is a rite of passage that every SHU student will come to experience. Although the process can be daunting, being well-informed makes it easier. Pricing is often the deciding factor in choosing a place to live, so this is a good area to start getting familiar with. In 2021, The Spectrum reported that the average off-campus rent per student was "$700 to $800". In four years, this rate has increased by about a quarter, with the average rental on JumpOffCampus now costing $850-$1000 per student.

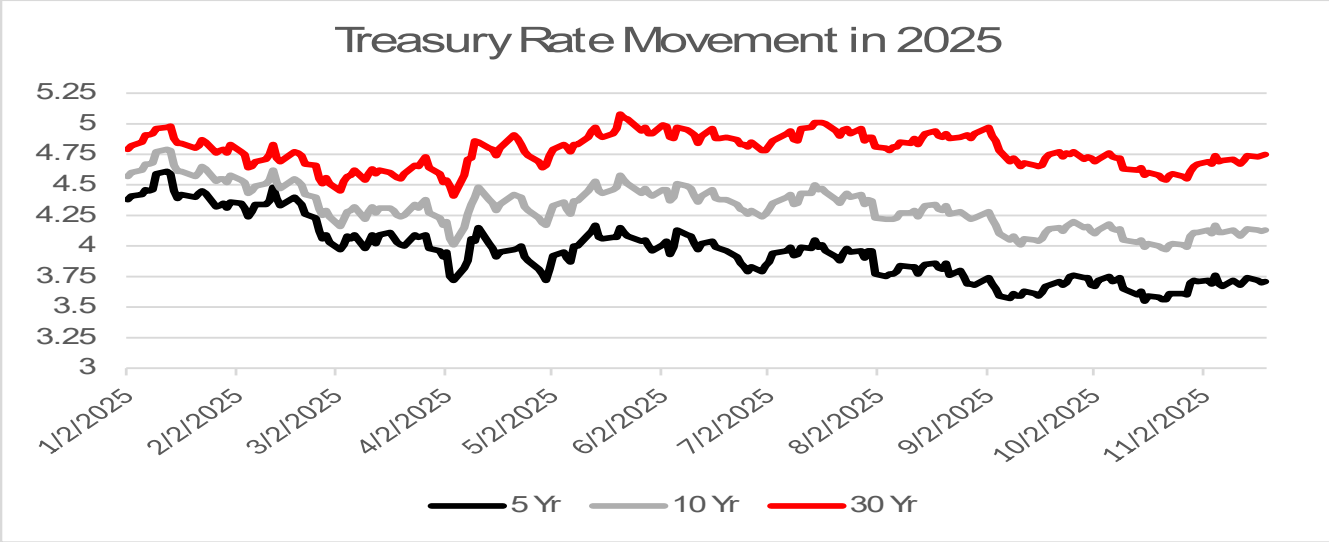
Many upperclassmen choose to continue dorm-style living in off-campus residence halls like Oakwood, The Ridge, and Pioneer Gardens. For these, one can expect to spend around $6,350 per semester, or roughly $2,117 a month. Others choose to rent apartments in local buildings like Taft, Park Royal, and The Royce. Choosing to rent an apartment can be more or less economical than a house, depending on location and number of roommates.

The rental market surrounding SHU has expe-

Hot Sector by Johnny Dorazio
Rental Market by Natalie Chica



rienced significant growth in recent years. For instance, Denise Walsh, a team leader at the William Raveis Real Estate office in Fairfield, recently told the New Haven Register that their office has been "inundated" with calls from Sacred Heart students, several of whom are even reserving off-campus housing two years in advance. Although it is not necessary to find off-campus housing that far ahead, it is never too early to explore different living options and begin considering potential roommates.



Macroeconomy

The upcoming December 10 Federal Reserve (Fed) decision is drawing attention amid hopes for a third consecutive rate cut, as markets look for signs of renewed economic momentum. The October 29 meeting resulted in a 0.25% reduction, bringing rates to 3.75-4%, marking the second consecutive reduction. These shifts highlight how sensitive the economy remains to policy change in periods of uncertainty. The FED remains committed to returning inflation to its 2% target and achieving maximum employment, though debate continues on the best path forward. Due to the 44-day government shutdown on October 1st and rising inflation uncertainty, CME group's projected likelihood for another rate cut has dropped from 90 to 67%.

In recent years, housing has become extortionately expensive, with the Federal Reserve of St. Louis quoting a 35% increase in prices since 2020. Housing affordability has emerged as a major challenge for many young Americans, who are struggling with soaring rent prices. While rates remain up from 4% in 2015, mortgage rates have recently fallen to a one-year low of 6.19%, creating a favorable buying environment and boosting buyer optimism. This decline is a welcome development as the nation struggles with higher housing costs. A rate cut would further ease borrowing expenses and, at least temporarily, stimulate activity in the real estate market. For these reasons, investors and prospective homeowners will be closely watching the upcoming Fed decision, as they will be directly affected by its economic impact.

Current Market Conditions

With 2026 on the horizon, the housing market still feels uncertain. We are not clearly in a bull or bear market right now; instead, things are moving slowly on both the buyer and seller sides, creating a more transitional period. According to the Bureau of Labor Statistics, inflation has risen 3% over the past year, which keeps borrowing costs high and makes affordability a challenge for many buyers. For instance, On the website, "Realtor.com", their September 2025 data shows the national median list price at $425,000, while Zillow reports the median home value at $363,932. Due to this gap, numerous homes are priced too high for what buyers can actually afford, so listings are sitting longer, and buyers are gaining a slight leverage. Even so, high mortgage rates and hesitant sellers continue to keep inventory tight.

For investors, this environment requires patience and strategy. Most homeowners are locked into 3–4% mortgage rates and do not want to give them up for a more up-to-date loan at closer to 7%, ultimately keeping supply limited. However, this also means less competition from traditional buyers. BatchData and CBS News (2025) report that investors made up 27% of all home purchases in the first quarter—the highest level in five years. The report vividly illustrates that investors with substantial capital are taking advantage of the slower pace by negotiating better deals and focusing on rentals, value-add properties, and distressed homes that can deliver stronger long-term returns. Taken together, these trends suggest that 2026 will be shaped by slow but steady shifts rather than sudden corrections, making strategy more important than speed.



CT First Selectman Christine Vitale speaking on affordable housing in the state.



Affordable Housing

Fairfield, Connecticut's special election for first selectman has centered largely on how the town should approach affordable housing. Democrat Christine Vitale supports expanding affordable housing options, including using the town's $570,000 Affordable Housing Trust Fund allocation for a forty-unit assisted-living project and other initiatives. Under her leadership, Fairfield reached the state's required affordable housing threshold and earned a four-year exemption from Connecticut's bypass zoning law, 8-30g, giving the town more local control. Republican Tony Hwang also acknowledges the need for more affordable housing but criticizes 8-30g as a one-size-fits-all mandate, arguing that it "undermines local control, compromises environmental protections, and strains community infrastructure." Instead, he emphasizes smaller-scale, neighborhood-sensitive strategies, such as ADUs and duplexes, while limiting large, high-density developments that residents argue could strain traffic, infrastructure, and neighborhood character, such concerns that intensified after Fairfield approved a 478-unit project under 8-30g despite significant community opposition.