

Headship and Homeownership

What Does the Future Hold?

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Introduction

Homeownership rates averaged around 64 percent until about 1990, when they began to climb dramatically, reaching 67.3 percent in 2006. The housing crisis that began in 2007 and the ensuing recession, from which the US economy is recovering slowly, resulted in a fall in the homeownership rate to 63.6 percent, according to the latest ACS numbers. Such a trajectory has generated important questions about the future of homeownership at all ages. The issues with young adults seem particularly acute. Will young adults want to own houses? Even if they do, will they be able to afford homeownership? The answers to these questions are still unclear, especially because millennials are not just slower to start their own households and purchase homes: they also are more likely to live in their parents' homes than any generation in recent history. The rapidly changing racial and ethnic composition of the population also has profound implications for household formation and homeownership.

In this report, we dive deeply into the pace of household formation and homeownership attainment—nationally and by age groups and race/ethnicity over the past quarter-century—and project future trends. Considering the great uncertainty about household formation and homeownership, single-point forecasts of homeownership rates and housing demand could seriously mislead policymakers and obscure the potential implications of their decisions. Instead, we offer plausible competing scenarios for household formation and homeownership that generate a range of future national housing demand projections.

Our scenarios are based on the idea that household formation and homeownership are life-course events: milestones that people are more likely to pass at some ages than at others. Across an entire population of individuals born in the same year, household formation and homeownership can be measured not just at one point in time, but as a series of transitions: that is, the share of people born around the same time who form households or purchase homes over a subsequent period. Headship and homeownership are both reversible, meaning that these transitions can be either positive or negative on net, unlike some other life-course events like completing high school, getting married for the first time, or having one's first child. As a rule, however, young people generate new households and homeowners, whereas old people make transitions out of headship and homeownership.

Based on our investigation of both headship and homeownership national trends and forecasts, we have the following conclusions.

- Household growth can be expected to be reasonably robust between 2010 and 2020 as the millennials form households. However, this growth will taper off between 2020 and 2030.

- Between 2010 and 2030 household growth will be overwhelmingly nonwhite.
- The number of senior households will expand dramatically.
- The homeownership rate will continue to decline.
- The absolute number of homeowners will grow, because of net new household formation, but the absolute number of renters will grow much faster. New renter households will outnumber new owner households both between 2010 and 2020 and between 2020 and 2030.
- The new homeowners will be disproportionately minority, especially Hispanic. The homeownership gap between blacks and Hispanics is likely to grow.

In the next section of this report, we review the literature on the topic. In the second section, we describe our data and methodology. In the third section, we show the results of two scenarios: one foreseeing fast recovery in the economy and homeownership, and the other slow. We delve into our average headship forecasts in the fourth section, substantiating the first three points above. We show our homeownership and rental housing projections for 2020 and 2030, by race and age group, in the fifth section, allowing us to substantiate the last three points. The final section contains our conclusions.

What We Know about Household Formation and Homeownership Attainment

When analyzing and projecting the demand for housing, demographers and economists pay close attention to two things: homeownership and household formation. Rising homeownership rates dominated headlines and policy conversations in the years leading up to the housing crisis; these conversations are quickly changing because of income stagnation and attitude changes stemming partly from the financial crisis. However, the recent turnaround in a century-long trend toward smaller households suggests the need to pay closer attention to the joint impact of household formation and homeownership on the demand for owner-occupied and rental housing.

“Household” refers to everyone sharing a single housing unit. Two-thirds (66 percent) of households in 2013 were family households—that is, housing units occupied by at least two people related by blood, marriage, or adoption.¹ Another 28 percent were single-person households, and 6 percent were nonfamily households with two or more members.² Nationwide, 97.5 percent of people live in households; the rest live in “group quarters,” including institutions (e.g., prisons, jails, juvenile detention units, and psychiatric facilities) and noninstitutional situations (e.g., college and university dormitories, nursing facilities, military barracks, and emergency and transitional shelters). The 2010 Census placed the number of households in the United States at 116.7 million, up from 105.4 million in 2000. More recent survey-based statistics on the number of households can suggest a decline, no change, or a very slight increase in the number of households since that time. (We discuss these recent estimates in greater detail in section 3.) Because the population rose between 2010 and 2013, the average number of people per household also rose if most of these estimates are correct.

In Census Bureau surveys, each household has a reference person—sometimes called a householder—who answers questions about him- or herself and any other members of the household, including (depending on the survey) their sex, age, race, and Hispanic origin.³ Homeowning and renting are the two principal forms of tenure in the United States. Estimates of homeownership are based on responses by the householder to a question about whether he or she owns or rents the unit. Official data sources on homeownership sometimes provide further detail on whether the owner holds a mortgage and whether the unit is a condominium. People who live in a unit that they do not own but do not pay rent are counted as renters for statistical purposes. The 2010 Decennial Census reported a

homeownership rate of 65.1 percent, down from 66.2 percent in the 2000 Decennial Census. As we discuss below, recent surveys agree that the homeownership rate has continued to drop since 2010.

Demographic and Other Drivers of Household Formation and Homeownership

Household formation and homeownership are both often viewed as life-course events. Clark and Dieleman note, “The life course paradigm views the life course of an individual, or of a family, as a series of interrelated events that are bound up with larger social forces and geographical contexts” (Clark and Dieleman 1996, 22). As individuals age, they move from childhood into adolescence, maturity, marriage or cohabitation, childbirth, the maturation of their own children, retirement from work, and death. Transitions from one stage in the life cycle to another often “provide the impetus for relocation and housing change” (Clark and Dieleman 1996, 28). Broadly, therefore, demographers and economists view age as the primary factor associated with household formation and homeownership attainment; however, many other factors—especially race, but also income, sex, housing prices, and others—also exert important influences.

Because age and race matter so much for household formation and homeownership, it is important to go beyond average household size and homeownership rates if we wish to understand the past and future of housing demand. People become householders most rapidly in their 20s and early 30s, so a surge of people in these age groups can lead to higher household formation levels than what would occur with the same increase of people in their mid- to late 30s and early 40s—ages at which homeownership attainment peak. Further, Hispanics form larger households, and form them later, than non-Hispanic whites or blacks. And generally, Hispanics and non-Hispanic blacks have much lower homeownership rates than whites.

We next discuss recent trends in household formation and homeownership by race and age and review evidence for why these rates have changed as background for scenarios of 2030 rate changes.

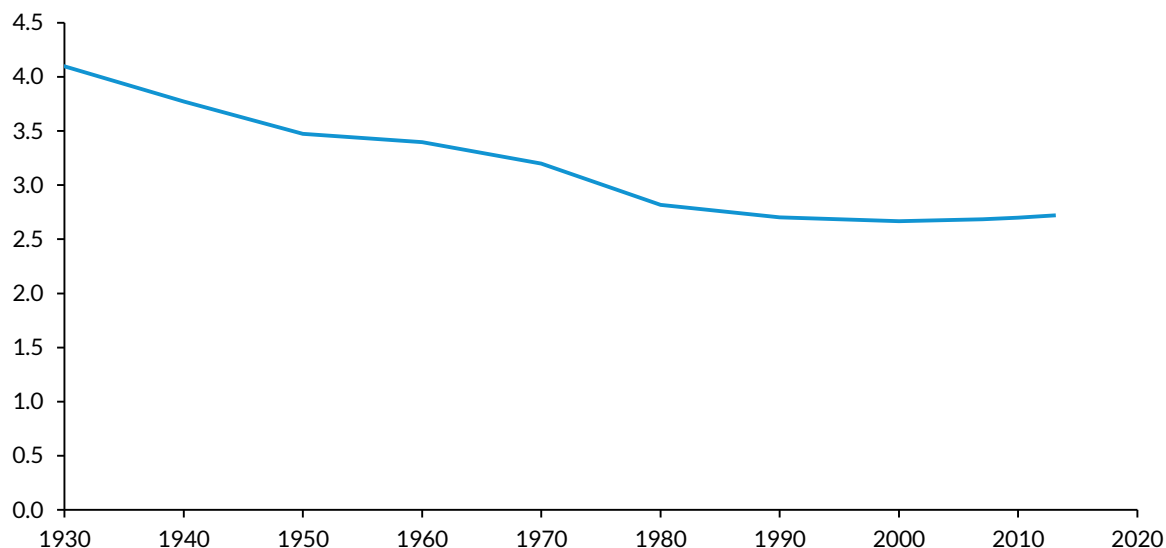
Household Formation

Family structure in developed countries changed dramatically over the 1900s. Household sizes dropped as Europe, the United States, and Canada completed their shifts from agrarian to fully urbanized

societies, incomes rose, family structures were transformed, gender roles evolved, fertility fell, and longevity increased (Burch and Matthews 1987; Salcedo, Schoellman, and Tertilt 2012). Average household size in the United States, for example, dropped from 4.6 in 1930 to 2.58 in 2010 (figure 1).

FIGURE 1

Average People per Household, United States, 1930–2013



Sources: US Census Bureau, *Statistical Abstract of the United States: 2003* and decennial Census data; and authors' calculations of data from US Census 2010 and American Community Survey 2013.

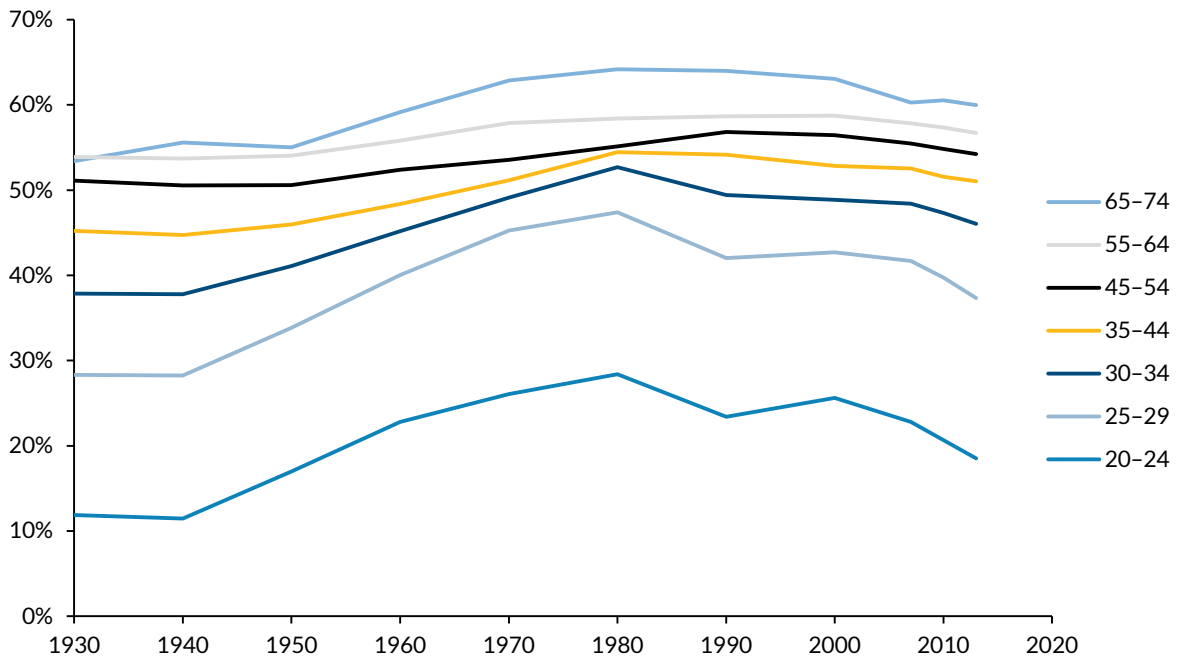
Hiding beneath this long-term trend, however, is a story with two distinct phases: from 1940 to 1980 and from 1980 to the present. The story becomes clear only when we track changes over time in the *headship rate* by age—that is, the share of people in each age group who are householders. For most age groups, the headship rate surged for four decades starting in 1940 (the younger groups) or 1950 (the older groups, except those ages 85 and older; figures 2 and 3). In 1940, only 11 percent of 20- to 24-year-olds and 28 percent of 25- to 29-year-olds were householders. By 1980, these rates had risen to 28 and 47 percent, respectively.

A wide array of forces contributed to this four-decade increase in Americans' tendency to live in smaller households (Bongaarts 2001; Burch and Matthews 1987; Salcedo, Schoellman, and Tertilt 2012). Increasing, and shared, national prosperity between 1940 and 1970 gave rise to dramatic gains in incomes and falling wage and income inequality. Women gained economic power and financial independence, raising the age at first marriage and depressing the marriage rate, increasing parents'

age at first childbirth and reducing total childbearing, and raising divorce rates. Unmarried parenthood also became less stigmatized (Shanley 2001). All these trends made it possible for larger numbers of young women to live independently.

The civil rights movement opened up new opportunities in education, employment, and housing markets for blacks and Hispanics. These gains afforded those minorities access to a wider—even if still segregated and inferior—array of housing options than those available when discrimination and racial segregation were legal (Jackson 1985; Massey and Denton 1993). Seniors' longevity increased and their poverty rates dropped thanks partly to Social Security and Medicaid and partly to the fixed-benefit pensions that many older Americans enjoyed because of their improved positions in the postwar US economy (Burr and Mutchler 2007; Kahn, Goldscheider, and García-Manglano 2013; Kramarow 1995). Coinciding with all these changes was a rising cultural value on independent living and privacy—a trend one recent book calls *Going Solo* (Klinenberg 2012).

FIGURE 2
Headship Rate among US Adults Ages 20–74, 1930–2013



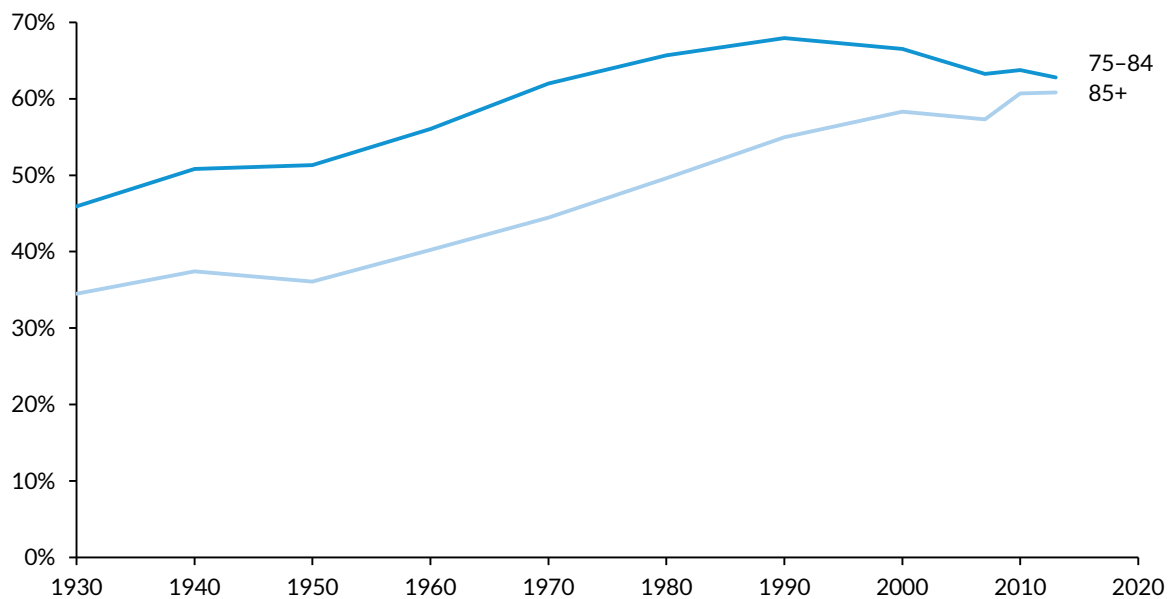
Sources: Decennial Censuses 1930–2000 and American Community Survey 2007 through 2013, extracted from Steven Ruggles, J. Trent Alexander, Katie Genadek, Ronald Goeken, Matthew B. Schroeder, and Matthew Sobek. 2010. Integrated Public Use Microdata Series: Version 5.0 [Machine-readable database]. Minneapolis: University of Minnesota.

The appeal of living alone has not declined, but the economic capacity to do so has become strained since 1980, especially among young adults. As shown in figure 2, the headship rate of people younger than 35 declined between 1980 and 2013 to levels last seen in about 1960. Young adults had an especially sharp drop in householding in the 1980s, mainly because of the recession and unemployment. Though they regained some ground in the economically stronger 1990s, rates began to fall between 2000 and 2007 as economic growth slowed again and fell sharply after 2007.

Older adults went through much the same trajectory 10 years later (figures 2 and 3). The only exception is those ages 85 and older (figure 3), a group in which the longer-term trends that began to boost headship rates in 1950 continued to exert an influence. About 60 percent of adults ages 85 and older are householders now, compared with 35 percent in 1930.

FIGURE 3

Headship Rate among US Adults Ages 75 and Older, 1930–2013



Sources: Decennial Censuses 1930–2000 and American Community Survey 2007 through 2013 extracted from Steven Ruggles, J. Trent Alexander, Katie Genadek, Ronald Goeken, Matthew B. Schroeder, and Matthew Sobek. 2010. Integrated Public Use Microdata Series: Version 5.0 [Machine-readable database]. Minneapolis: University of Minnesota.

Based on an analysis of data from 1910, 1940, 1960, 1990, and 2010, Kahn, Goldscheider, and García-Manglano (2013) suggest that whereas cohabitation between adults and their parents used to occur mainly as a support for the parents, it is increasingly a support mechanism for young men, whose economic position has worsened in the past several decades. A substantial proportion of older adults—especially non-Hispanic whites—also now lives in large, high-quality single-family homes, reducing the strains that arise from accommodating adult children in closer quarters. All else being equal, adult children of parents from higher socioeconomic levels are less likely to leave home than those in lower socioeconomic levels (Ermisch and Di Salvo 1997).

Housing market conditions have also contributed to shifts in headship rates. High rents and low vacancy rates depress the age at which children leave home (Ermisch and Di Salvo 1997; Haurin, Hendershott, and Kim 1993); thus, the correlation between periods of high and low rent across the United States—which affect young people more than older adults—and falling or rising headship rates is probably not an accident. Rents rose rapidly in the 1980s, more slowly in the 1990s, and faster again start in 2000 (Joint Center for Housing Studies 2013). A final contributor to the decline in young adults' headship rates has been their increasing ethnic and racial diversity, especially the influx of immigrants after the Immigration Reform and Control Act of 1986. Especially in their early years in the United States, foreign-born people live in larger families than native-born people of the same ethnicity (Hernandez 2004; Kahn 1988).

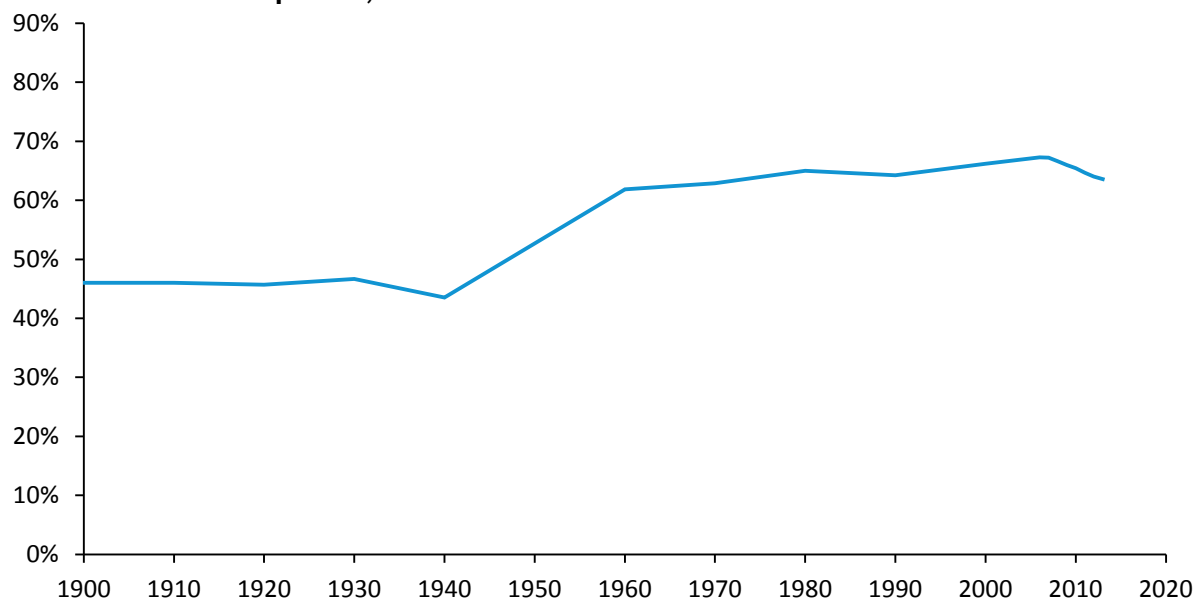
The increase in adult children's co-residence with their parents since the onset of the 2007–10 recession and the generally falling headship rates appear in this longer-term perspective not as aberrations but as an acceleration of a secular trend. Stagnant wages and high unemployment for young adults did not emerge in 2007 with the housing crisis; on the contrary, they have characterized the economy since 2000, along with rising poverty rates and increasing housing cost burdens. In a recent working paper, Bleemer and colleagues (2014) provide evidence that adult children grew more likely to live with parents because of rising house prices between 2000 and 2006, rising unemployment between 2007 and 2012, and rising incidence and per-capita student debt over the entire period.

Homeownership

Taking the long view of homeownership—starting in 1900—we can observe clearly that changes in homeownership rates in the United States have been as remarkable as those in household size. For the first four decades of the 1900s, fewer than half of homes were owner-occupied (figure 4). Housing finance policies (especially the low-down payment, 30-year, self-amortizing mortgage created by the Federal Housing Administration and support for veterans under the G.I. Bill) and increasing incomes helped raise the total homeownership rate from 44 percent at the end of the Depression to 62 percent in 1960.⁴ Over the next 45 years, homeownership climbed to 67 percent despite a slight decline in the 1980s. But homeownership dropped sharply after 2006, to an estimated 63.6 percent in 2013.

FIGURE 4

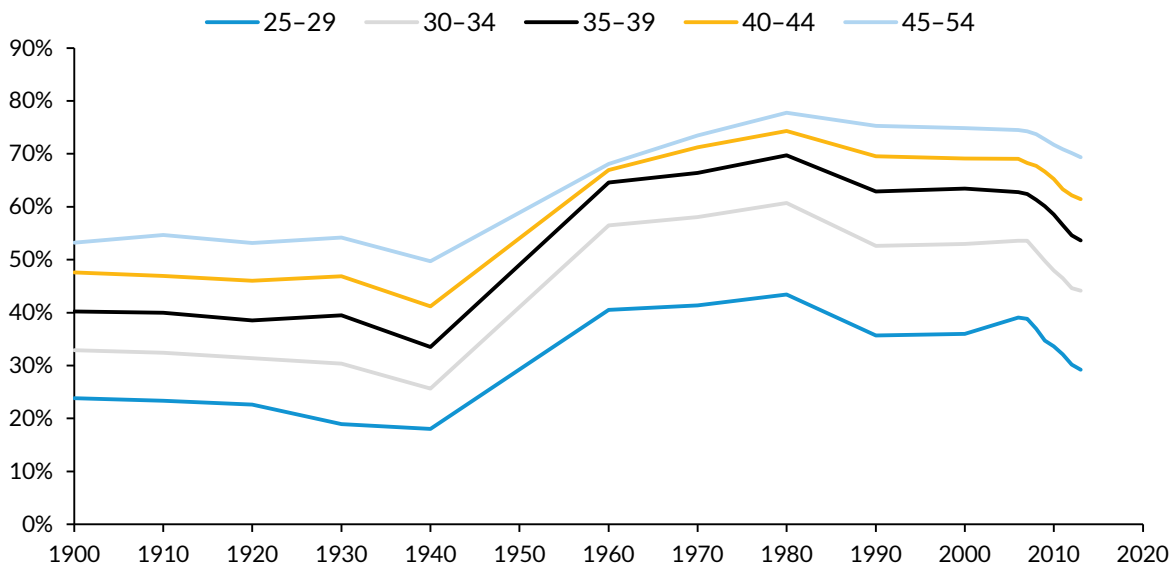
US Homeownership Rate, 1900–2013



Sources: Decennial Censuses 1900–2000 and American Community Survey 2007 through 2013, extracted from Steven Ruggles, J. Trent Alexander, Katie Genadek, Ronald Goeken, Matthew B. Schroeder, and Matthew Sobek. 2010. Integrated Public Use Microdata Series: Version 5.0 [Machine-readable database]. Minneapolis: University of Minnesota.

Like headship rates, homeownership rates changed much more for young to middle-aged adults than the national average did from 1940 to 2010 (figure 5). For 30- to 34-year-olds, for example, homeownership rose from 26 percent in 1940 to 56 percent in 1960 and continued climbing to 61 percent in 1980. The homeownership rate for adults in their early 30s then declined to 53 percent in the 1980s, grew by 1 percentage point between 1980 and 2007, and plummeted to 44 percent in 2013. Given the parallel decline in homeownership for 25- to 29-year-olds, it is unclear whether working-age Americans will ever regain 1980's peak homeownership rate. While the decrease since 1980 in young adults' homeownership is partly an effect of the growing share of young nonwhite householders, homeownership in 2010 is lower than it was in 1980 for both whites and blacks younger than 55.

FIGURE 5
Homeownership Rate, US Adults Ages 25–54, 1900–2013

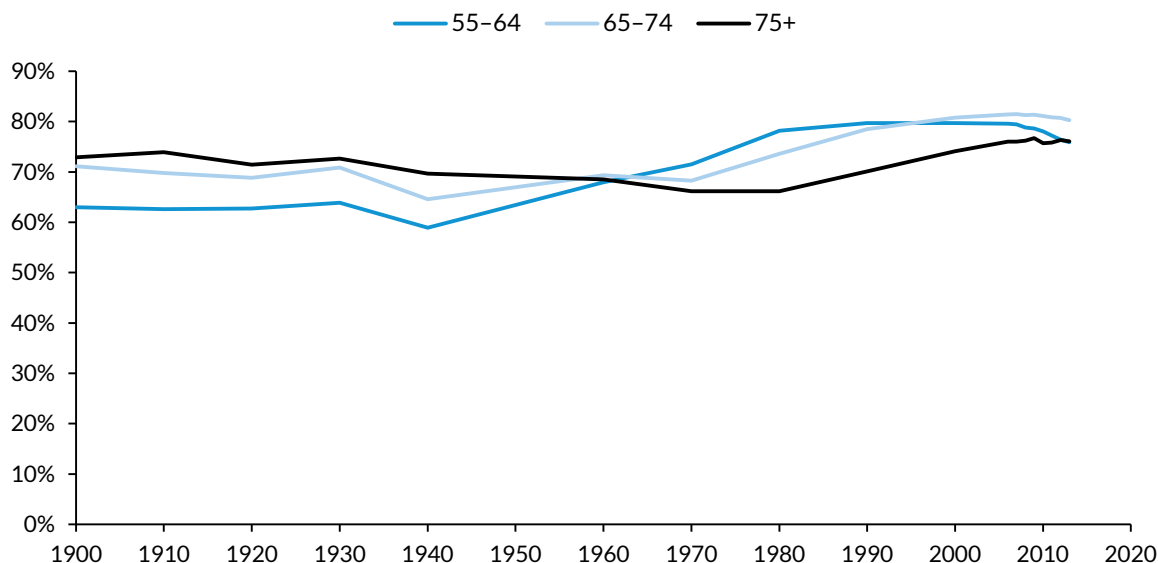


Sources: Decennial Censuses 1900–2000 and American Community Survey 2007 through 2013, extracted from Steven Ruggles, J. Trent Alexander, Katie Genadek, Ronald Goeken, Matthew B. Schroeder, and Matthew Sobek. 2010. Integrated Public Use Microdata Series: Version 5.0 [Machine-readable database]. Minneapolis: University of Minnesota.

Older adults, by contrast, had homeownership rates over 70 percent in 1900 (figure 6). The low national homeownership rate from 1900 to 1940, especially the decline of ownership during the Depression and World War II among younger households, helped delay the rise in homeownership among seniors to their current levels of 75–80 percent until the 1970s and 1980s. Eventually, however, the decline since 1980 in young and working-age adults’ homeownership rates is likely to cause homeownership to decline among even the oldest Americans.

The life cycle significantly affects homeownership, just as it does household formation; homeownership rises with age, peaks, and then declines as older homeowners shift to alternative living situations. The transaction costs involved with homeownership—which usually include the time required to get mortgage financing plus the closing costs—as well as the down payment can be high enough to make renting a better choice for households who move more than once every four or five years. People are at their highest mobility in their 20s but over time find long-term jobs, form relationships, and start families, all of which encourage them to look for housing that has greater security of tenure and predictability and that provides access to greater convenience and amenity. In the United States, homeownership delivers all these benefits more readily than renting does. Thus the probability of being a homeowner increases between the ages of 20 and 35.

FIGURE 6
Homeownership Rate among US Adults Ages 55 and Older, 1900–2013



Sources: Decennial Censuses 1900–2000 and American Community Survey 2007 through 2013, extracted from Steven Ruggles, J. Trent Alexander, Katie Genadek, Ronald Goeken, Matthew B. Schroeder, and Matthew Sobek. 2010. Integrated Public Use Microdata Series: Version 5.0 [Machine-readable database]. Minneapolis: University of Minnesota.

However, the dynamics of this relationship are changing over time. Americans born in 1955, for example, already had a homeownership rate of 44 percent when they were 25 (in 1980), and their rate grew to 52 percent in the next decade. By 2010, when they were 55, it had reached 56 percent. By contrast, only about a third of those born in 1985 were homeowners when they were 25. Whether they will accelerate their transition to homeownership over the next two decades is a critical question that we explore in this report.

Beyond the effect of age and its associated life-course transitions, other important individual characteristics that affect tenure choice include race and ethnicity, national origin, educational attainment, income, sex, and parental resources and housing tenure (Haurin and Rosenthal 2007; Herbert et al. 2005). Whites and Asians have higher homeownership rates than blacks and Hispanics, especially at older ages, though Hispanic homeownership has increased in recent years. Upon arrival in the United States, immigrants on average have lower homeownership rates than native-born people of the same ethnicity, but those who stay in the United States transition to homeownership rapidly (Borjas 2002; Myers and Liu 2005). This propensity helps explain the recent retention and expansion of Hispanics' homeownership, as established immigrants and second-generation immigrants have increased as a share of all Hispanics. College-educated adults, men, and children of parents who are white, college-educated homeowners are also all more likely to become homeowners than others. Homeownership also appears to parallel headship: from 1970 to 2000, both headship and homeownership fell for people in their 20s but rose for people in their 30s and 40s (Haurin and Rosenthal 2007).

Market and policy conditions, too, exert important influences on homeownership. Credit constraints, labor market conditions, housing prices, and the location of housing all can affect tenure decisions (Herbert et al. 2005). Market conditions in the 1990s aligned favorably for gains in homeownership: innovations in financial markets occasioned a substantial drop in mortgage interest rates; housing prices grew fairly slowly, up to at least about 1998; and growth in income and jobs was strong, including income for the lower half of the income distribution. Housing prices rose starting in the late 1990s and continued to do so into the 2000s, however, and while the economy continued to grow, job growth practically halted. Extremely loose credit helped fuel the price rise and encouraged speculation and refinancing for equity extraction. When the housing bubble burst, the financial collapse sent millions of homeowners into foreclosure, caused a massive decline in home values, and led to the most severe limits on mortgage credit availability in decades.

Though the economy is solidly recovering, the mortgage credit regime remains unresolved and credit tight. The millennial generation is now ages 20 to 35, still mostly at the beginning of their delayed transition into headship and homeownership. It is a diverse generation racially and by national origin.

Millennials also have very large inequalities in income, educational backgrounds, and access to resources from parents and grandparents. These uncertainties and disparities make it difficult to project with certainty how millennials will transition into housing markets between now and 2030, when the last of the generation will have reached their mid-30s. For this reason, we develop alternative scenarios suggesting low- and high-bound estimates of changes in headship and homeownership. The next section discusses how we generated those scenarios.

Scenario Development: Headship and Homeownership Rates

Definitions, Data, and Methodology

To develop our scenarios of housing demand, we use observed householder and homeownership rates by age and race from 1990, 2000, and 2007–13, extending or replicating the cohort-specific changes in those rates to 2020 and 2030. We did not do projections past 2030, believing that both headship and homeownership changes are happening quickly enough that shorter term projections will be both more accurate (as any errors are compounded the longer the term) and more useful (as they can be used to inform policy in the near term.)

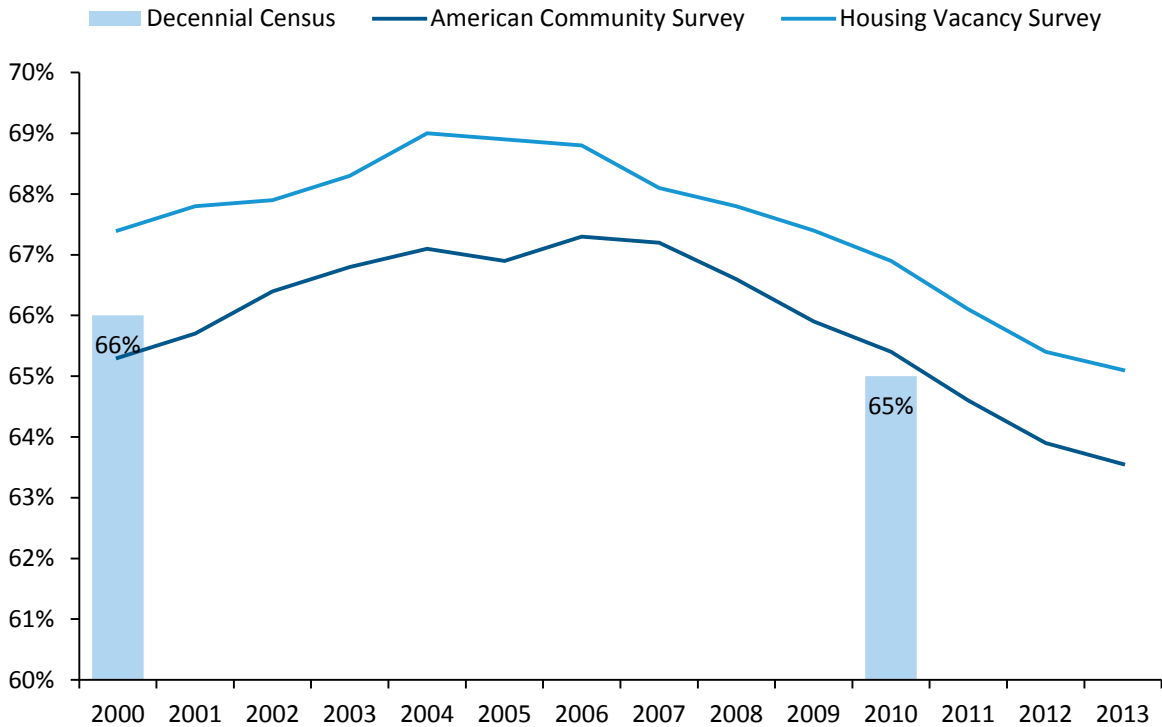
The most robust source of data on population, headship, and homeownership is the decennial census, which is both mandatory and intended to cover all households. However, the last census was in 2010, when the financial crisis was strongly depressing household formation and dragging down the homeownership rate. Much of the Great Recession's effects on homeownership occurred after the 2010 Census. Hope Now estimates that 7.5 million borrowers lost their home to short sale, foreclosure sale, REO sale or deed-in-lieu between the third quarter of 2007 and 2014. Of these, 5.3 million lost their home in 2010–14.⁵

Two data sources based on sampling, the American Community Survey (ACS) and Housing Vacancy Survey (HVS, part of the Consumer Population Survey), are updated more frequently and pick up some of this decline. The American Community Survey is done annually, with the last available update in 2013. The HVS is done quarterly, with the last update in the fourth quarter of 2014.

Our methodology combines the use of the decennial census and the ACS. We have elected not to use the HVS, as it is a relatively small sample (72,000 a month versus 250,000 a month for the ACS) and its numbers align poorly with the decennial census. By contrast, the census and the ACS seem to produce results that are very close (figure 7). This closeness allows us to use the 2010 Census as a base and “graft” changes observed in the ACS onto the baseline census figures.

FIGURE 7

Homeownership Rates in the Housing Vacancy Survey, Decennial Census, and American Community Survey, 2000–13



Sources: Decennial Censuses, Housing Vacancy Survey, and American Community Survey.

In this report, we define age groups as a group of people born within the same 10-year span and compute headship rates and homeownership rates for each age group, using Census and ACS data. Given the racial differences outlined earlier, we use four race/ethnicity groups: Hispanic, non-Hispanic white, non-Hispanic black, and non-Hispanic of other races, a category that includes Asians, American Indians, Alaska Natives, Native Hawaiians, other Pacific Islanders, and multiracial individuals. For the rest of the report, we use “white” and “black” to imply non-Hispanic white and non-Hispanic black, respectively. Where we cross tabulate race/ethnicity with age, we refer to these as [age, race] age groups. We also consider the transitions undergone by *cohorts*—that is, people born within the same 10-year span. Since headship and homeownership are milestones reached over the life course, the proportion of people of a particular race/ethnicity and age who are householders or homeowners at any one time is a function of both age and cohort effects.

To begin our projections, we must choose a starting point. We would like to start with 2013 decennial census data, but it does not exist, so we use existing information to try to create it. We

calculate the headship rates and homeownership rates based on the 2013 ACS, the most recent available data, taking in account the transition that has occurred between 2010 and 2013. For example, to generate the 2020 projection of the 25- to 34-year-old white group, we begin with those who are ages 15–24 in 2010 and 18–27 in 2013. We use 2013 ACS data as a base for the analysis, then correct for the 2010 difference between the Census and the ACS, giving us a 2013 “Census” starting point.

From this adjusted starting point, we develop scenarios for the transition from the 2013 estimate to projected rates in 2020 for both household formation and homeownership. Although current household formation is still low, it is picking up. Mortgage delinquencies are still elevated, but they appear to be returning to levels typical of the early 2000s.⁶ Given these developments, we believe that cohorts will resume a moderate growth path somewhere between the fast transitions of the housing boom (roughly 1993–2007) and the slow ones of the housing crash (2007–13). Since we lack data matching these precise periods, we use the two intercensal periods to bound our estimates. We build a *slow* scenario based on transitions from 2000 to 2010, when the crisis dramatically slowed household formation and homeownership attainment. Most available evidence shows continued sluggishness in both headship and homeownership growth even up to early 2015; we therefore build a *fast* scenario based on the average between the very slow 2000s and the 1990s, when transitions were considerably faster than in 2000–10 and much faster than we consider plausible for the average transition rate from 2010 to 2020.

For the 2030s, we apply these same 10-year slow and fast age- and race-specific transition rates to the headship and homeownership rates each cohort will reach in 2020. This extension to 2030 of the same slow and fast rates reflects our sense that demographic, economic, and housing-finance trends are likely to pose continued challenges for transitions into headship and homeownership, even under optimistic assumptions. We hope to revisit these assumptions to test the potential impacts of rising economic prospects for young adults, shifts in national policies regarding homeownership and wealth creation, and intergenerational transfers from baby boomers to millennials.

To construct our scenarios, we do two calculations for each age-race cohort: the 10-year transition rate from 2000 to 2010 and the average 10-year transition rate from 1990 to 2010.

$$Dif1 = c2010_{age} - c2000_{age-10} \tag{1}$$

$$Dif2 = (c2010_{age} - c2000_{age-10} + c2000_{age} - c1990_{age-10})/2 \tag{2}$$

where $c2010_{age}$ is the 2010 Census headship or homeownership rate for people of the same age and race in a given 10-year age group and $c2000_{age-10}$ is the 2000 Census headship or homeownership rate

for the same cohort a decade earlier. Thus, if $c_{2010_{age}}$ is 25- to 34-year-old whites in 2010, then $c_{2000_{age-10}}$ is 15- to 24-year-old whites in 2000.

For the slow scenario, the minimum of $Dif1$ and $Dif2$ is used to calculate the transition rates for the seven years from 2013 to 2020 to form the 2020 projected age- and race-specific headship or homeownership rate.

$$Transition_{min} = \min(Dif1, Dif2) \quad (3)$$

$$f_{slow2020_{age}} = A_{2013_{age-7}} + (c_{2010_{age-10}} - A_{2010_{age-10}}) + \frac{7}{10} * Transition_{min} \quad (4)$$

$$f_{slow2030_{age}} = f_{slow2020_{age}} + Transition_{min} \quad (5)$$

The second term in equation 4 is the adjustment to the ACS so it reflects the difference between the 2010 Census and the 2010 ACS. The third term accounts for the seven years to transition from 2013 to 2020.

For the fast scenario, the maximum of $Dif1$ and $Dif2$ is used. The following equations calculate the transition rates for 2010 to 2020 and 2020 to 2030 fast cases.

$$Transition_{max} = \max(Dif1, Dif2) \quad (6)$$

$$f_{fast2020_{age}} = A_{2013_{age-7}} + (c_{2010_{age-10}} - A_{2010_{age-10}}) + \frac{7}{10} * Transition_{max} \quad (7)$$

$$f_{fast2030_{age}} = f_{fast2020_{age}} + Transition_{max} \quad (8)$$

For the 15–24 age group, we use the following equations to yield race-specific 2020 and 2030 headship and homeownership rates.

$$f_{slow2020_{15-24}} = A_{2013_{15-24}} \quad (9)$$

$$f_{fast2020_{15-24}} = A_{2013_{15-24}} + (C_{2020_{15-24}} - A_{2010_{15-24}}) \quad (10)$$

$$f_{slow2030_{15-24}} = f_{slow2020_{15-24}} \quad (11)$$

$$f_{fast2030_{15-24}} = f_{fast2020_{15-24}} \quad (12)$$

An Example

Here is a concrete example of projecting the headship rates among 25- to 34-year-old whites in 2020. The steps are given below and outlined in table 1.

Step 1: Calculate the 2013 “Census” starting point for the analysis on headship rates. We must adjust the 2013 ACS for the 2010 Census-ACS differential.

$$\text{Adjustment 1} = (c_{2010_{15-24}} - A_{2010_{15-24}}) = 13.4\% - 12.2\% = 1.2\%$$

$$\text{2013 "Census"} = A_{2013_{18-27}} + (c_{2010_{15-24}} - A_{2010_{15-24}}) = 22\% + 1.2\% = 23.2\%$$

Step 2: Calculate transition rate between 2013 and 2020.

Fifteen percent of the 15- to 24-year-olds were heads of households in 2000; 46 percent of this cohort, who were then 25- to 34-year-olds, were heads of households in 2010. Thus, 31.6 percent of this population transitioned to head of household status. That is:

$$Dif1 = c_{2010_{25-34}} - c_{2000_{15-24}} = 31.6\%$$

The 1990–2000 transition rate for 15- to 24-year-olds was 34.2 percent, making the average of the 1990–2000 and 2000–10 transition rates 32.9 percent. That is:

$$Dif2 = (c_{2010_{25-34}} - c_{2000_{15-24}} + c_{2000_{25-34}} - c_{1990_{15-24}})/2 = 32.9\%$$

The transition rate from 2013 to 2020 is seven-tenths of 31.6 percent, or 22.1 percent, for the slow case. The 2020 slow case forecast would be:

$$f_{slow} 2020_{25-34} = 22\% + 1.2\% + \frac{7}{10} * 31.6\% = 45\%$$

The fast scenario in 2020 would be:

$$f_{fast} 2020_{25-34} = 22\% + 1.2\% + \frac{7}{10} * 32.9\% = 45\%$$

For the 2030 estimates, we use the 2020 estimates as the starting point, and reapply step 2, assuming the transition rate applies for the full 10-year period. Thus, the slow and fast scenarios for 2030 25- to 34-year-olds are 43 and 45 percent, respectively.

TABLE1

Sample Calculation: White Headship Rates

Age	Decennial Census			Age in 2010	ACS			
	1990	2000	2010		2010	2011	2012	2013
15-24	14	15	13	15-24	12	15	19	22
25-34	47	48	46	25-34	46	47	47	48
35-44	55	54	53	35-44	53	53	53	53
45-54	56	57	56	45-54	56	56	56	56
55-64	58	59	59	55-64	58	58	59	59
65-74	64	63	63	65-74	62	62	62	62
75-84	68	67	68	75-84	65	65	66	65
85+	55	58	67	85+	63	63	62	61
Total	49	50	50	Total	49	50	50	51

Procedure

Age	Dif1	Dif3	Dif2	Transition _min	Transition _max	Adjustme nt1	Adjustme nt2
	$\frac{2010_age - 2000_age}{2000_age - 10}$	$\frac{2000_age - 1990_age}{1990_age - 10}$	mean(Dif1, Dif3)	min(Dif1, Dif2)	max(Dif1, Dif2)	$\frac{2010Census_age - 10}{2010ACS_age - 10}$	$\frac{7}{10} \times \text{Factor_min}$
15-24
25-34	31.6	34.2	32.9	31.6	32.9	1.2	22.1
35-44	4.9	6.6	5.7	4.9	5.7	0.4	3.4
45-54	2.0	2.3	2.2	2.0	2.2	0.3	1.4
55-64	2.2	2.5	2.4	2.2	2.4	0.4	1.6
65-74	4.1	4.8	4.4	4.1	4.4	1.0	2.9
75-84	5.0	3.3	4.2	4.2	5.0	1.3	2.9
85+	0.0	-10.0	-5.0	-5.0	0.0	2.9	-3.5

Forecasts

Age	2020 slow	2020 fast	2030 slow	2030 fast
15-24	11	12	11	12
25-34	45	46	43	45
35-44	52	53	50	52
45-54	55	55	54	55
55-64	58	58	57	57
65-74	62	63	62	62
75-84	66	67	67	68
85+	65	68	61	67
Total	50	51	50	51

Sources: Decennial Census, American Community Survey and Urban Institute projections.

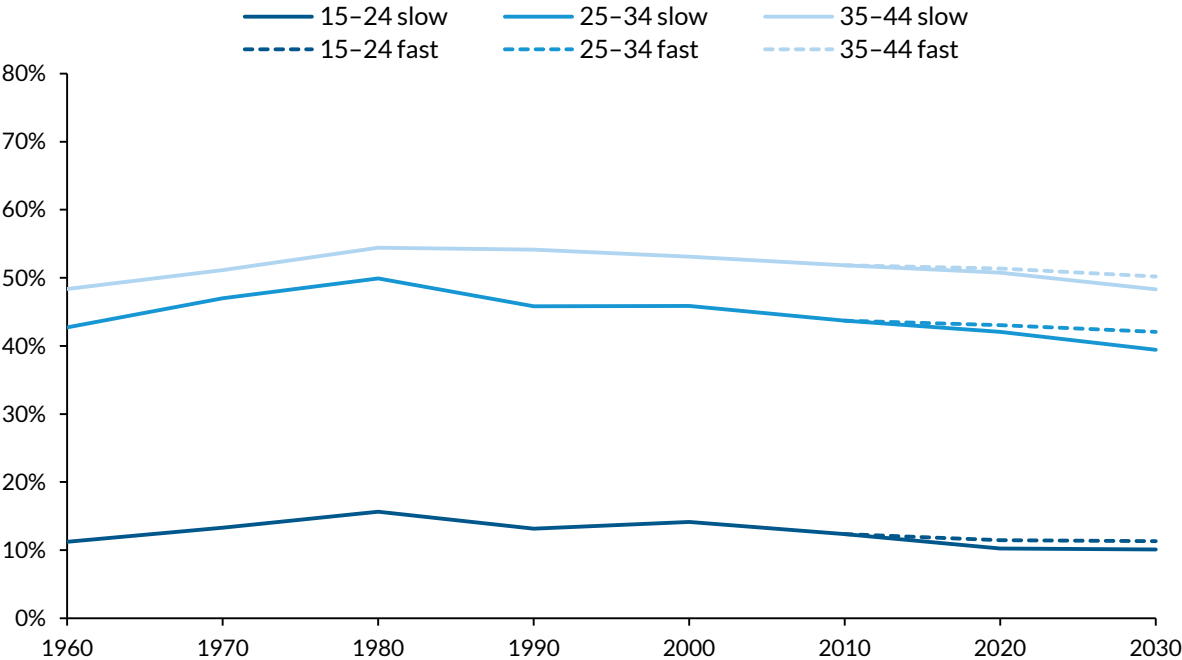
This methodology allows us to project what share of individuals will be householders (the headship rate) and what share of householders will be homeowners (the homeownership rate) for each race and age group. We translate the headship rates and homeownership rates into the number of households and the number of homeowners to project net national demand for housing. For the household projection counts in each [age, race] cohort, we multiply our projections of headship rates by the middle-series 2014 Census population projections for 2020 and 2030. We then apply our homeownership rate projections to our household projections to yield the projected number of

homeowners and renters in the fast and slow scenarios. We also compute an the average of our two scenarios by taking the mean of the slow and fast age- and race-specific headship and homeownership rates in 2020 and 2030 and multiplying these rates through by population and householders as in the slow and fast scenarios. Using the average of our two scenarios has no theoretical underpinnings; rather, it enables us, for expositional convenience, to use a single number when discussing our results. The appendix shows the fast, slow, and average scenarios for 2020 and 2030.

Households and Homeownership Rates (Slow and Fast Scenarios)

Since most of the difference between the scenarios comes from younger age groups, we limit our discussion here to those groups. (Full results by age and race appear in appendix tables A.4 and A.5.) The slow scenario assumes continued economic turbulence and difficulty for young adults in attaining headship and homeownership. The fast scenario would require stronger economic recovery and more favorable conditions for young adults to form households and become homeowners. Under both scenarios, headship and homeownership rates will continue to decline for most age-race groups of young households until 2030, as shown in figures 8 and 9. These figures use our two scenarios to extend the historic age-specific trends in headship and homeownership shown in figures 2 and 5 to 2030.

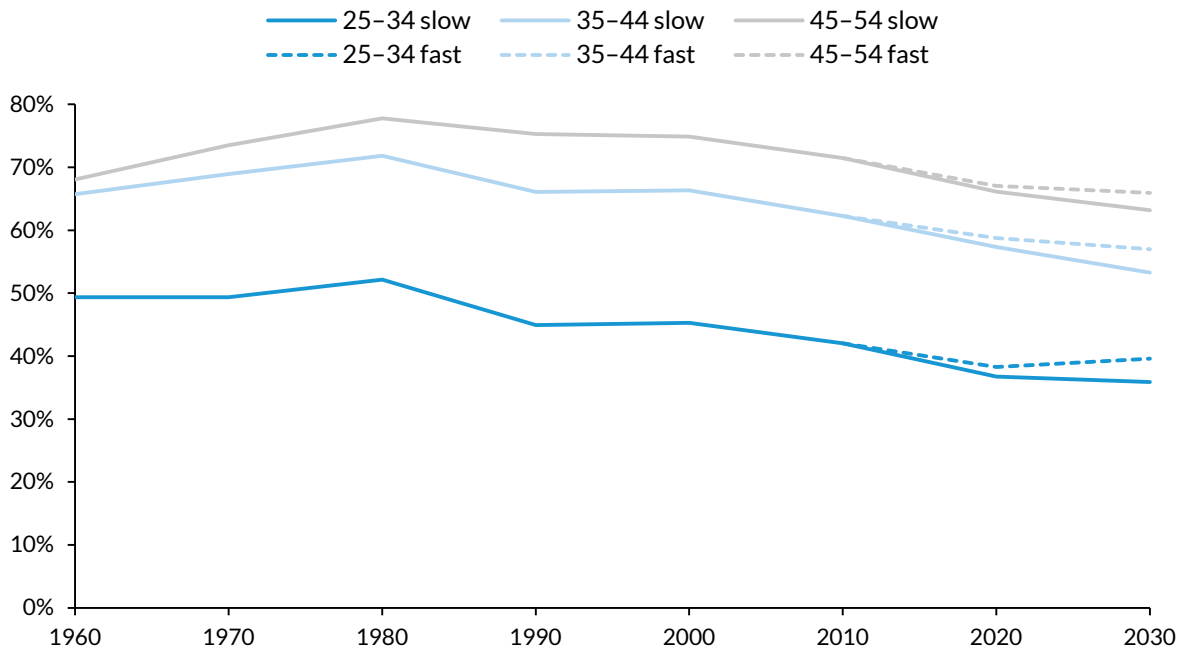
FIGURE 8
Continued Slipping in Projected Headship Rates for Young Adults



Sources: Decennial Censuses 1960–2010 and Urban Institute projections.

FIGURE 9

Fast Homeownership Scenario Suggests Rebound for 25- to 34-Year-Olds after 2020, but Cohort and Compositional Effects Keep Pulling Other Young and Middle-Aged Adults Down



Sources: Decennial Censuses 1960–2010 and Urban Institute projections.

This drop for most age groups comes from four main forces. First, there is a secular trend. Age- and race-specific headship and homeownership both peaked for most age groups in 1980 and, despite some recovery in the 1990s, had already declined again before the housing crisis because of rising housing prices. The peak occurred in 1980 for whites, blacks, and Hispanics under age 55, though Hispanics' current homeownership rates are closer to those of 1980 than those of whites or blacks. Second, the housing crisis pulled headship and homeownership rates down for people of all ages and races. Third and most directly affected by our projection assumptions, there are long-lasting cohort effects. Even our fast scenario does not assume that transition rates will speed up enough for most cohorts to regain the age-specific rates of previous generations before the end of the projection period. Fourth, compositional effects will pull both headship and homeownership rates down. Groups with low headship and homeownership rates (Hispanics and other nonwhites) constitute a growing share of the US population, while whites' share is declining. Blacks' share is also increasing slightly, with a pronounced downward effect on homeownership but not on headship. The only series with a projected increase in either rate is for the 25- to 34-year-old homeownership rate from 2020 to 2030 under the

fast scenario. This increase reflects the large group of white millennials whose homeownership would rise quickly starting in the early 2020s under the fast scenario.

Deeper examination of these trends by race shows the clear importance of trends for the Hispanic population (figure 10 for age group 35-44). Since Hispanic headship and ownership rates were less affected by the housing crisis than those of other groups, they have more room to grow now that the crisis is over. That is, cohort effects that will pull down rates for those in other groups will exert less drag on Hispanics as they age. As a result, homeownership rates should stabilize or increase over time for Hispanics; our fast projection reaches 49.3 percent by 2030, and our slow projection remains at 47.3 percent, where it stood in 2010.

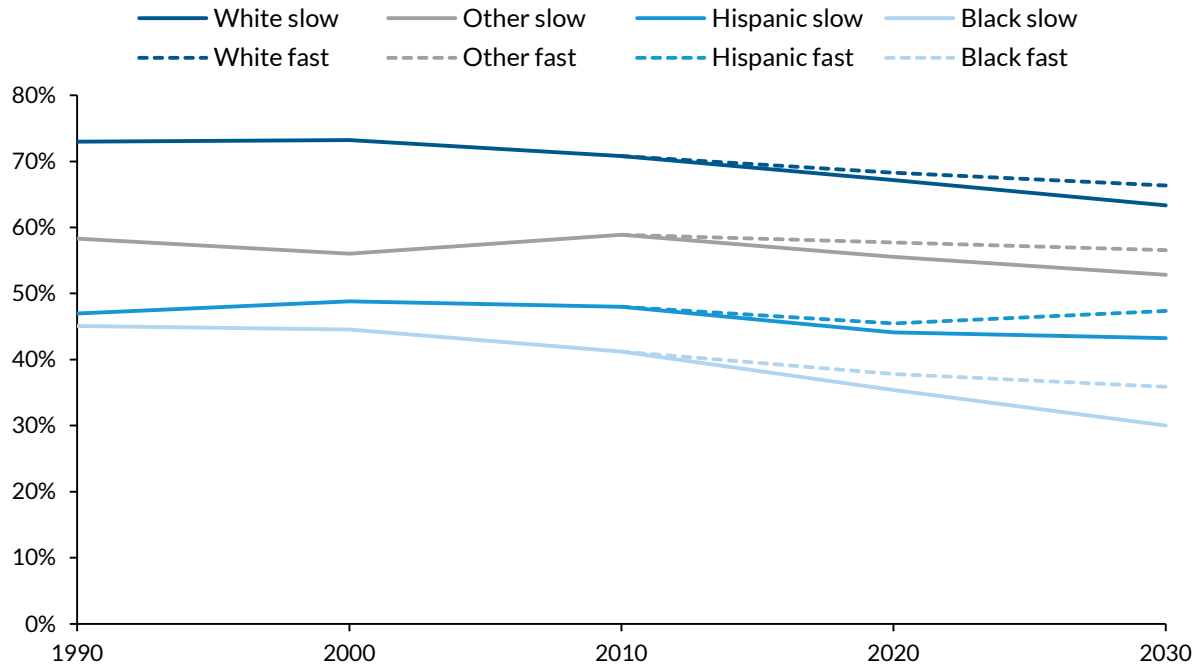
The trends for blacks, by contrast, are uniformly worrying. While their headship rates are not likely to drop much, their homeownership rates appear to be in a long-term slump, dragged down by cohort effects that probably already reflect their parents' impaired economic condition dating from well before the housing crisis. Erosion of homeownership for blacks threatens to undermine their ability to gain and maintain economic stability, not to mention build assets. By 2030, our homeownership projections suggest a range of homeownership rates for blacks from 38 percent (slow) to 42 percent (fast), a substantial setback from 2000, when black homeownership exceeded 46 percent.

Multiplying the 2020 and 2030 headship and homeownership rates through by the Census Bureau's mid-range population projections for 2020 and 2030 allows us to reach projections of the total number of households by tenure under each scenario. Under the slow scenario, assuming Census 2014 middle series population projections, the total number of households would grow from 116.7 million in 2010 to 127.3 million in 2020 and 136.4 million in 2030: about 10.6 million net new households in this decade and 9 million in the 2020s (table 2). Homeownership would drop from 65.1 percent in 2010 to 62.3 percent in 2020 and 60.3 percent in 2030. Since the population is still increasing, the total number of homeowners would rise despite falling homeownership: from just under 76 million in 2010 to 79.4 million in 2020 and 82.3 million in 2030. On net (subtracting total homeownership from that of the previous period), this would mean only 3.4 million (79.4 million -76 million) new homeowners in this decade and 2.8 million in the 2020s. Renters would increase more rapidly than owners, from 40.7 million in 2010 to nearly 48 million and 54.1 million in 2020 and 2030, respectively. The net increase in renters during this decade would amount to 7.2 million, with another 6.2 million in the 2020s.

FIGURE 10

Whites and Blacks Continue to Fall by Both Scenarios Because of Cohort Effects; Hispanics Could Experience a Rebound

Homeownership rates for 35- to 44-year-olds by race and ethnicity, slow and fast scenarios



Sources: Decennial Censuses 1960–2010 and Urban Institute projections.

TABLE 2

Slow and Fast Scenarios for Households, Homeowners, and Renters, 2010–30 (thousands, except where noted)

	Observed (o) or Projected (p)			Change	
	2010o	2020p	2030p	2020s	2030s
Slow scenario					
Households	116,716	127,350	136,411	10,634	9,061
Homeownership rate	65.1%	62.3%	60.3%	-2.8%	-2.0%
Homeowners	75,986	79,390	82,263	3,404	2,873
Renters	40,730	47,960	54,148	7,229	6,188
Fast scenario					
Households	116,716	129,258	140,936	12,542	11,678
Homeownership rate	65.1%	63.0%	62.2%	-2.1%	-0.8%
Homeowners	75,986	81,403	87,640	5,417	6,237
Renters	40,730	47,855	53,296	7,125	5,441

Sources: Decennial Census 2010 (o) and Urban Institute projections (p).

The fast scenario produces stronger household formation, totaling about 12.5 million and 11.7 million in the 2020s and the 2030s, respectively. Homeownership would continue to slip in the 2010s but fall by less than a percentage point in the 2020s, reaching 62.2 percent by 2030. Owing to faster household formation, the net growth of homeowners would be substantially greater under this scenario: 5.4 million in the 2010s and 6.2 million in the 2020s. Renter growth in the 2010s, at 7.1 million, would still be nearly as strong as in the slow scenario but would decline to 5.4 million in the 2020s.

Drivers of Change in Household Formation (Average Scenario)

The net growth of households by tenure from 2010 to 2030 is actually the outcome of two separate processes that link at the local housing-market level: first, households form and people purchase homes when they are young, releasing rental units; as people age, mortality and health-related moves release owner-occupied units. While individuals may move back and forth between homeownership and renting over their lifetimes, we are capturing the net moves of whole cohort. For expositional convenience in describing and calculating the dynamics of household formation and attrition, this section uses an “average” scenario produced by applying the average between the slow and fast race- and age-specific rates to the Census Bureau’s 2014 mid-range national population projection.

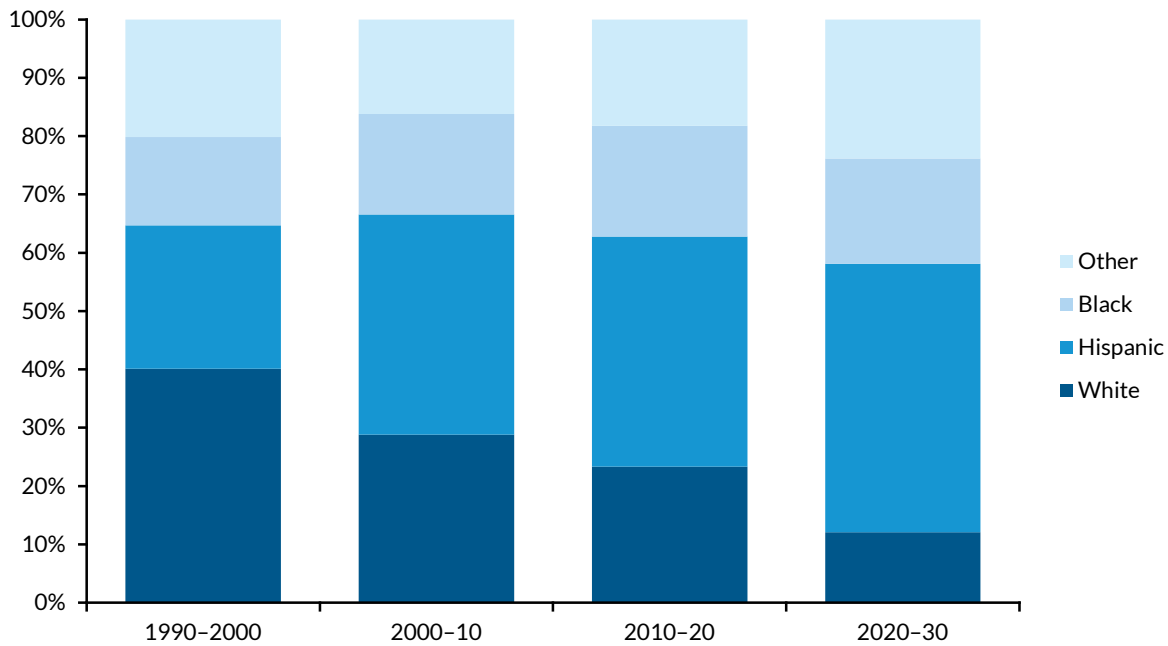
Household Formation Overall and by Race/Ethnicity

The average scenario yields a projection of 128.3 million households in 2020 and 138.7 million in 2030. These numbers imply 11.6 million new households from 2010 to 2020 and 10.4 million new households from 2020 to 2030. This compares with a more robust household formation of 13.7 million in the 1990s and a less robust household formation of 11.2 million in the 2000s. (The detail behind the household formation estimates is shown in appendix table A.2, and changes in the household formation estimates are shown in appendix table A.3.)

Given expected patterns of population growth, the 11.6 million new households will be more heavily minority than ever before (figure 11). In the 1990s, whites accounted for 40 percent of the net household formation; this share dropped to 29 percent between 2000 and 2010.⁷ Whites’ declining share of net household growth is projected to continue, falling to 23 percent between 2010 and 2020 and 12 percent between 2020 and 2030.

FIGURE 11

Distribution of New Household Formation by Race and Ethnicity



Sources: Decennial Censuses and Urban Institute projections.

Figure 12 shows in more detail new household formation between 2010 and 2030. The bars show the projected household growth, and the percentages on the top of the bars show the race composition of that growth. From 2010 to 2020, of the 11.6 million new households, 8.9 million (77 percent) will be nonwhite: 4.6 million (39 percent) Hispanics, 2.2 million (19 percent) blacks, and 2.1 million (18 percent) others. The nonwhite percentages will rise from 2020 to 2030. For example, in 2030, 9.1 million (88 percent) of 10.4 million new householders will be minority. Of these total new households, we project that 46 percent are Hispanics, 18 percent are blacks, and 24 percent are other races.

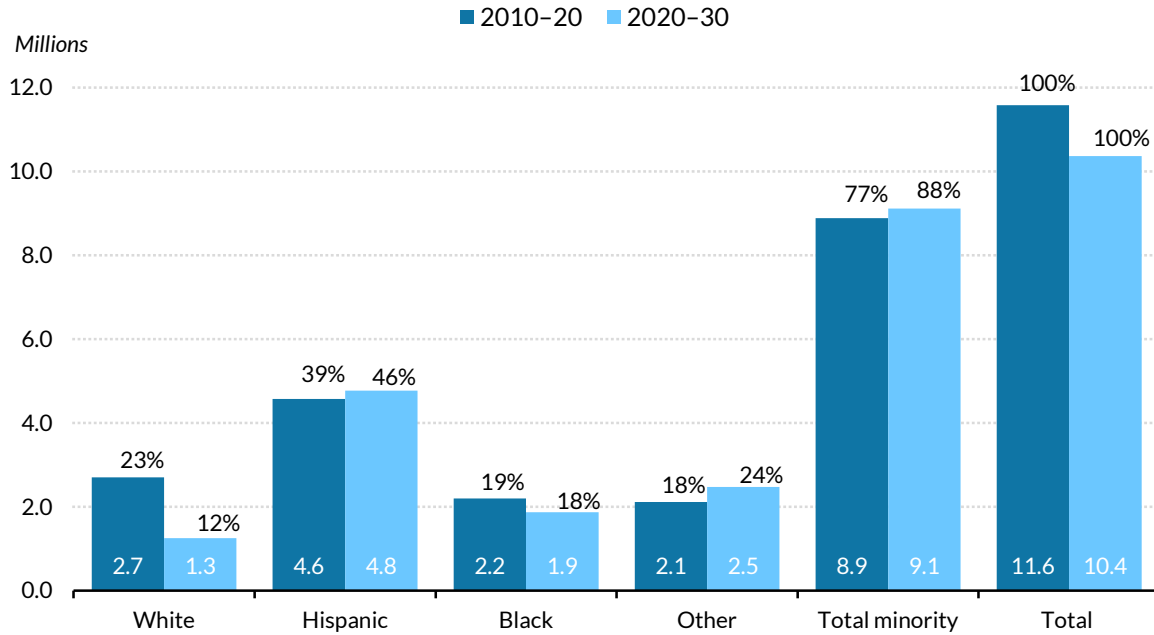
Household Formation by Age

As discussed earlier, changes in total households result from two counterbalancing age-related processes: household formation (dominated by people younger than 35) and household attrition (dominated by people ages 65 and older but starting in the early 50s). The 2010s and the 2020s will differ in the magnitude of household growth mainly because of attrition, which will increase in the 2020s as larger numbers of baby boomers reach their 70s and early 80s. As shown in appendix table

A.1, millennials and late gen Xers are the single largest population group, numbering almost 90 million in 2020 or 2030. By contrast, the baby boomer population now totals just over 82 million.

FIGURE 12

New Household Formation Forecasts for 2020 and 2030

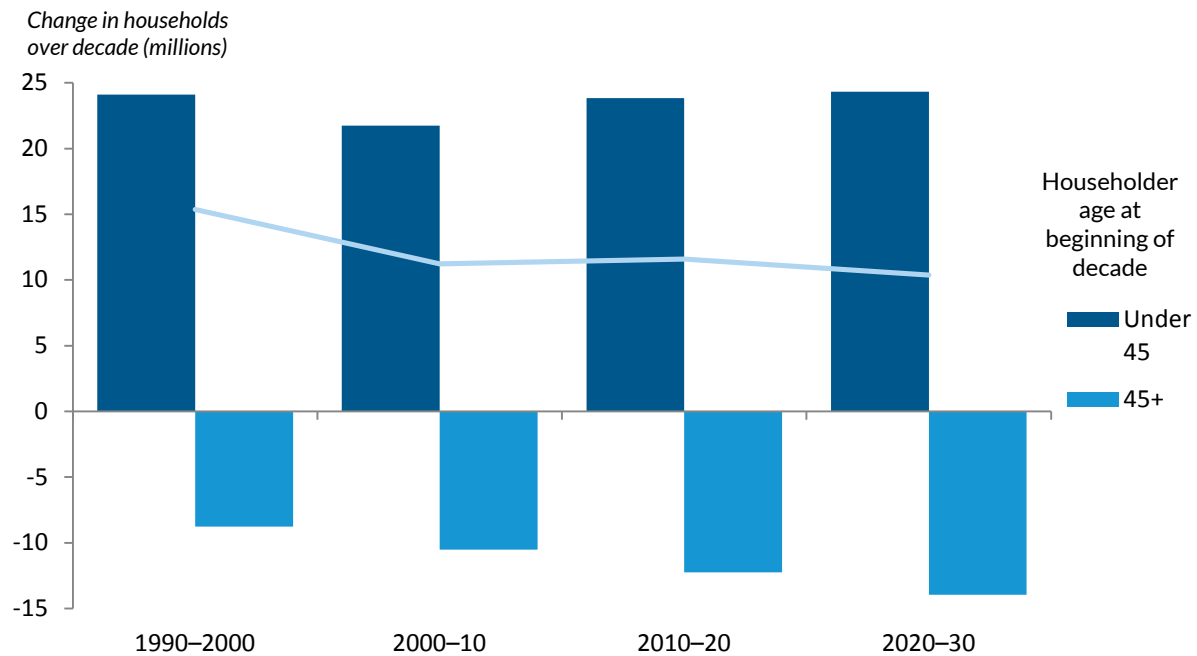


Sources: Decennial Censuses and Urban Institute projections.

In the 1990s, households grew by about 13.5 million, as people under 45 at the beginning of the decade created 23.8 million new households while households headed by people ages 45 and older in 1990 dropped 10.3 million (figure 13). Household formation declined substantially from 2000 to 2010, to just 21.8 million, while attrition increased to 10.5 million—resulting in net growth of 11.2 million households. The average of our two scenarios yields household formation of 23.8 million and 24.8 million, respectively, in the 2010s and the 2020s. But we expect household attrition to increase to 12.3 million and almost 14 million in each decade. The increasing attrition will hold net household growth to 11.6 million in the 2010s and just 24.3 million in the 2020s.

FIGURE 13

Household Formation and Attrition Increases, 2010 to 2030



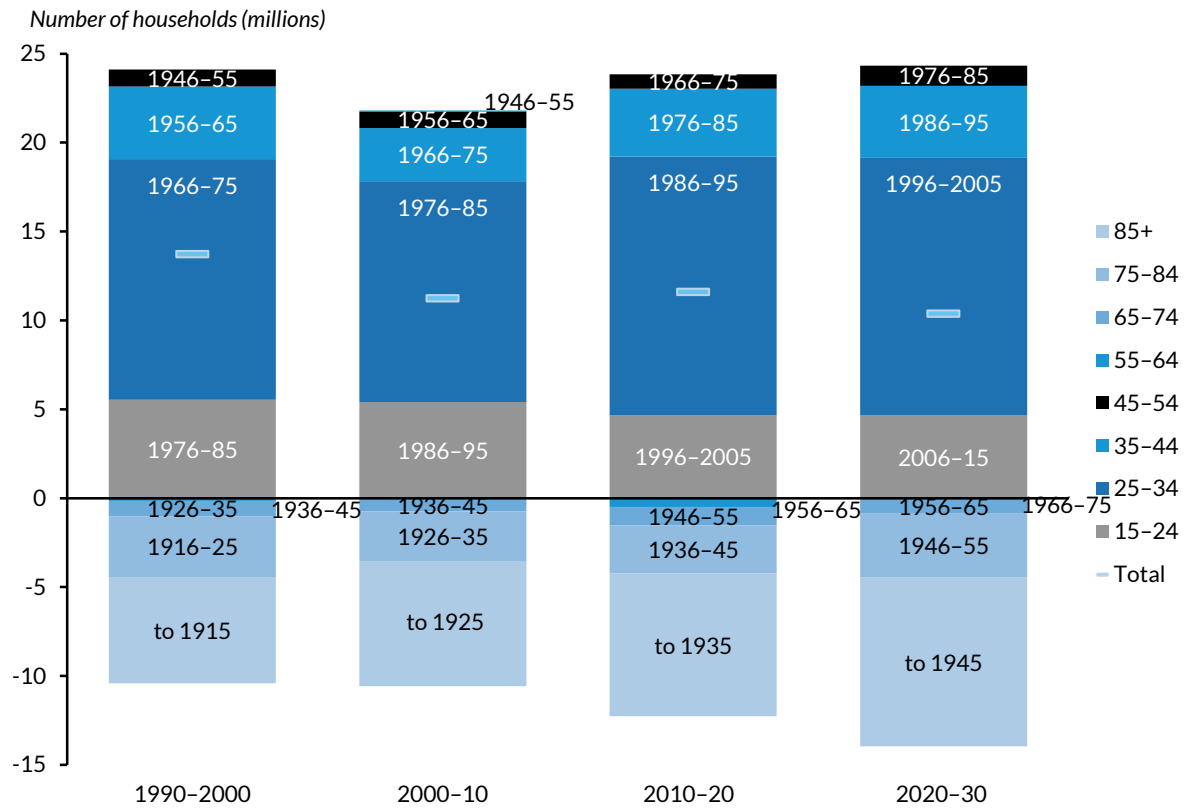
Sources: US Census of Population, 1990, 2000, and 2010; Urban Institute projections, 2020 and 2030.

As shown in figure 14, which gives a more fine-grained view of the dynamics of household formation and attrition, people ages 25 to 34 account for a disproportionate amount of household formation, as they are moving rapidly into homeownership. The younger millennials, born from 1986 to 1995, hit the 25- to 34-year-old mark in 2020, leading to robust household formation from 2010 to 2020 despite constrained household growth between 2010 and 2013. Millennials and late gen Xers (born 1976–85) together accounted for 17.8 million new householders from 2000 to 2010. We project that this group will account for 18.4 million new householders from 2010 to 2020⁸ and 5.2 million from 2020 to 2030. Overall, between 2010 and 2020, the millennials account for more than 100 percent of net household change.

Figure 14 also shows that baby boomers (ages 55–74 in 2020) will lose 1.5 million households from 2010 to 2020 and 4.4 million from 2020 to 2030. Those born in 1945 and earlier will lose 10.7 million from 2010 to 2020 and another 9.5 million from 2020 to 2030. After 2030, mortality will claim increasing numbers of baby boomers.

FIGURE 14

Average Household Formation by Cohorts



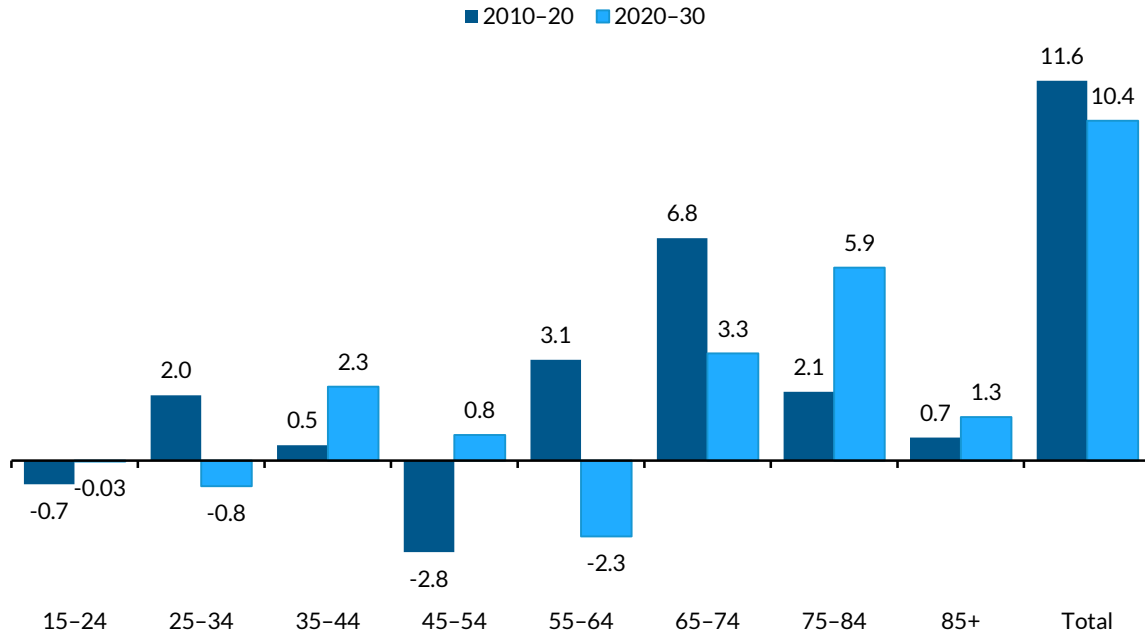
Sources: Decennial Censuses and Urban Institute projections.

Change in Race Composition through Time

Thus far, we have focused on net new household formation for different age cohorts. We have not looked at the changes in age groups over time (figure 15). Viewed from this perspective, the picture differs completely. Baby boomers feed a very large increase in the number of householders over 65: from 25.8 million in 2010 to 35.4 million in 2020 and 45.7 million in 2030. The largest household increase between 2010 and 2020 will be in the in the ages 65–74 group (birth years 1946–55), with 6.8 million new households. Similarly, between 2020 and 2030, the largest increase in the age group will be in the ages 75–84 group (the same cohort 10 years later), with 5.9 million new households. Thus, while the total number of households for the baby boomers will decrease over time, the generation is so much larger than its predecessors in the Depression generation that it will increase both the total number of older households and attrition, especially as the baby boomers reach their late 70s in the 2020s.

FIGURE 15

Household Growth by Age Groups (millions)

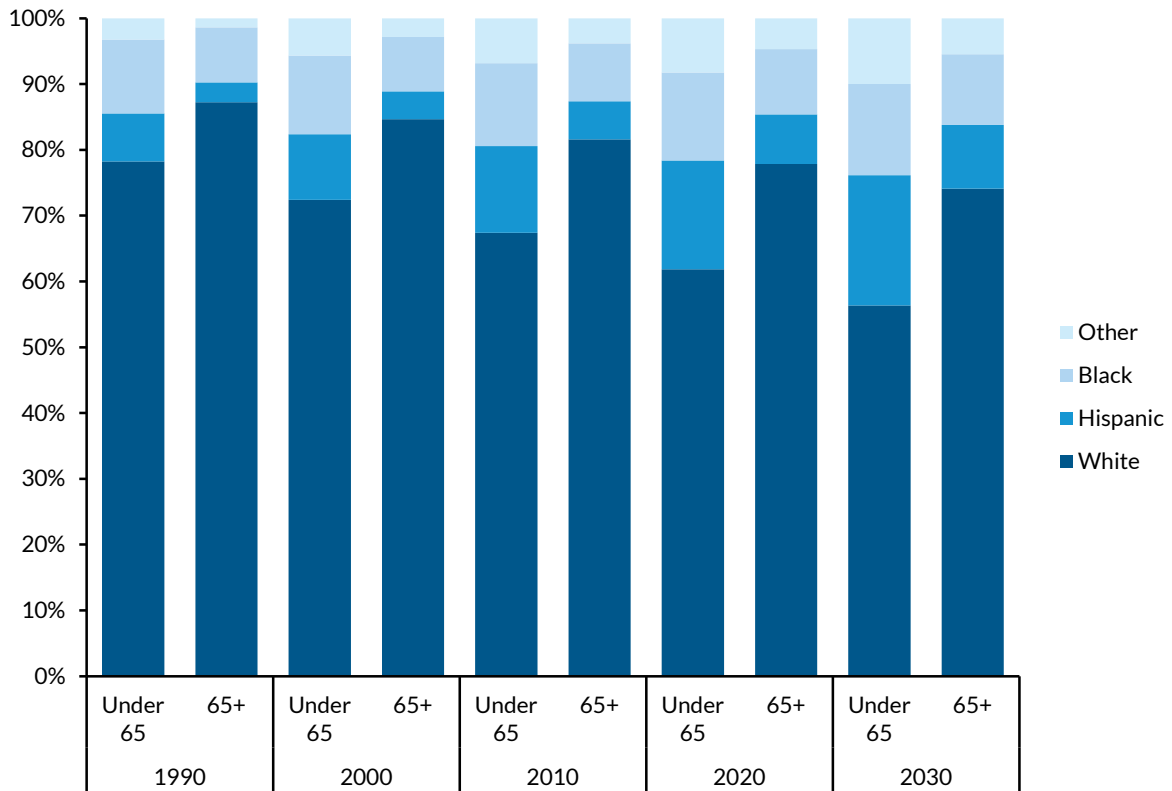


Source: Urban Institute projections.

The racial composition of these older households will differ distinctly from that of their younger counterparts (figure 16). In 2010, 67 percent of the householders younger than 65 were white, but 82 percent of the householders ages 65 and older were white. Our projections indicate that the percentage of white householders will drop at all ages. However, older householders will still be predominantly white. By 2020, 62 percent of the householders younger than 65 will be white versus 78 percent of householders ages 65 and older. In 2030, 56 percent of the householders under 65 will be white versus 74 percent of the households over 65.

FIGURE 16

Household Composition by Age and Race/Ethnicity



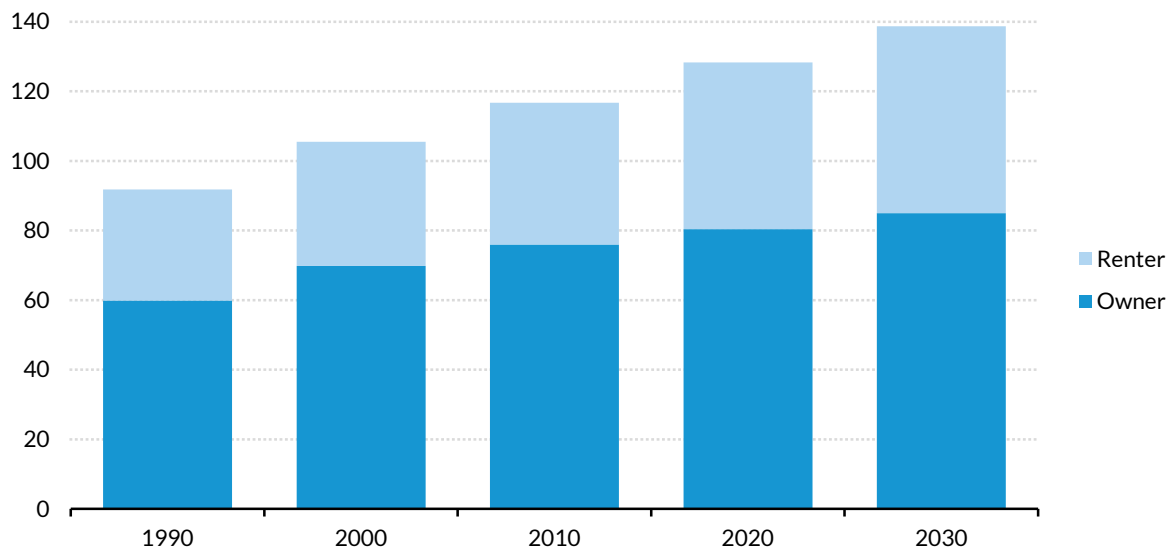
Sources: Decennial Censuses and Urban Institute projections.

Drivers of Change in Homeownership and Renting (Average Scenario)

Based on the average scenario, we project that the number of homeowners will rise from 75.9 million in 2010 to 80.4 million in 2020 and 84.5 million in 2030 (figure 17). This net increase, however, hides an age-related dynamic in which older households release owner-occupied housing while younger ones become homeowners (figure 18). The releases will grow from 8.7 million in the 2010s to 9.5 million in the 2020s and 11.3 million in the 2030s. In the current decade, 13.9 million younger households will become homeowners, while in the 2020s—as the bulk of millennials reach their prime years for homeownership growth—15.8 million younger households will become homeowners.

FIGURE 17

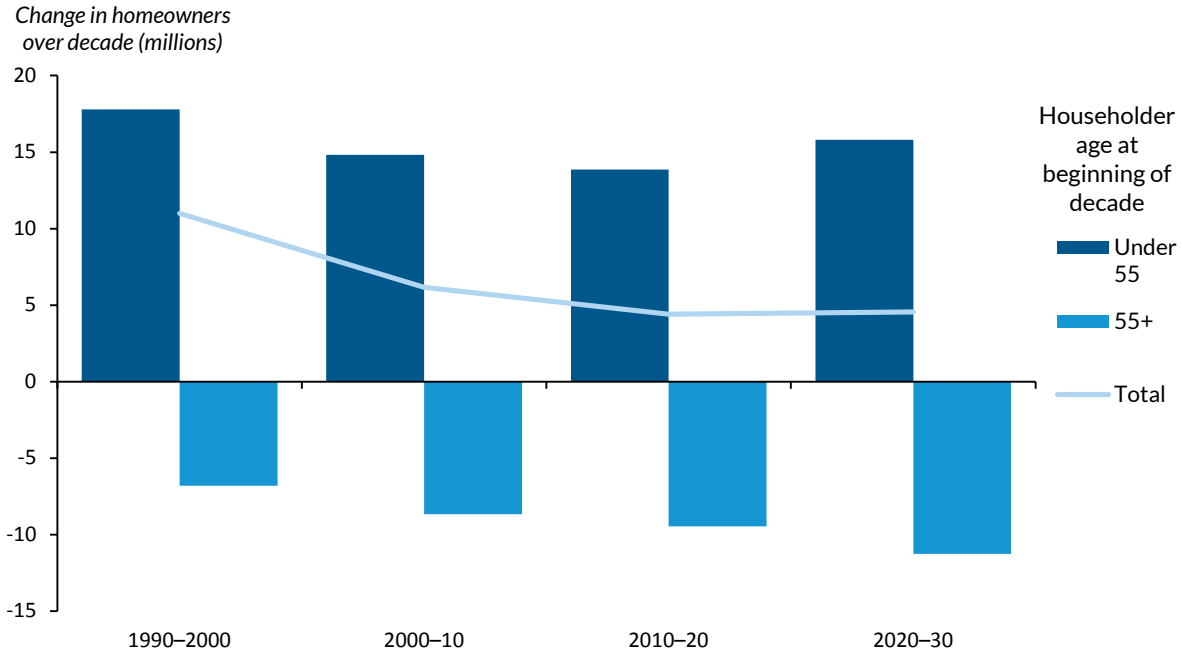
Number of Owners and Renters Over Time (millions)



Sources: Decennial Censuses and Urban Institute projections.

FIGURE 18

Homeowner Attrition and Demand in the Coming Decades: Baby Boomers vs. Non-Boomers



Sources: US Census of Population, 1990, 2000, and 2010; Urban Institute projections, 2020 and 2030.

The number of renter households will rise faster—from 40.7 million in 2010 to 47.9 million in 2020 and 53.7 million in 2030. Table 3 shows the composition of new household formation. Between 1990 and 2000, only 28 percent of the new households were renters. Starting in 2000, however, the number of renters began to grow much more rapidly than the number of owners. Between 2000 and 2010, 45 percent of new households were renters. From 2010, of the 11.6 million in net new household formation in that decade, 62 percent (7.2 million) will be renters. For the 10.4 million net new households formed between 2020 and 2030, 56 percent (5.8 million) will be renters.

TABLE 3

Homeownership/Rental Change by Race/Ethnicity

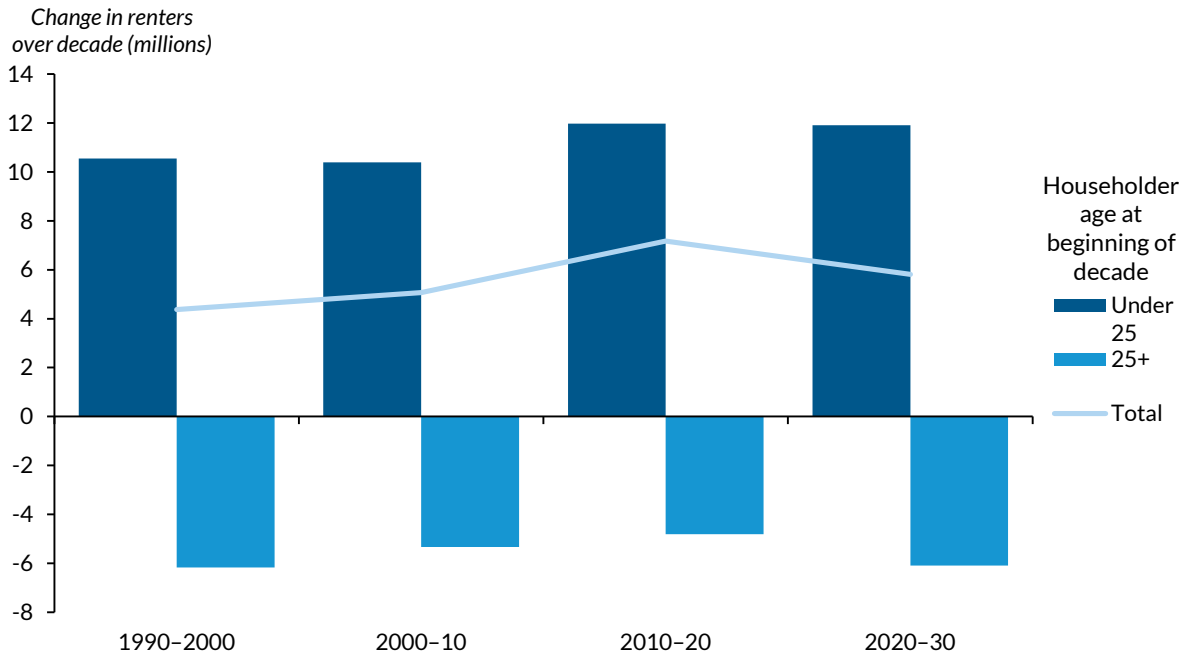
Category	1990–2000	2000–10	2010–20	2020–30
Panel A: Total				
Households	13,709,143	11,236,191	11,587,587	10,369,650
Owners	9,933,540	6,170,321	4,410,561	4,555,098
Renters	3,775,603	5,065,870	7,177,026	5,814,552
Renter share	28%	45%	62%	56%
Panel B: White				
Households	5,503,476	3,239,944	2,701,535	1,251,334
Owners	5,746,918	2,182,420	705,568	-49,518
Renters	-243,442	1,057,524	1,995,966	1,300,852
Renter share	-4%	33%	74%	104%
Panel C: Black				
Households	2,077,147	1,937,473	2,198,285	1,872,653
Owners	1,066,747	627,662	459,302	569,040
Renters	1,010,400	1,309,810	1,738,983	1,303,612
Renter share	49%	68%	79%	70%
Panel D: Hispanic				
Households	3,364,591	4,238,964	4,574,480	4,772,634
Owners	1,674,237	2,155,929	2,091,943	2,540,735
Renters	1,690,354	2,083,035	2,482,538	2,231,899
Renter share	50%	49%	54%	47%
Panel E: Other				
Households	2,763,929	1,819,810	2,113,287	2,473,029
Owners	1,445,638	1,204,310	1,153,748	1,494,840
Renters	1,318,290	615,501	959,539	978,189
Renter share	48%	34%	45%	40%

Sources: Decennial Censuses and Urban Institute projections.

Like homeowners, renters are affected by household formation and attrition, but most attrition out of rental housing occurs early in the life course as renters move into homeownership. Over the course of a decade, more people who start the decade in their late 20s and early 30s transition out of renting than into renting. For example, between 2000 and 2010, attrition reduced the number of early generation X renter households (born 1966–75) from almost 10 million to just over 8 million (figure 19). Attrition of senior renters (people beginning the decade older than 75), mostly to mortality but also to group quarters (e.g., nursing homes) or into homes owned by younger relatives, is also consistently high and will increase in coming years. That attrition, which occurs for people in each decadal cohort starting at ages 25–34, will total 4.8 million in this decade and 6.1 million households in the 2020s. It will be more than compensated by the very large increase in renter households headed by people who begin each decade as children, adolescents, and adults younger than 25: 11.9 million new renter households in this decade and 12.0 million in the next. Together, the attrition and formation add up to net increases of 7.2 million and 5.8 million in the two decades after 2010.

FIGURE 19

Rental Attrition and Demand in the Coming Decades: Millennials vs. Non-Millennials



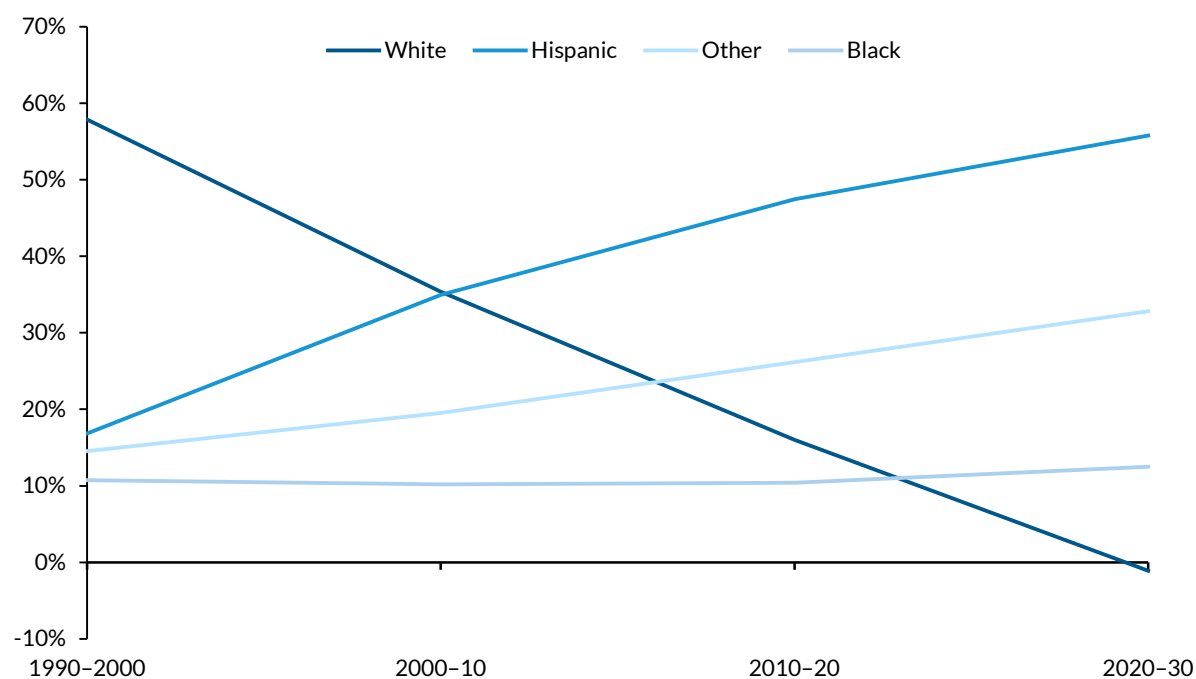
Sources: US Census of Population, 1990, 2000, and 2010; Urban Institute projections, 2020 and 2030.

Who Will the New Homeowners Be?

The composition of the new homeowners will be mostly minority on net (figure 20). Of the 4.4 million new homeowners between 2010 and 2020, we expect 700,000 (16 percent) to be white, 460,000 (10 percent) to be black, 2.1 million (47 percent) to be Hispanic and 1.15 million (26 percent) to be people of other races. By 2030, Hispanic families will account for 56 percent of new homeowners. Householders of other races will account for 33 percent of the new homeowners, forming most of the balance. In the 2020s, the number of white homeowners will decline as the predominantly homeownership baby boomers begin to pass away; younger white cohorts are more evenly split between owners and renters. Appendix table A.6 breaks down homeowners by age, and appendix table A.7 lists the changes from decade to decade calculated from table A.6.

FIGURE 20

Homeownership Change by Race and Ethnicity



Sources: Decennial Censuses and Urban Institute projections.

Changes in the Overall Homeownership Rate

Using our methods, we can project the average homeownership rate for the whole nation or for each racial/ethnic group by applying a projection of headship and homeownership rates for each race-specific age cohort to a projected population. Having done so, we can sum the projected homeowners and renters and divide by the number of households to yield projected homeownership rates.

The average of our homeownership scenarios projects that the homeownership rate will continue to fall, from 65.1 percent in 2010 to 62.7 percent in 2020 and 61.3 percent in 2030 (table 4). This fall is actually part of a longer-term trend in which the homeownership rate is declining for each age group.

Consider the 1990–2000 period. While the homeownership rate grew overall as the large group of baby boomers continued to transition into homeownership, rates actually fell for most age groups. These declines were followed by even larger ones from 2000 to 2010. For example, adults ages 45–54 had a homeownership rate of 76.3 percent in 1990, 74.9 percent in 2000, and 71.5 percent in 2010. We forecast that their rate will fall—mainly because of declining homeownership rates for the same individuals when they were younger—to 66.6 percent in 2020 and 64.6 percent in 2030.

TABLE 4

Homeownership Rates by Age and Race/Ethnicity

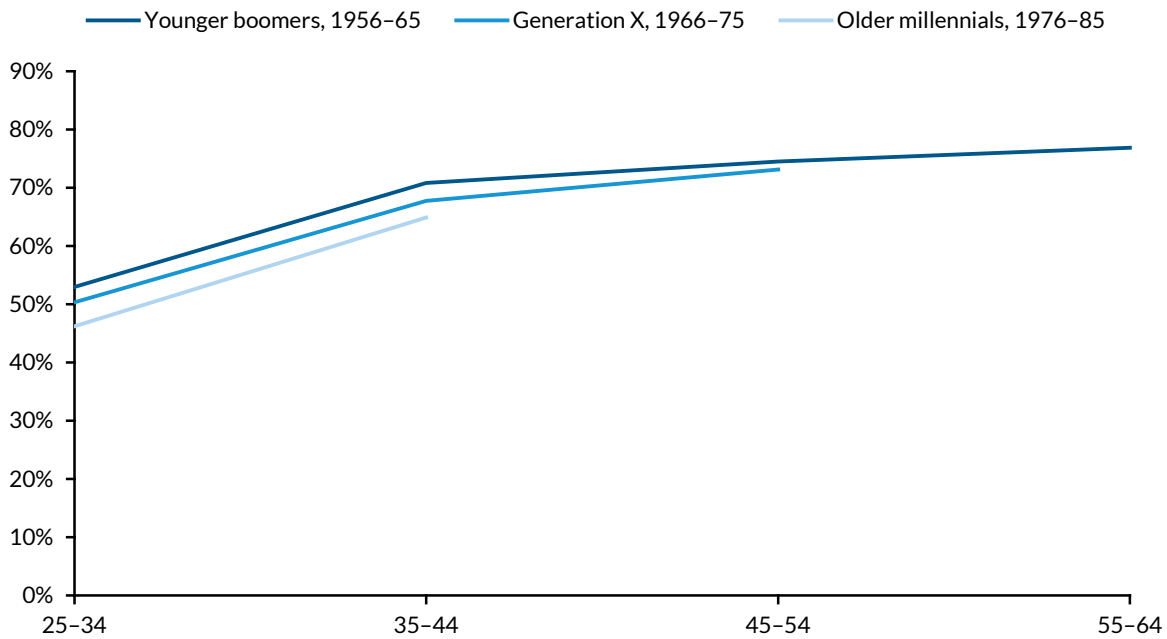
Age	1990	2000	2010	2020	2030
15–24	16.9	17.9	16.1	13.5	13.4
25–34	46.4	45.6	42.0	37.5	37.8
35–44	67.4	66.2	62.3	58.0	55.2
45–54	76.3	74.9	71.5	66.6	64.6
55–64	80.6	79.8	77.3	73.3	69.6
65–74	79.5	81.3	80.2	77.2	73.9
75–84	72.5	77.3	77.9	77.5	74.4
85+	63.9	66.1	66.2	69.8	68.5
Total	65.3	66.2	65.1	62.7	61.3

Sources: Decennial Censuses and Urban Institute projections.

While the overall homeownership rate is being pulled down in part by the increasing share of Hispanic householders (whose homeownership rates are lower than those of whites), white homeownership has been declining as well and will continue to do so. Figure 21 shows the decline in the white homeownership rate over three successive cohorts: younger boomers (born 1956–65), early gen X (born 1966–75) and late gen X/early millennials (born 1976–85). At ages 35–44, homeownership rates have dropped from the late baby boomers’ 70.8 percent to 67.7 percent and 64.9 percent for the two subsequent generations.

FIGURE 21

Homeownership Rates of White Households by Age Groups



Sources: Decennial Censuses and Urban Institute projections.

Why will the overall homeownership rate continue to fall in 2020 and 2030? Possible contributors include the following seven:

- **Composition shifts.** As shown in table 5 and appendix table A.5, Hispanics and blacks have lower homeownership rates than whites, and both groups are growing as shares of the population. But changes in racial/ethnic and age composition alone do not account for the drop in the homeownership rate. The 2010 homeownership rate was 65.1 percent. If we applied the 2010 race- and age-specific 2010 homeownership rates to the projected population by age in 2020, then the 2020 homeownership rate would be 64.1 percent, only a small drop. This drop is approximately offset by the fact that the large population of millennials are aging into the decades when they begin to purchase homes. That is, if we apply the 2020 households' age distribution to the 2010 homeownership rates, it raises the homeownership rate to 66.2 percent. Apply both the age and the race/ethnicity household estimates to the 2010 homeownership rate, the hypothetical 2020 homeownership rate would be 65.2 percent, almost unchanged from 2010. Our average scenario for 2020 has homeownership at a much

lower 62.6 percent. Thus the composition shift does not explain much if any of the declining homeownership rate.

- The lingering effects of the Great Recession.** Foreclosures and the housing/economic crisis have reduced both household formation and homeownership. According to data from Hope Now, there were approximately 7.5 million liquidations (and an approximately equal number of modifications) from the third quarter of 2007 to the end of 2014 (figure 22). If we assume that 75 percent of those liquidations or modifications were owner-occupied and none of the former homeowners were able to purchase a new home, this would have contributed to a 4.8 percentage-point decline in the homeownership rate.

TABLE 5

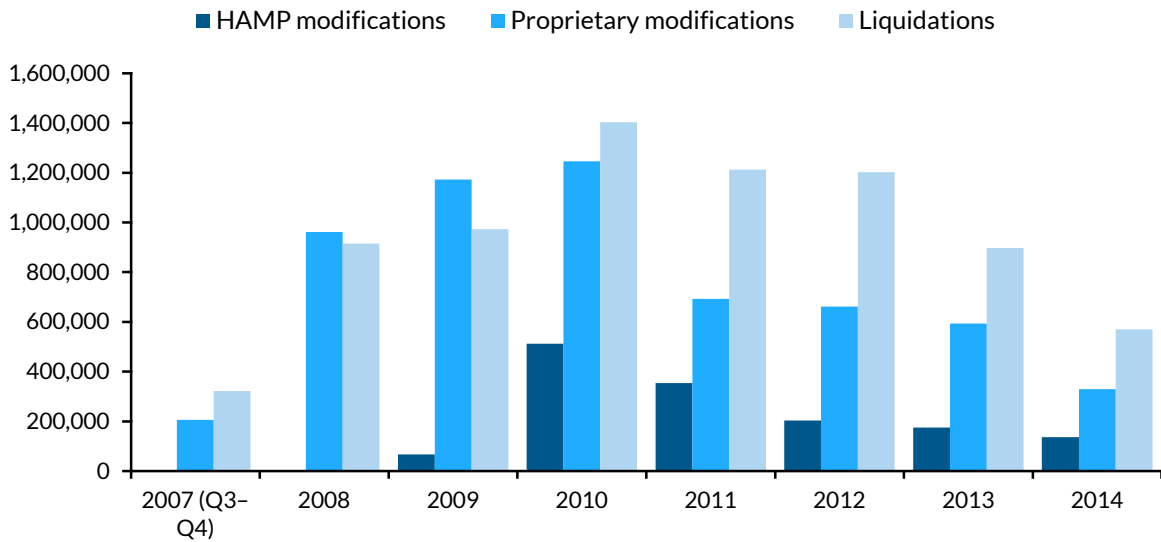
Homeownership Rates by Race/Ethnicity

Race/ethnicity	1990	2000	2010	2020	2030
White	70.1	72.4	72.2	70.8	69.7
Black	45.2	46.3	44.3	41.1	40.0
Hispanic	43.3	45.7	47.3	46.9	48.2
Other	53.7	53.0	56.3	55.9	56.9
Total	65.3	66.2	65.1	62.7	61.3

Sources: Decennial Censuses and Urban Institute projections.

FIGURE 22

Modification and Liquidations Over Time



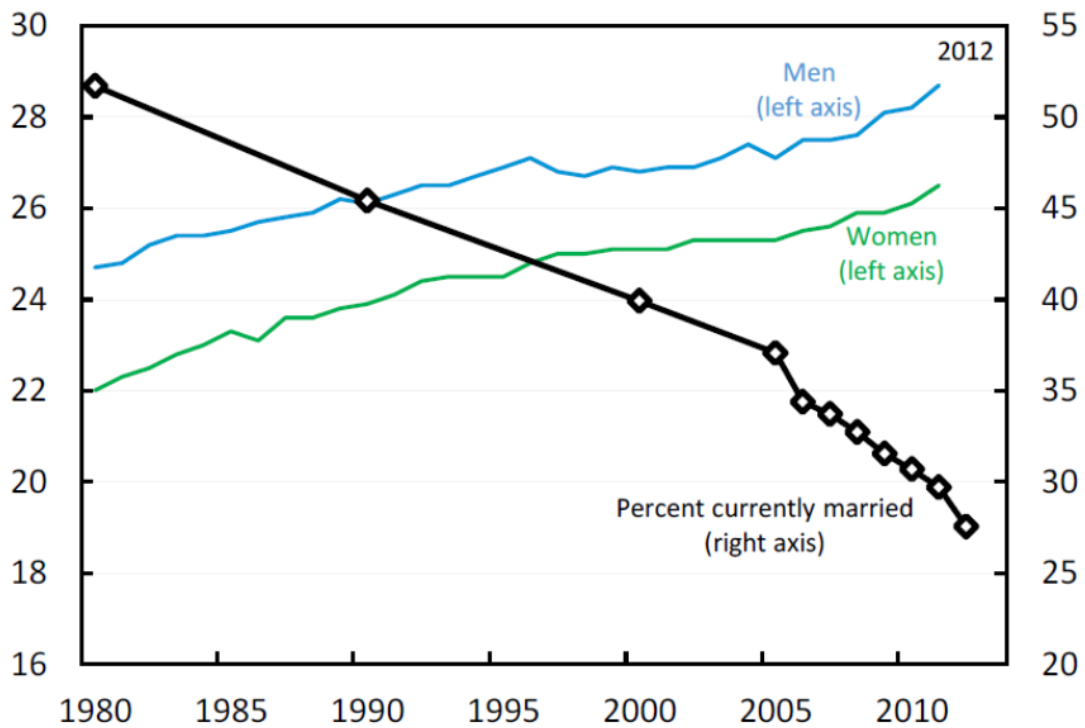
Sources: Hope Now and Urban Institute.

Note: HAMP = Home Affordable Modification Program.

- Delayed age of marriage and childbearing.** Family formation and home buying are very heavily correlated. Furman (2014) shows that the average age at the time of first marriage has crept up by approximately four years for both men and women since 1980 (figure 23). For example, for women the age at the time of first marriage was 22 in 1980; it is now just over 26. Because of the delayed marriage and childbearing, homeownership is apt to occur later. As a result, people will spend less of their lives as homeowners, placing a drag on the homeownership rate.

FIGURE 23

Age at First Marriage Is Rising

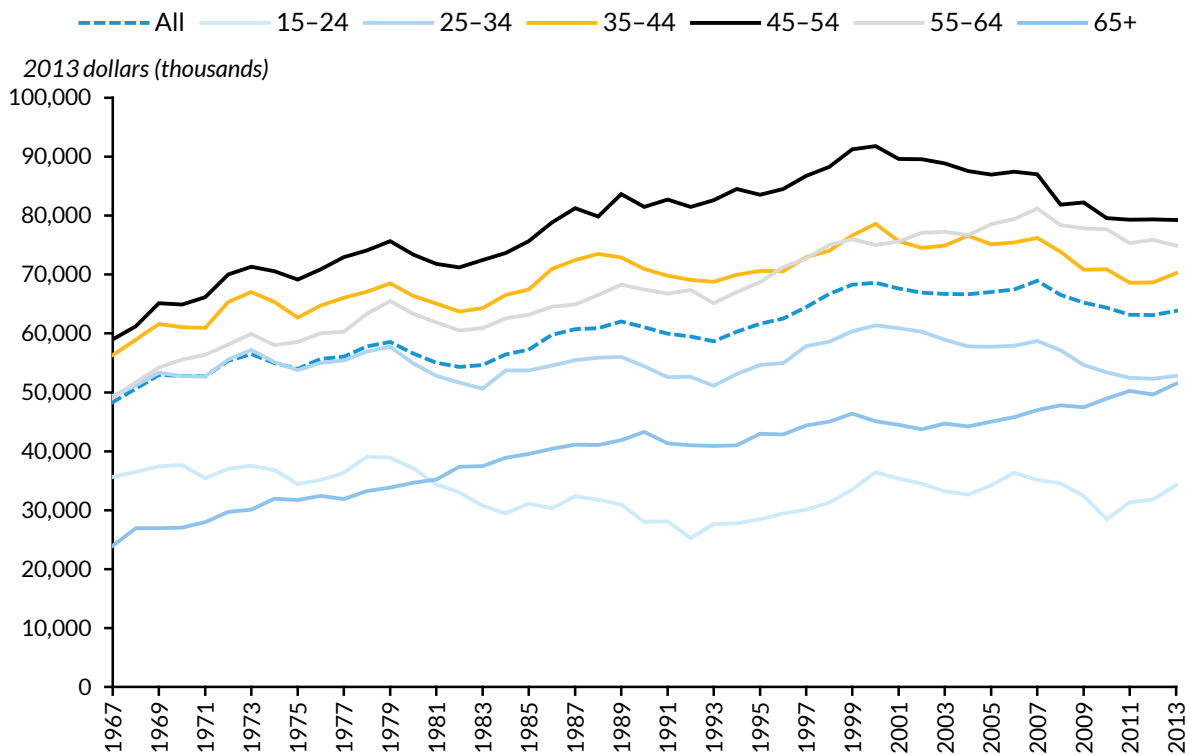


Sources: US Census, American Community Survey, and Council of Economic Advisers calculations.

- **Stagnation of real incomes.** Real wages have been very flat since 1996, and have actually declined among adults ages 25–34 (figure 24). This stagnation makes it much harder for people at any age, particularly the young, to save enough for down payments. Even for young adults with good jobs, low vacancy rates and high rents make it more difficult to save.
- **Student loan debt.** Student loan debt has increased from about \$300 billion in 2003 to over \$1.3 trillion in 2014. For students who graduate and pursue high-paying jobs, student loan debt may have little effect on homeownership. However, for those who fail to complete their degrees, the negative effect is sizeable.⁹

FIGURE 24

Median Real Household Income by Age of Householder

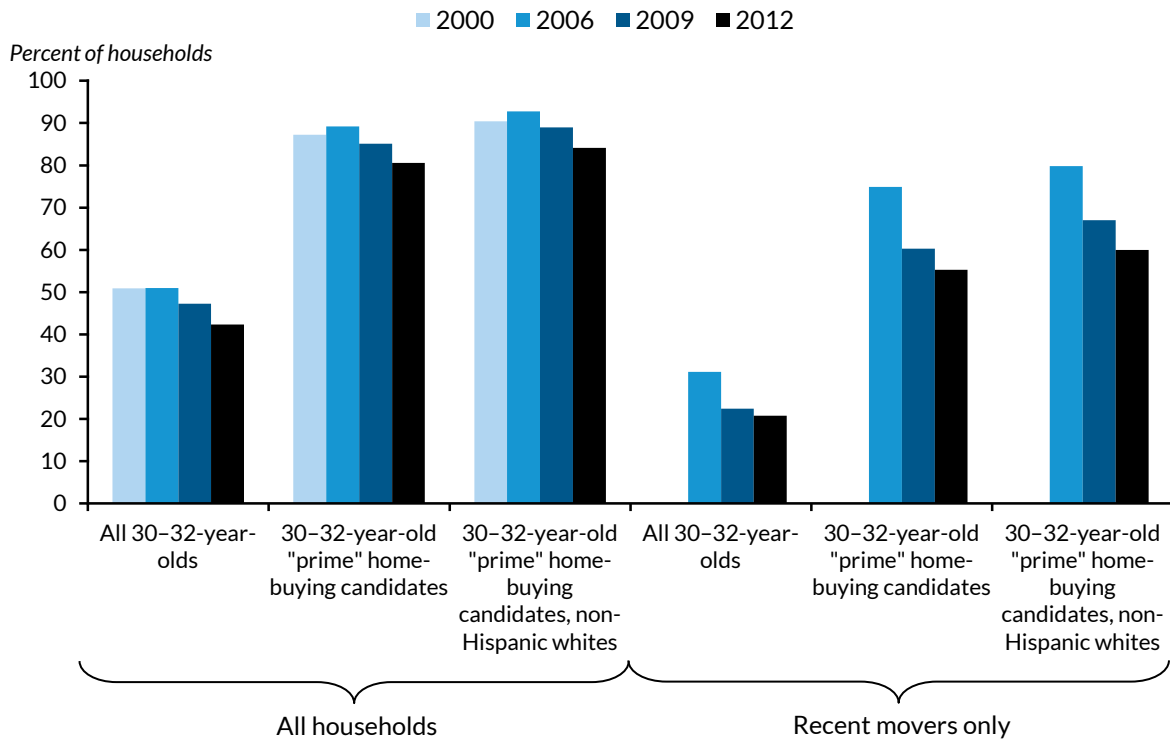


Sources: US Census Bureau Current Population Survey and Urban Institute.

- Declining interest in becoming homeowners.** When a recent Fannie Mae study attempted to identify the young people most likely to become homeowners—“prime” candidates—it found a marked drop in homeownership in this group.¹⁰ These prime candidates are 30 to 32 years old and married, have at least one child in the house, and earn at least \$95,000. Even for this group, after controlling for race and ethnicity, the homeownership rate declined from 87.3 percent in 2000 to 80.6 percent in 2012 (figure 25).

FIGURE 25

Falling Homeownership, Even among Prime Home-Buying Candidates



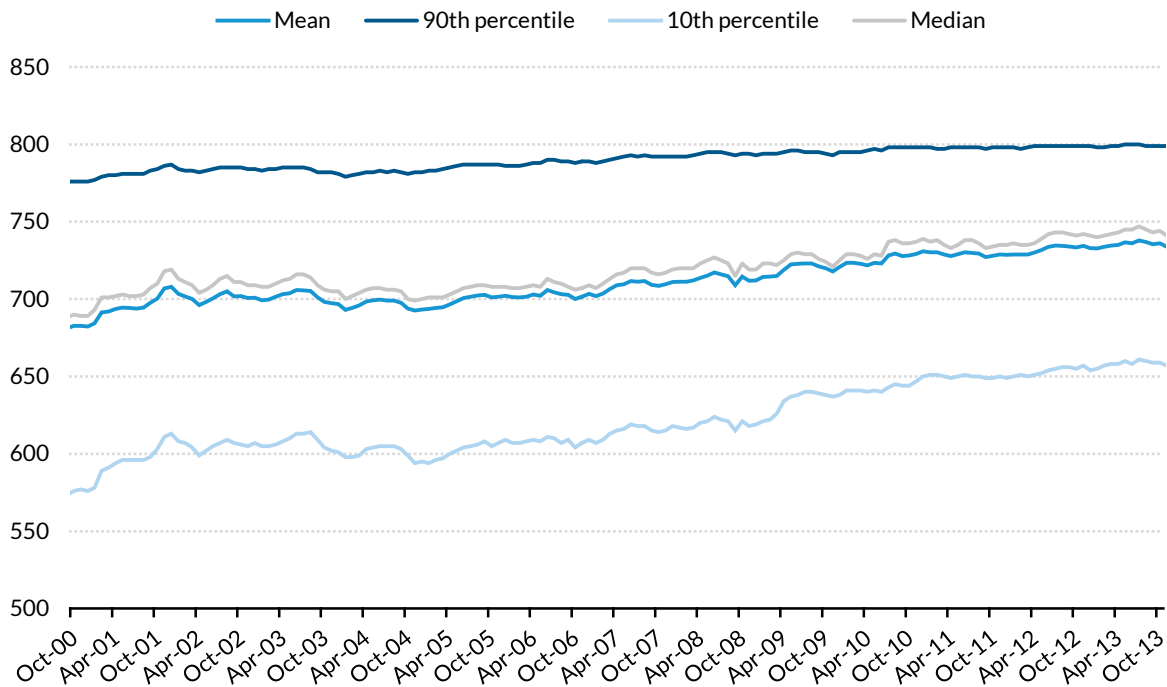
Source: Fannie Mae.

- The very tight credit box.** Credit is historically tight, with average credit scores up nearly 50 points over the past decade. The cutoff for the lowest 10 percent has moved up even more dramatically (figure 26). As a result, many borrowers, even if they can afford a home, cannot get the mortgage to buy one. Fannie Mae, Freddie Mac, and the Federal Housing Administration have fairly wide credit standards, but lenders are imposing overlays on these guidelines; they are fearful of being forced to repurchase the loan (or indemnify the Federal Housing Administration) if that loan goes delinquent and a fault is found in the origination process. These fears are compounded by the high costs of servicing delinquent loans, as well as the fear of litigation.

Together, these factors contribute to a potentially long-term reduction in the US homeownership rate. But public policy can influence this reduction.

FIGURE 26

Borrower FICO Score at Origination



Sources: CoreLogic Prime Servicing as of January 2014 and Urban Institute.

Note: Purchase-only loans.

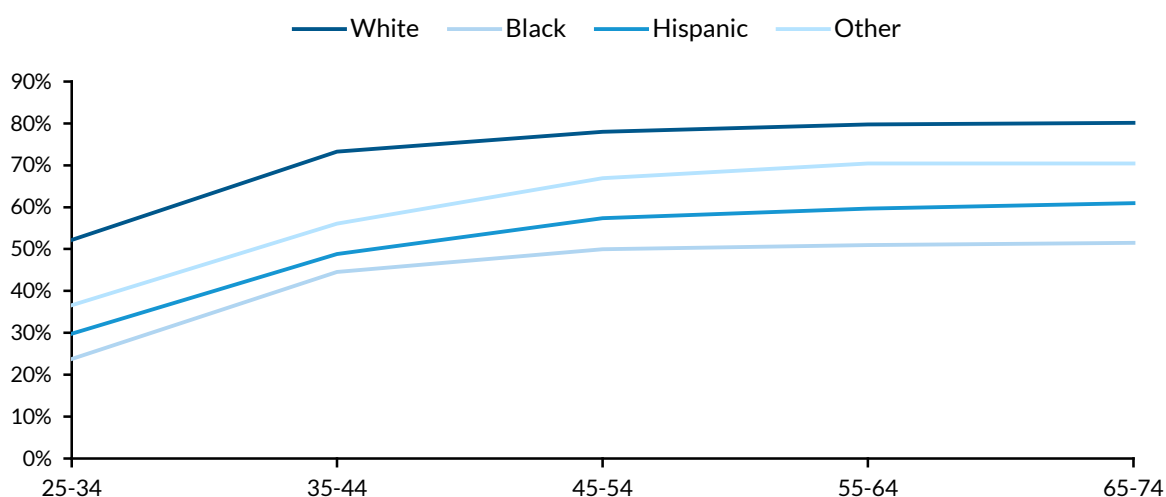
A Final Note on the Growing Black-Hispanic Homeownership Gap

Until recently, it has been common for observers of racial/ethnic gaps in homeownership to contrast whites with Hispanics and blacks. This gap remains, and will remain, very large. But a new gap appears to be opening up between Hispanics and blacks. The homeownership gap between blacks and Hispanics was small in the 2010 Census (44 percent for blacks, 47 percent for Hispanics), but it is expected to grow as the black homeownership rate drops and the Hispanic homeownership rate increases. We are projecting a 41.1 percent homeownership rate for blacks in 2020, versus 46.9 percent for Hispanics. The average homeownership rate does not reflect simply changes in age composition. Looking at the homeownership rate for younger boomers by race, we project that the trajectory of homeownership for Hispanic families will be much more robust than that of black families (figure 27).

There are several reasons for this disparity. Black homeownership was particularly battered in the housing crisis, sharply reducing household wealth among black families, and sharply lowering the long-term recovery prospects for black homeownership at all ages. Blacks as a group continue to lag other groups in employment, wages, and income. The bottom line: even if we assume that black families get back on the 1990–2010 trajectory, rather than the more pessimistic 2000–10 trajectory, the growth rate of their homeownership will continue to lag that of Hispanics.

FIGURE 27

Homeownership Rates for Adults Born 1956–65 by Race and Ethnicity



Sources: Decennial Censuses and Urban Institute projections.

Conclusion

In this report, we have laid out the demographic trends that will shape headship and homeownership over the next 15 years. To reiterate:

- Household growth can be expected to be reasonably robust between 2010 and 2020 as the millennials form households. This growth will taper off between 2020 and 2030 as attrition of older households grows.
- Between 2010 and 2030 the overwhelming majority of household growth will be nonwhite: 77 percent between 2010 and 2020, and 88 percent between 2020 and 2030.
- The number of households headed by someone age 65 or older will expand dramatically: by over 9 million households in this decade and 10.5 million in the 2020s.
- The absolute number of homeowners will grow, owing to net new household formation, but the absolute number of renters will grow much faster. New renter households will outnumber new owner households in this decade and in the 2020s.
- The homeownership rate will decline from 65.1 percent in 2010 to 61.3 percent in 2030. This fall results from a combination of secular declines in homeownership for people of most racial and age groups; those declines are a result of later age at first marriage and hence childbearing, stagnation of real incomes, changes in attitudes toward homeownership, student loan debt for those who do not finish college, tight credit, and the lasting impact of the Great Recession. Compositional changes do not explain away the decline; the drop in homeownership from increasingly nonwhite household formation is offset by changes in age cohorts—in particular, the large group of millennials moving into homeownership.
- New homeowners will be disproportionately minority, especially Hispanic.
- The homeownership gap between blacks and Hispanics is likely to grow, as Hispanic homeownership rises and black homeownership continues to slide.

Our findings have four important implications for both federal and local public policy.

First, the large number of senior households increases the urgency to develop policies that allow seniors to stay in their homes as they age, as most want to do. The aging of the baby boomers means that senior housing issues are becoming much more pressing, just because of the sheer number of

boomers. In particular, a growing body of research shows the link between housing and health (Eriksen, Greenhalgh-Stanley, and Engelhardt 2014).

Moving forward, policy should emphasize home modification so houses are safe, healthy, and efficient for seniors to live in. Adaptations to reduce the numbers of debilitating trip-and-fall injuries, increase indoor air quality, and make homes more comfortable and energy-efficient promise to improve seniors' quality of life, maintain the value of their homes, and potentially save taxpayers' contribution to Medicare and Medicaid.

But these policies will need to go beyond adaptations in the homes themselves. Community support is important; in some cases zoning laws must be changed to allow for house sharing. And the drop in the proportion of senior homeowners will intensify the challenges of providing a safety net for an increasing share of the population. Elderly adults that own their own home are much less likely to be cost burdened than those that don't (Joint Center for Housing Studies 2014). These problems are likely to compound in the years ahead, given that the increasing demand for rental housing is contributing to cost increases.

Second, the rapid growth of the renter population will create significant demand for new rental housing construction and encourage shifting of owner-occupied dwellings to rentals. The last major burst of rental housing construction occurred in the early 1980s, when federal tax law encouraged the construction of hundreds of thousands of apartments, with especially large increases in Sun Belt cities like Houston, Dallas, and Atlanta. Since then, rental housing construction has been slower and steadier. However, the only affordable new construction has been a result of the Low Income Housing Tax Credit.

In the next 15 years, many more rental households will form because of the size and ethnic composition of the millennial generation. Rental housing vacancy rates are already low, and rents are rising. Single-family homes are shifting to renter occupancy throughout the nation, and this trend is likely to continue—especially in areas where older homeowners and their heirs cannot find new owner-occupants willing to pay the desired price.¹¹

It remains to be seen how much and where this shifting of the established housing stock will satisfy rental housing demand and whether builders in fast-growth regions will be able to expand the apartment supply quickly enough to meet the demand for new rentals. Absent such responses, rents are likely to remain high—perhaps even enough to depress household formation. High rents would also change the calculus of homeownership, making it difficult to project the ultimate outcome of the complex and interrelated processes of demographic change, housing supply, and tenure choice.

Third, the very tight credit availability standards will retard homeownership attainment and may exacerbate the growing shortage in rental housing. The increasingly minority and disproportionately Hispanic composition of the homeownership base highlights the need to develop credit standards that adequately reflect the financial capability of this group. For example, many Hispanic families have more than two incomes,¹² a fact not accounted for by traditional mortgage underwriting. Other challenges to traditional underwriting include a higher rate of self-employment, as well as the fact that the individuals—beyond the initial co-borrowers—providing the other incomes to support the mortgage may be more transitory.¹³

The “other” races category, which is disproportionately Asian, is also growing very rapidly. The unique challenges of this group, in which a disproportionate amount of the population is clustered in very high cost areas, must also be considered.

Fourth, the erosion of black homeownership needs to be addressed by more than mortgage policy. Blacks face challenges and possible discrimination in education, employment, criminal justice, and other realms, all of which hinder their ability to achieve economic security and accrue assets. For many middle-class blacks, homeownership was a hedge against insecurity, but the housing crisis forced many into foreclosure. Millions more still owe more on their mortgages than their homes are worth.

Appendix

TABLE A.1

Population by Age and Race/Ethnicity

Age	Decennial Census			ACS		Census Projection	
	1990	2000	2010	2010	2013	2020	2030
Panel A: Total							
15-24	36,200,394	39,183,891	43,626,342	43,707,130	44,064,258	43,106,877	43,359,086
25-34	43,379,781	39,891,723	41,063,948	40,886,404	42,538,165	46,889,936	47,056,325
35-44	37,533,460	45,148,528	41,070,605	41,342,663	40,831,193	42,627,770	48,738,256
45-54	25,417,127	37,677,952	45,006,716	44,924,638	43,644,043	40,841,936	42,857,546
55-64	21,059,204	24,274,683	36,482,729	36,743,050	39,314,694	43,019,365	39,576,253
65-74	18,172,148	18,390,986	21,713,430	21,873,204	25,236,888	33,075,174	39,226,195
75-84	9,957,638	12,361,180	13,061,122	13,011,691	13,459,020	16,639,323	25,749,456
85+	2,991,889	4,239,587	5,493,433	5,564,479	5,967,460	6,726,530	9,131,757
<i>Total</i>	<i>194,711,641</i>	<i>221,168,530</i>	<i>247,518,326</i>	<i>248,053,259</i>	<i>255,055,721</i>	<i>272,926,911</i>	<i>295,694,874</i>
Panel B: White							
15-24	25,552,856	24,354,676	24,768,434	24,773,292	24,391,059	22,595,345	20,763,516
25-34	31,987,508	25,356,272	23,722,840	23,712,954	24,409,338	25,287,348	23,205,730
35-44	29,013,240	31,801,336	25,202,620	25,171,180	24,015,924	23,974,724	25,477,842
45-54	20,215,836	28,387,160	31,141,170	31,053,082	29,164,917	24,704,338	23,740,293
55-64	17,365,300	19,027,680	27,277,532	27,451,724	28,657,667	29,559,566	23,767,483
65-74	15,653,484	14,978,449	16,940,824	17,032,786	19,545,618	24,594,333	26,874,271
75-84	8,749,622	10,592,279	10,608,247	10,575,350	10,710,243	12,901,570	19,103,907
85+	2,653,651	3,674,132	4,660,361	4,700,318	4,956,973	5,359,343	7,024,858
<i>Total</i>	<i>151,191,497</i>	<i>158,171,984</i>	<i>164,322,028</i>	<i>164,470,686</i>	<i>165,851,739</i>	<i>168,976,567</i>	<i>169,957,900</i>
Panel C: Black							
15-24	4,986,040	5,444,382	6,380,951	6,374,065	6,419,163	5,887,050	5,800,586
25-34	5,278,697	5,061,656	5,266,847	5,168,208	5,458,569	6,618,002	6,248,884
35-44	4,094,310	5,413,503	5,138,677	5,266,306	5,183,700	5,374,350	6,757,139
45-54	2,598,786	3,997,011	5,372,614	5,388,438	5,293,869	5,055,523	5,340,221
55-64	1,958,064	2,321,532	3,786,591	3,857,987	4,350,315	5,041,946	4,789,199
65-74	1,486,589	1,580,109	1,960,064	2,002,424	2,301,278	3,313,334	4,405,722
75-84	753,844	878,115	1,013,043	1,009,378	1,108,024	1,421,047	2,440,831
85+	219,460	306,868	371,724	388,563	416,680	530,274	768,471
<i>Total</i>	<i>21,375,790</i>	<i>25,003,174</i>	<i>29,290,509</i>	<i>29,455,369</i>	<i>30,531,598</i>	<i>33,241,526</i>	<i>36,551,053</i>
Panel D: Hispanic							
15-24	4,142,672	6,581,073	8,854,430	8,891,287	9,291,497	10,339,744	11,737,529
25-34	4,374,737	6,510,235	8,434,954	8,396,751	8,668,746	10,228,128	11,988,162
35-44	2,912,785	5,129,310	7,298,740	7,395,697	7,886,318	9,104,671	11,107,146
45-54	1,695,003	3,136,103	5,463,528	5,496,301	6,028,904	7,511,472	9,375,491
55-64	1,161,409	1,710,440	3,213,817	3,236,934	3,800,076	5,435,555	7,385,391
65-74	667,751	1,076,619	1,648,718	1,672,545	1,980,723	3,084,231	5,077,431
75-84	304,632	506,264	862,296	854,721	972,347	1,382,179	2,521,774
85+	80,429	150,708	270,610	282,941	347,914	530,335	827,901
<i>Total</i>	<i>15,339,418</i>	<i>24,800,752</i>	<i>36,047,093</i>	<i>36,227,177</i>	<i>38,976,525</i>	<i>47,616,315</i>	<i>60,020,825</i>
Panel E: Other							
15-24	1,518,826	2,803,760	3,622,528	3,668,486	3,962,539	4,284,738	5,057,455
25-34	1,738,839	2,963,560	3,639,307	3,608,491	4,001,512	4,756,458	5,613,549
35-44	1,513,125	2,804,380	3,430,569	3,509,480	3,745,251	4,174,025	5,396,129
45-54	907,502	2,157,678	3,029,405	2,986,817	3,156,353	3,570,603	4,401,541
55-64	574,431	1,215,031	2,204,789	2,196,405	2,506,636	2,982,298	3,634,180

Age	Decennial Census			ACS		Census Projection	
	1990	2000	2010	2010	2013	2020	2030
65-74	364,324	755,810	1,163,824	1,165,449	1,409,269	2,083,276	2,868,771
75-84	149,540	384,522	577,536	572,242	668,406	934,527	1,682,944
85+	38,349	107,879	190,738	192,657	245,893	306,578	510,527
<i>Total</i>	<i>6,804,936</i>	<i>13,192,619</i>	<i>17,858,696</i>	<i>17,900,027</i>	<i>19,695,859</i>	<i>23,092,503</i>	<i>29,165,096</i>

Sources: Decennial Censuses, American Community Survey, and Urban Institute.

TABLE A.2

Household Composition by Age and Race/Ethnicity (thousands)

Age	1990	2000	2010	2020 average	2030 average	2020 slow	2030 slow	2020 fast	2030 fast
Panel A: Total									
15-24	4,763	5,534	5,401	4,674	4,645	4,411	4,381	4,937	4,909
25-34	19,884	18,298	17,957	19,950	19,165	19,716	18,545	20,184	19,785
35-44	20,327	23,968	21,291	21,761	24,013	21,629	23,552	21,892	24,474
45-54	14,405	21,293	24,907	22,110	22,891	22,059	22,673	22,161	23,109
55-64	12,364	14,247	21,340	24,413	22,095	24,362	21,963	24,463	22,227
65-74	11,625	11,508	13,505	20,290	23,557	20,235	23,408	20,345	23,705
75-84	6,756	8,205	8,716	10,811	16,692	10,754	16,519	10,869	16,865
85+	1,648	2,428	3,599	4,295	5,616	4,183	5,370	4,406	5,862
<i>Total</i>	<i>91,771</i>	<i>105,480</i>	<i>116,716</i>	<i>128,304</i>	<i>138,674</i>	<i>127,350</i>	<i>136,411</i>	<i>129,258</i>	<i>140,936</i>
Panel B: White									
15-24	3,551	3,597	3,333	2,689	2,471	2,555	2,347	2,824	2,595
25-34	15,157	12,203	11,003	11,612	10,249	11,496	9,959	11,728	10,539
35-44	15,831	17,156	13,362	12,536	13,052	12,466	12,829	12,606	13,276
45-54	11,421	16,154	17,438	13,568	12,917	13,555	12,830	13,580	13,004
55-64	10,155	11,234	16,129	17,073	13,601	17,056	13,569	17,090	13,632
65-74	10,025	9,472	10,692	15,390	16,662	15,360	16,601	15,419	16,723
75-84	5,980	7,135	7,238	8,599	12,828	8,561	12,725	8,637	12,931
85+	1,469	2,142	3,139	3,568	4,505	3,474	4,309	3,662	4,702
<i>Total</i>	<i>73,590</i>	<i>79,093</i>	<i>82,333</i>	<i>85,035</i>	<i>86,286</i>	<i>84,523</i>	<i>85,170</i>	<i>85,546</i>	<i>87,402</i>
Panel C: Black									
15-24	578	787	780	658	648	611	602	705	694
25-34	2,314	2,385	2,399	2,897	2,711	2,846	2,591	2,949	2,830
35-44	2,292	2,930	2,812	2,890	3,517	2,865	3,419	2,916	3,615
45-54	1,592	2,380	3,103	2,926	3,065	2,926	3,038	2,927	3,091
55-64	1,276	1,490	2,384	3,051	2,930	3,046	2,924	3,055	2,937
65-74	1,031	1,076	1,337	2,223	2,830	2,217	2,814	2,230	2,846
75-84	523	593	703	980	1,650	972	1,626	987	1,674
85+	124	167	228	319	466	311	445	327	487
<i>Total</i>	<i>9,731</i>	<i>11,808</i>	<i>13,745</i>	<i>15,944</i>	<i>17,816</i>	<i>15,793</i>	<i>17,459</i>	<i>16,095</i>	<i>18,174</i>
Panel D: Hispanic									
15-24	480	795	885	905	1,027	854	969	956	1,085
25-34	1,751	2,501	3,122	3,603	4,094	3,569	3,978	3,636	4,210
35-44	1,471	2,490	3,457	4,280	4,894	4,274	4,845	4,287	4,943
45-54	909	1,621	2,808	3,774	4,637	3,753	4,591	3,796	4,683
55-64	644	886	1,693	2,810	3,732	2,783	3,658	2,836	3,805
65-74	389	584	883	1,661	2,677	1,645	2,615	1,677	2,740
75-84	176	278	476	750	1,355	739	1,315	760	1,396
85+	38	66	136	254	392	245	367	262	417
<i>Total</i>	<i>5,858</i>	<i>9,222</i>	<i>13,461</i>	<i>18,036</i>	<i>22,808</i>	<i>17,861</i>	<i>22,339</i>	<i>18,211</i>	<i>23,278</i>
Panel E: Other									
15-24	153	354	403	422	499	392	463	453	534
25-34	662	1,208	1,433	1,839	2,111	1,806	2,016	1,871	2,206
35-44	732	1,392	1,660	2,054	2,550	2,025	2,459	2,083	2,640
45-54	483	1,138	1,558	1,842	2,273	1,826	2,214	1,858	2,332
55-64	289	637	1,134	1,480	1,833	1,477	1,812	1,483	1,854
65-74	179	376	593	1,016	1,387	1,013	1,378	1,020	1,396
75-84	77	200	299	483	858	482	852	484	864
85+	17	52	96	154	253	153	249	155	256
<i>Total</i>	<i>2,593</i>	<i>5,357</i>	<i>7,176</i>	<i>9,290</i>	<i>11,763</i>	<i>9,173</i>	<i>11,443</i>	<i>9,406</i>	<i>12,082</i>

Sources: Decennial Censuses, American Community Survey, and Urban Institute.

TABLE A.3

Forecasted Changes in Household Composition by Age and Race/Ethnicity (thousands)

Age	1990-2000	2000-10	2010-20 average	2020-30 average	2010-20 slow	2010-20 fast	2020-30 slow	2020-30 fast
Panel A: Total								
15-24	771	-133	-727	-29	-990	-464	-30	-28
25-34	-1,586	-340	1,993	-785	1,759	2,227	-1,172	-399
35-44	3,642	-2,677	470	2,252	338	601	1,923	2,582
45-54	6,888	3,614	-2,797	781	-2,848	-2,746	614	948
55-64	1,883	7,093	3,073	-2,318	3,022	3,123	-2,400	-2,236
65-74	-117	1,997	6,786	3,266	6,731	6,841	3,173	3,360
75-84	1,450	511	2,095	5,881	2,037	2,152	5,765	5,996
85+	780	1,171	696	1,321	584	807	1,187	1,456
<i>Total</i>	<i>13,709</i>	<i>11,236</i>	<i>11,588</i>	<i>10,370</i>	<i>10,634</i>	<i>12,542</i>	<i>9,061</i>	<i>11,678</i>
Panel B: White								
15-24	46	-265	-644	-218	-778	-509	-207	-229
25-34	-2,954	-1,200	609	-1,363	493	725	-1,537	-1,189
35-44	1,325	-3,794	-826	516	-896	-756	363	669
45-54	4,733	1,284	-3,870	-651	-3,883	-3,857	-725	-576
55-64	1,079	4,895	944	-3,472	927	960	-3,487	-3,458
65-74	-554	1,220	4,698	1,273	4,668	4,727	1,241	1,304
75-84	1,155	103	1,361	4,229	1,323	1,399	4,164	4,294
85+	674	996	430	937	336	524	834	1,040
<i>Total</i>	<i>5,503</i>	<i>3,240</i>	<i>2,702</i>	<i>1,251</i>	<i>2,190</i>	<i>3,213</i>	<i>647</i>	<i>1,856</i>
Panel C: Black								
15-24	209	-7	-122	-10	-169	-75	-9	-10
25-34	71	14	498	-187	447	549	-254	-119
35-44	638	-119	78	626	53	104	554	699
45-54	788	724	-177	138	-178	-176	113	164
55-64	214	894	667	-120	662	671	-123	-118
65-74	45	261	887	607	880	893	597	616
75-84	70	110	277	671	269	285	655	687
85+	43	61	91	147	82	99	134	160
<i>Total</i>	<i>2,077</i>	<i>1,937</i>	<i>2,198</i>	<i>1,873</i>	<i>2,047</i>	<i>2,349</i>	<i>1,667</i>	<i>2,079</i>
Panel D: Hispanic								
15-24	315	90	20	122	-31	71	115	129
25-34	750	621	481	492	447	514	410	574
35-44	1,019	968	823	614	816	830	572	656
45-54	712	1,187	966	862	945	988	838	887
55-64	242	807	1,116	922	1,090	1,143	875	969
65-74	195	299	777	1,016	762	793	970	1,063
75-84	103	198	273	606	263	284	576	635
85+	29	70	117	139	109	126	122	155
<i>Total</i>	<i>3,365</i>	<i>4,239</i>	<i>4,574</i>	<i>4,773</i>	<i>4,399</i>	<i>4,750</i>	<i>4,478</i>	<i>5,067</i>
Panel E: Other								
15-24	201	49	19	76	-11	49	71	82
25-34	547	225	405	273	372	438	210	335
35-44	660	267	394	496	365	423	434	557
45-54	655	420	284	431	268	300	388	474
55-64	348	497	346	353	343	348	335	371
65-74	197	217	424	371	420	427	365	376
75-84	123	99	184	375	182	185	371	380
85+	34	45	58	99	57	59	96	101
<i>Total</i>	<i>2,764</i>	<i>1,820</i>	<i>2,113</i>	<i>2,473</i>	<i>1,997</i>	<i>2,230</i>	<i>2,270</i>	<i>2,676</i>

Sources: Decennial Censuses, American Community Survey, and Urban Institute.

TABLE A.4

Headship Rates by Age and Race/Ethnicity

Age	1990	2000	2010 Census	2010 ACS	2013	2020 average	2030 average	2020 slow	2030 slow	2020 fast	2030 fast
Panel A: Total											
15-24	13.2	14.1	12.4	11.1	10.3	10.8	10.7	10.2	10.1	11.5	11.3
25-34	45.8	45.9	43.7	43.4	41.7	42.5	40.7	42.0	39.4	43.0	42.0
35-44	54.2	53.1	51.8	51.6	51.0	51.0	49.3	50.7	48.3	51.4	50.2
45-54	56.7	56.5	55.3	54.8	54.2	54.1	53.4	54.0	52.9	54.3	53.9
55-64	58.7	58.7	58.5	57.4	56.7	56.7	55.8	56.6	55.5	56.9	56.2
65-74	64.0	62.6	62.2	60.5	60.0	61.3	60.1	61.2	59.7	61.5	60.4
75-84	67.8	66.4	66.7	63.7	62.8	65.0	64.8	64.6	64.2	65.3	65.5
85+	55.1	57.3	65.5	60.7	60.8	63.8	61.5	62.2	58.8	65.5	64.2
<i>Total</i>	<i>47.1</i>	<i>47.7</i>	<i>47.2</i>	<i>46.2</i>	<i>45.6</i>	<i>47.0</i>	<i>46.9</i>	<i>46.7</i>	<i>46.1</i>	<i>47.4</i>	<i>47.7</i>
Panel B: White											
15-24	13.9	14.8	13.5	12.3	11.3	11.9	11.9	11.3	11.3	12.5	12.5
25-34	47.4	48.1	46.4	46.0	44.1	45.9	44.2	45.5	42.9	46.4	45.4
35-44	54.6	53.9	53.0	52.7	52.2	52.3	51.2	52.0	50.4	52.6	52.1
45-54	56.5	56.9	56.0	55.6	55.1	54.9	54.4	54.9	54.0	55.0	54.8
55-64	58.5	59.0	59.1	58.2	57.5	57.8	57.2	57.7	57.1	57.8	57.4
65-74	64.0	63.2	63.1	61.8	61.1	62.6	62.0	62.5	61.8	62.7	62.2
75-84	68.3	67.4	68.2	65.3	64.7	66.7	67.1	66.4	66.6	66.9	67.7
85+	55.3	58.3	67.3	62.9	63.3	66.6	64.1	64.8	61.3	68.3	66.9
<i>Total</i>	<i>48.7</i>	<i>50.0</i>	<i>50.1</i>	<i>49.1</i>	<i>48.6</i>	<i>50.3</i>	<i>50.8</i>	<i>50.0</i>	<i>50.1</i>	<i>50.6</i>	<i>51.4</i>
Panel C: Black											
15-24	11.6	14.5	12.2	10.6	10.4	11.2	11.2	10.4	10.4	12.0	12.0
25-34	43.8	47.1	45.6	44.9	42.0	43.8	43.4	43.0	41.5	44.6	45.3
35-44	56.0	54.1	54.7	54.2	53.8	53.8	52.0	53.3	50.6	54.2	53.5
45-54	61.3	59.5	57.8	57.0	56.5	57.9	57.4	57.9	56.9	57.9	57.9
55-64	65.2	64.2	63.0	61.4	61.2	60.5	61.2	60.4	61.0	60.6	61.3
65-74	69.3	68.1	68.2	65.4	65.3	67.1	64.2	66.9	63.9	67.3	64.6
75-84	69.4	67.5	69.4	66.5	64.7	68.9	67.6	68.4	66.6	69.5	68.6
85+	56.6	54.5	61.4	56.2	55.3	60.1	60.6	58.6	57.9	61.6	63.4
<i>Total</i>	<i>45.5</i>	<i>47.2</i>	<i>46.9</i>	<i>45.8</i>	<i>45.4</i>	<i>48.0</i>	<i>48.7</i>	<i>47.5</i>	<i>47.8</i>	<i>48.4</i>	<i>49.7</i>
Panel D: Hispanic											
15-24	11.6	12.1	10.0	9.0	8.3	8.7	8.7	8.3	8.3	9.2	9.2
25-34	40.0	38.4	37.0	37.3	36.2	35.2	34.2	34.9	33.2	35.6	35.1
35-44	50.5	48.5	47.4	47.4	47.0	47.0	44.1	46.9	43.6	47.1	44.5
45-54	53.6	51.7	51.4	50.5	50.3	50.2	49.5	50.0	49.0	50.5	49.9
55-64	55.4	51.8	52.7	50.7	50.7	51.7	50.5	51.2	49.5	52.2	51.5
65-74	58.3	54.3	53.6	50.5	51.9	53.8	52.7	53.3	51.5	54.4	54.0
75-84	57.6	54.9	55.2	52.2	50.2	54.2	53.7	53.5	52.2	55.0	55.3
85+	46.8	44.0	50.3	42.3	44.9	47.8	47.4	46.2	44.4	49.4	50.4
<i>Total</i>	<i>38.2</i>	<i>37.2</i>	<i>37.3</i>	<i>36.6</i>	<i>36.6</i>	<i>37.9</i>	<i>38.0</i>	<i>37.5</i>	<i>37.2</i>	<i>38.2</i>	<i>38.8</i>
Panel E: Other											
15-24	10.1	12.6	11.1	9.7	9.2	9.9	9.9	9.2	9.2	10.6	10.6
25-34	38.1	40.8	39.4	38.9	38.2	38.7	37.6	38.0	35.9	39.3	39.3
35-44	48.4	49.6	48.4	48.1	48.1	49.2	47.2	48.5	45.6	49.9	48.9
45-54	53.2	52.7	51.4	50.7	49.8	51.6	51.6	51.1	50.3	52.0	53.0
55-64	50.4	52.4	51.4	50.0	48.8	49.6	50.4	49.5	49.9	49.7	51.0
65-74	49.3	49.8	50.9	47.8	47.3	48.8	48.4	48.6	48.0	48.9	48.7
75-84	51.7	52.0	51.8	47.6	47.6	51.7	51.0	51.5	50.7	51.8	51.3
85+	44.7	47.8	50.4	43.9	43.1	50.2	49.5	49.8	48.8	50.6	50.2
<i>Total</i>	<i>38.1</i>	<i>40.6</i>	<i>40.2</i>	<i>39.0</i>	<i>38.5</i>	<i>40.2</i>	<i>40.3</i>	<i>39.7</i>	<i>39.2</i>	<i>40.7</i>	<i>41.4</i>

Sources: Decennial Censuses, American Community Survey, and Urban Institute.

TABLE A.5

Homeownership Rates by Age and Race/Ethnicity

Age	1990	2000	2010 Census	2010 ACS	2013	2020 average	2030 average	2020 slow	2030 slow	2020 fast	2030 fast
Panel A: Total											
15-24	16.9	17.9	16.1	14.7	12.8	13.5	13.4	12.7	12.6	14.2	14.0
25-34	46.4	45.6	42.0	41.3	37.4	37.5	37.8	36.7	35.9	38.3	39.6
35-44	67.4	66.2	62.3	62.0	57.8	58.0	55.2	57.3	53.3	58.8	57.0
45-54	76.3	74.9	71.5	71.7	69.4	66.6	64.6	66.1	63.2	67.0	65.9
55-64	80.6	79.8	77.3	78.0	75.9	73.3	69.6	73.0	68.8	73.5	70.4
65-74	79.5	81.3	80.2	81.1	80.3	77.2	73.9	77.2	73.6	77.3	74.2
75-84	72.5	77.3	77.9	78.8	79.0	77.5	74.4	77.3	74.1	77.8	74.8
85+	63.9	66.1	66.2	68.0	69.3	69.8	68.5	68.9	67.0	70.6	69.8
<i>Total</i>	<i>65.3</i>	<i>66.2</i>	<i>65.1</i>	<i>65.4</i>	<i>63.6</i>	<i>62.7</i>	<i>61.3</i>	<i>62.3</i>	<i>60.3</i>	<i>63.0</i>	<i>62.2</i>
Panel B: White											
15-24	19	21	19	17	15	16	16	15	15	17	17
25-34	52	53	50	50	46	46	47	46	45	47	48
35-44	73	73	71	71	67	68	65	67	63	68	66
45-54	81	80	78	78	76	75	73	74	72	75	74
55-64	84	84	82	83	81	80	77	80	76	80	78
65-74	82	85	84	85	84	82	80	82	80	82	80
75-84	74	79	81	82	82	81	78	81	78	82	79
85+	64	67	67	69	70	71	70	70	69	72	72
<i>Total</i>	<i>70</i>	<i>72</i>	<i>72</i>	<i>73</i>	<i>71</i>	<i>71</i>	<i>70</i>	<i>71</i>	<i>69</i>	<i>71</i>	<i>70</i>
Panel C: Black											
15-24	8	10	8	7	5	6	6	5	5	6	6
25-34	24	27	23	20	17	17	19	16	17	19	22
35-44	45	45	41	41	36	37	33	35	30	38	36
45-54	57	55	50	50	47	45	43	44	41	46	46
55-64	63	62	57	57	55	51	48	50	46	51	49
65-74	63	65	62	64	62	57	51	57	50	58	52
75-84	62	64	64	66	66	61	57	61	56	61	58
85+	62	62	62	65	67	65	60	64	59	65	60
<i>Total</i>	<i>45</i>	<i>46</i>	<i>44</i>	<i>44</i>	<i>42</i>	<i>41</i>	<i>40</i>	<i>40</i>	<i>38</i>	<i>42</i>	<i>42</i>
Panel D: Hispanic											
15-24	11	15	15	14	12	13	13	12	12	14	14
25-34	30	33	31	30	27	29	30	28	28	30	33
35-44	47	49	48	47	43	45	45	44	43	45	47
45-54	57	57	57	58	55	54	54	54	53	54	55
55-64	63	62	62	63	61	60	59	60	59	60	60
65-74	61	64	63	64	64	62	61	62	61	62	61
75-84	56	61	64	65	64	62	61	62	61	62	62
85+	54	55	59	62	65	62	60	61	60	62	61
<i>Total</i>	<i>43</i>	<i>46</i>	<i>47</i>	<i>47</i>	<i>45</i>	<i>47</i>	<i>48</i>	<i>46</i>	<i>47</i>	<i>47</i>	<i>49</i>
Panel E: Other											
15-24	14	13	13	12	11	12	12	11	11	12	12
25-34	37	33	34	34	31	30	32	30	31	31	33
35-44	58	56	59	59	56	57	55	56	53	58	57
45-54	68	66	67	68	67	67	67	67	65	68	69
55-64	69	71	71	73	71	70	72	70	71	71	73
65-74	65	68	71	72	72	71	70	71	69	71	71
75-84	60	63	64	63	65	67	68	67	67	67	68
85+	57	58	58	58	60	61	63	61	62	61	63
<i>Total</i>	<i>54</i>	<i>53</i>	<i>56</i>	<i>57</i>	<i>55</i>	<i>56</i>	<i>57</i>	<i>56</i>	<i>56</i>	<i>56</i>	<i>58</i>

Sources: Decennial Censuses, American Community Survey, and Urban Institute.

TABLE A.6

Homeowner Composition by Age and Race/Ethnicity (thousands)

Age	1990	2000	2010	2020 average	2030 average	2020 slow	2030 slow	2020 fast	2030 fast
Panel A: Total									
15-24	803	990	870	631	620	562	552	699	688
25-34	9,224	8,336	7,547	7,481	7,243	7,240	6,658	7,723	7,829
35-44	13,707	15,867	13,256	12,631	13,243	12,397	12,547	12,865	13,939
45-54	10,993	15,957	17,804	14,718	14,778	14,582	14,321	14,855	15,236
55-64	9,971	11,367	16,503	17,886	15,386	17,794	15,120	17,978	15,652
65-74	9,236	9,353	10,834	15,669	17,411	15,616	17,229	15,722	17,592
75-84	4,897	6,340	6,789	8,383	12,424	8,315	12,235	8,451	12,613
85+	1,052	1,606	2,384	2,997	3,846	2,884	3,600	3,110	4,091
<i>Total</i>	<i>59,882</i>	<i>69,816</i>	<i>75,986</i>	<i>80,397</i>	<i>84,952</i>	<i>79,390</i>	<i>82,263</i>	<i>81,403</i>	<i>87,640</i>
Panel B: White									
15-24	682	738	622	428	393	386	355	470	432
25-34	7,911	6,463	5,538	5,365	4,788	5,231	4,473	5,499	5,103
35-44	11,556	12,566	9,461	8,493	8,467	8,375	8,127	8,611	8,807
45-54	9,241	12,965	13,601	10,108	9,446	10,039	9,229	10,178	9,664
55-64	8,563	9,448	13,285	13,615	10,456	13,569	10,335	13,660	10,577
65-74	8,229	8,025	9,028	12,646	13,346	12,620	13,262	12,672	13,429
75-84	4,427	5,660	5,844	6,995	10,069	6,945	9,946	7,044	10,192
85+	946	1,435	2,105	2,540	3,174	2,441	2,967	2,640	3,381
<i>Total</i>	<i>51,554</i>	<i>57,301</i>	<i>59,484</i>	<i>60,189</i>	<i>60,140</i>	<i>59,605</i>	<i>58,695</i>	<i>60,773</i>	<i>61,584</i>
Panel C: Black									
15-24	49	83	61	37	36	30	30	43	42
25-34	549	652	541	504	526	460	442	547	610
35-44	1,033	1,306	1,158	1,059	1,162	1,014	1,027	1,103	1,297
45-54	908	1,319	1,550	1,320	1,326	1,294	1,239	1,346	1,413
55-64	801	921	1,360	1,554	1,393	1,534	1,341	1,573	1,445
65-74	653	696	827	1,273	1,456	1,262	1,419	1,284	1,494
75-84	326	382	451	599	943	591	917	606	968
85+	76	104	142	206	277	199	261	212	294
<i>Total</i>	<i>4,397</i>	<i>5,463</i>	<i>6,091</i>	<i>6,550</i>	<i>7,119</i>	<i>6,386</i>	<i>6,676</i>	<i>6,714</i>	<i>7,562</i>
Panel D: Hispanic									
15-24	51	122	133	117	132	103	117	130	148
25-34	521	822	976	1,053	1,246	1,003	1,115	1,102	1,378
35-44	691	1,215	1,659	1,916	2,218	1,884	2,094	1,949	2,342
45-54	515	922	1,611	2,048	2,489	2,027	2,418	2,068	2,561
55-64	405	549	1,048	1,676	2,215	1,659	2,161	1,693	2,269
65-74	237	376	558	1,028	1,632	1,018	1,591	1,039	1,672
75-84	98	171	303	466	833	458	803	475	863
85+	20	36	80	157	236	151	219	163	254
<i>Total</i>	<i>2,538</i>	<i>4,213</i>	<i>6,368</i>	<i>8,460</i>	<i>11,001</i>	<i>8,303</i>	<i>10,517</i>	<i>8,618</i>	<i>11,485</i>
Panel E: Other									
15-24	21	47	53	50	59	43	51	57	67
25-34	242	400	492	560	683	545	627	575	738
35-44	427	780	977	1,163	1,396	1,124	1,299	1,203	1,494
45-54	329	751	1,042	1,242	1,517	1,221	1,435	1,263	1,599
55-64	201	449	810	1,042	1,322	1,032	1,283	1,052	1,361
65-74	117	256	421	722	977	716	956	728	997
75-84	47	126	192	323	580	321	570	325	590
85+	10	30	56	94	158	93	154	95	163
<i>Total</i>	<i>1,393</i>	<i>2,839</i>	<i>4,043</i>	<i>5,197</i>	<i>6,692</i>	<i>5,096</i>	<i>6,375</i>	<i>5,298</i>	<i>7,008</i>

Sources: Decennial Censuses, American Community Survey, and Urban Institute.

TABLE A.7

Renter Composition by Age and Race/Ethnicity (thousands)

Age	1990	2000	2010	2020 average	2030 average	2020 slow	2030 slow	2020 fast	2030 fast
Panel A: Total									
15-24	3,960	4,544	4,531	4,043	4,025	3,849	3,829	4,238	4,220
25-34	10,660	9,961	10,410	12,469	11,922	12,477	11,887	12,461	11,957
35-44	6,620	8,101	8,035	9,129	10,770	9,232	11,005	9,027	10,535
45-54	3,412	5,336	7,103	7,392	8,113	7,477	8,353	7,307	7,873
55-64	2,394	2,880	4,838	6,527	6,709	6,568	6,843	6,485	6,575
65-74	2,389	2,154	2,670	4,621	6,146	4,619	6,179	4,623	6,113
75-84	1,859	1,866	1,927	2,428	4,268	2,439	4,284	2,418	4,252
85+	595	822	1,215	1,298	1,770	1,300	1,770	1,297	1,771
<i>Total</i>	<i>31,889</i>	<i>35,664</i>	<i>40,730</i>	<i>47,907</i>	<i>53,722</i>	<i>47,960</i>	<i>54,148</i>	<i>47,855</i>	<i>53,296</i>
Panel B: White									
15-24	2,870	2,859	2,710	2,261	2,078	2,169	1,993	2,354	2,163
25-34	7,246	5,740	5,465	6,247	5,461	6,265	5,485	6,229	5,436
35-44	4,275	4,590	3,901	4,043	4,586	4,091	4,702	3,996	4,469
45-54	2,180	3,189	3,837	3,459	3,471	3,516	3,601	3,403	3,340
55-64	1,592	1,786	2,844	3,458	3,145	3,487	3,234	3,429	3,055
65-74	1,797	1,446	1,664	2,744	3,316	2,740	3,339	2,747	3,294
75-84	1,553	1,474	1,394	1,604	2,759	1,616	2,778	1,593	2,739
85+	523	708	1,033	1,028	1,331	1,034	1,342	1,023	1,321
<i>Total</i>	<i>22,035</i>	<i>21,792</i>	<i>22,849</i>	<i>24,845</i>	<i>26,146</i>	<i>24,918</i>	<i>26,475</i>	<i>24,773</i>	<i>25,818</i>
Panel C: Black									
15-24	529	705	719	621	612	580	572	662	652
25-34	1,765	1,733	1,858	2,394	2,185	2,385	2,149	2,402	2,220
35-44	1,259	1,625	1,654	1,832	2,355	1,851	2,392	1,812	2,317
45-54	684	1,061	1,553	1,606	1,739	1,631	1,799	1,581	1,678
55-64	475	569	1,024	1,497	1,537	1,512	1,583	1,482	1,492
65-74	378	379	509	950	1,374	955	1,395	946	1,353
75-84	197	211	252	381	708	381	710	381	706
85+	48	63	86	113	188	111	184	114	193
<i>Total</i>	<i>5,334</i>	<i>6,345</i>	<i>7,654</i>	<i>9,393</i>	<i>10,697</i>	<i>9,406</i>	<i>10,783</i>	<i>9,381</i>	<i>10,611</i>
Panel D: Hispanic									
15-24	429	673	752	788	895	750	852	826	937
25-34	1,230	1,679	2,146	2,550	2,848	2,566	2,864	2,534	2,833
35-44	780	1,275	1,798	2,364	2,676	2,389	2,751	2,339	2,601
45-54	394	700	1,197	1,727	2,148	1,725	2,173	1,728	2,122
55-64	238	337	646	1,134	1,517	1,124	1,498	1,143	1,536
65-74	152	208	325	633	1,045	627	1,023	638	1,068
75-84	78	107	174	283	523	281	513	285	533
85+	17	30	56	97	156	94	149	99	163
<i>Total</i>	<i>3,320</i>	<i>5,010</i>	<i>7,093</i>	<i>9,575</i>	<i>11,807</i>	<i>9,558</i>	<i>11,822</i>	<i>9,593</i>	<i>11,793</i>
Panel E: Other									
15-24	132	307	350	373	440	349	412	396	468
25-34	420	809	942	1,278	1,428	1,261	1,389	1,296	1,468
35-44	305	612	682	890	1,153	901	1,160	880	1,147
45-54	154	387	516	599	756	604	780	594	732
55-64	89	188	324	438	511	445	529	431	492
65-74	62	121	172	294	410	297	422	292	399
75-84	31	74	107	160	278	160	283	159	274
85+	7	22	40	60	95	60	95	60	94
<i>Total</i>	<i>1,200</i>	<i>2,518</i>	<i>3,133</i>	<i>4,093</i>	<i>5,071</i>	<i>4,078</i>	<i>5,069</i>	<i>4,108</i>	<i>5,074</i>

Sources: Decennial Censuses, American Community Survey, and Urban Institute.

Notes

1. 2013 American Community Survey one-year estimates. Margins of error approximately 0.1 percentage point.
2. Nonfamily households can include more than one family, and they can include unrelated individuals.
3. The reference person, who used to be called the household head, is now referred to as the householder in statistical reports and as “Person 1” on the survey form. The questionnaires request that Person 1 be “the person living or staying here in whose name this house or apartment is owned, being bought, or rented.” In instances of joint tenure, respondents decide which they will name as Person 1.
4. Census data on ownership are not available for 1950.
5. See Hope Now, as reported in Goodman et al. (2015).
6. See April Housing Finance At A Glance: A Monthly Chartbook, pages 22 and 23, for more details.
7. Net household formation is the growth in the number of households—the number of households at one point in time versus the number at another point in time. We use “net” and “new” interchangeably.
8. From 2000 to 2010, the number of new households is 5.4 million for the ages 15–24 cohort and 12.4 million for the ages 25–34 cohort, giving a total number of new households for millennials of 17.8 million.
9. See Dora Gicheva and Jeffrey Thompson, The Effects of Student Loans on Long-Term Household Financial Stability, manuscript, February 1, 2014, <http://www.uncg.edu/bae/people/gicheva/SCF%20CX%20student%20loans%20and%20household%20finances%20Gicheva%20Thompson%20Feb%201.pdf>.
10. See Patrick Simmons, “Housing Insights” brief Volume 4, Issue 4, August 18, 2014, Fannie Mae Economic and Strategic Research.
11. See Taz George, “Three Charts That Explain the Renters Next Door,” *MetroTrends* (blog), Urban Institute, February 26, 2015, <http://blog.metrotrends.org/2015/02/charts-explain-renters-door/> for more details.
12. See Turner et al. (2015) and Hispanic National Mortgage Association, “Barriers to Hispanic Homeownership,” <http://www.hnma.com/barriers-to-hispanic-homeownership.html> for more details.
13. See National Council of La Raza (2011) for more details.

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