

Youth Driving The Market

Are you a millennial? If so, you may hold the key to the future of the real estate market. Americans ages 18 to 34 have been slow to enter the home-buying market, but that could be about to change.

A recent report by the Joint Center for Housing Studies of Harvard University showed that the number of households headed by people in their 30s should increase by 2.7 million over the next 10 years.

This explosive growth should boost demand for new housing, the

report says, as many millennials will finally be financially secure enough to take the plunge.

THE HOLD-UP

Young Americans are burdened with higher-than-ever student loan debt and falling incomes, forcing many to remain under their parents' roofs.

More than 2.1 million adults in their 20s lived with their parents last year, according to the study, and student loan balances increased by \$114 billion. These issues have kept the real estate market from growing at a more impressive clip.

BIG CHANGES

Economists point to one major factor that could help boost a more prominent entry of millennials into the housing market: higher incomes. Better pay means more savings for the younger generation, who would then have more for down payments.

Another important factor reported in the study is how potential housing finance reform will affect the cost and availability of mortgage credit for the next generation. By 2025, minorities will make up 36 percent of U.S. households and account for nearly half of the typical first-time homebuyer market, ac-

cording to U.S. Census projections.

Other highlights from the Harvard University report:

Cost Burden: Over 35 percent of Americans spend more than 30 percent of their income for housing. Fifty percent of renters are cost burdened, and 28 percent are severely cost burdened (meaning they spend over half of their income for housing).

Housing Availability: Between 2007 and 2011, the number of Americans eligible for assistance rose by 3.3 million, while the number of assisted housing units was unchanged.



HERE TO HELP YOU GROW.



Cissy Williams
NMLS 612394



Trey Brooks
NMLS 1205931



Jacki Eckert
NMLS 1146580

Texas never stops. Thanks to the financial support of Capital Farm Credit, neither do the farmers and ranchers who call her home. For nearly a century, we've helped rural Texans show the world what hard work can achieve. But the job is far from over. And as rural Texas grows further, we'll be there. CapitalFarmCredit.com | [Goldthwaite & San Saba](#) | 325-648-3117

