

2015

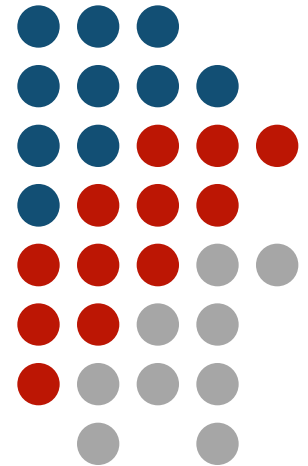
P_YCHECK TO P_YCHECK

A Snapshot of Housing Affordability for Millennial Workers

December 14, 2015

Janet Viveiros, Senior Research Associate

Mindy Ault, Research Associate



Webinar sponsored by



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2015

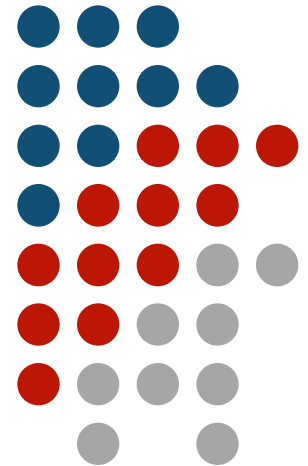
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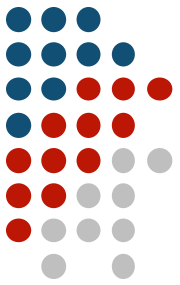
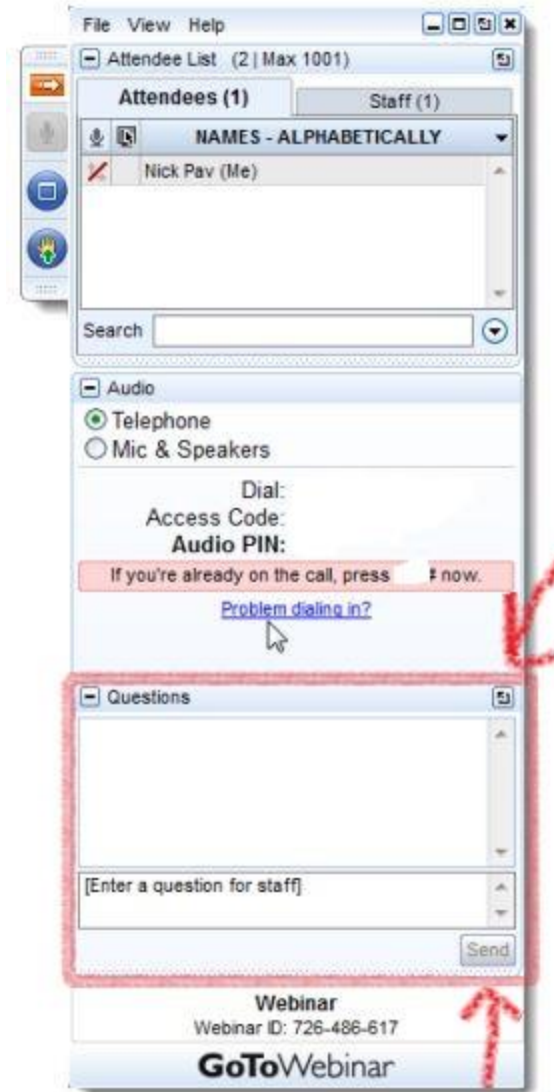


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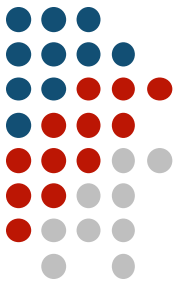


PAYCHECK TO PAYCHECK



On our website, among our research tools, we host an online *Paycheck to Paycheck* data tool, which includes:

- Graphs that compare wages and housing costs in 208 metro areas and the nation as a whole.
- Median incomes for 81 occupations.
- Median home prices and fair market rents in 208 metro areas and the incomes needed to afford them.
- For the 2015 report, a special focus on millennial workers.



NHC | MEMBERSHIP | EVENTS | POLICY | RESEARCH | HOUSING COMMUNICATIONS

Research Tools

ABOUT NHC'S RESEARCH

RESEARCH AGENDA

RESEARCH LIBRARY

Online resources from NHC's Center for Housing Policy to learn about affordable housing policy options, communities across the country.

RESEARCH TOOLS

FUND NHC'S RESEARCH

l governments, developers and advocates with tools d policy strategies and learn from best practices in

Click one of the tools below to learn more.



Housing Landscape Portal

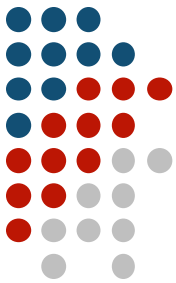
Millions of working American households struggle to make ends meet. For many of them, more than half their income goes to pay for their housing, straining their household budget and leaving too little for other necessities like food, health care, transportation, and child care. These resources examine housing affordability challenges at the national, state, and local level.

LEARN MORE



Paycheck to Paycheck Tool

The 2015 installment of Paycheck to Paycheck from the Center for Housing Policy at the National Housing Conference explores ways in which millennials are different from common perceptions and looks at workers in five occupations filled by many millennials workers and the housing affordability challenges they face.



Report: [A Snapshot of Metropolitan Housing Affordability for Millennial Workers](#)

Media Release: [Many millennial workers cannot afford housing in many U.S. metros](#)

Rankings for More Than 200 U.S. Metropolitan Areas:

Fact Sheet — [Most to Least Expensive Rental Markets, 2015](#)

Fact Sheet — [Most to Least Expensive Homeownership Markets, 2015](#)

Fact Sheet — [Change in the Income Needed to Rent a Home, 2014-2015](#)

Fact Sheet — [Change in the Income Needed to Purchase a Home, 2014-2015](#)

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PAYCHECK TO PAYCHECK

Paycheck to Paycheck —

Data presented below are for the 1st Quarter of 2015.

Start by selecting one of 208 metropolitan areas.

--Select a Metropolitan Area-- ▼

View 5 Top Occupations for Millennials

View 5 Community Worker Occupations

Customize

- OR - Start by selecting one of 81 occupations.

--Select an Occupation-- ▼

View 3 Pre-Selected Cities

Customize

WAYS TO USE PAYCHECK TO PAYCHECK

- **Assess** whether housing is affordable in your metro area for workers in different occupations
- **Compare** the housing affordability of different metro areas for a specific occupation
- **See** the big picture of housing affordability for low- and moderate-income workers nationally
- **Complement** analyses of combined housing and transportation cost burdens by documenting overall metro area housing affordability
- **Use** our [Paycheck to Paycheck instructions](#) as a template to examine wages and housing costs in neighborhoods in your community

ACKNOWLEDGEMENTS

The Center for Housing Policy gratefully acknowledges the support of the Chicago Dwellings Association in funding Paycheck to Paycheck: Wages and the Cost of Housing in America and *Paycheck to Paycheck 2015: A Snapshot of Metropolitan Housing Affordability for Millennial Workers*. Any opinions or conclusions expressed, however, are those of the authors alone.

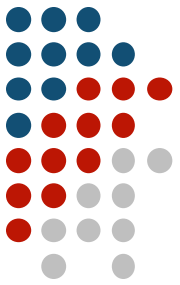
PAYCHECK TO PAYCHECK ARCHIVES

First quarter 2014: www2.nhc.org/chp/p2p_2014_q1/index.php

First quarter 2013: www2.nhc.org/chp/p2p_2013_q1/index.php

Share





PAYCHECK TO PAYCHECK

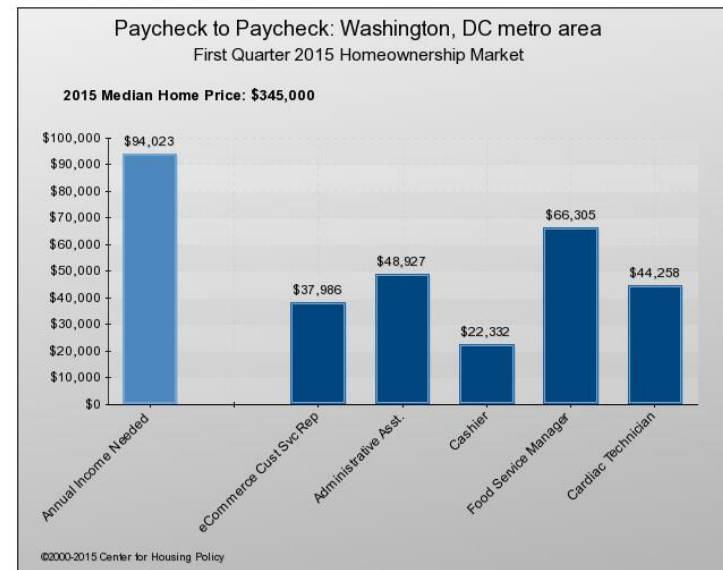


What is Happening in Washington, DC

Paycheck to Paycheck

2015 First Quarter Findings

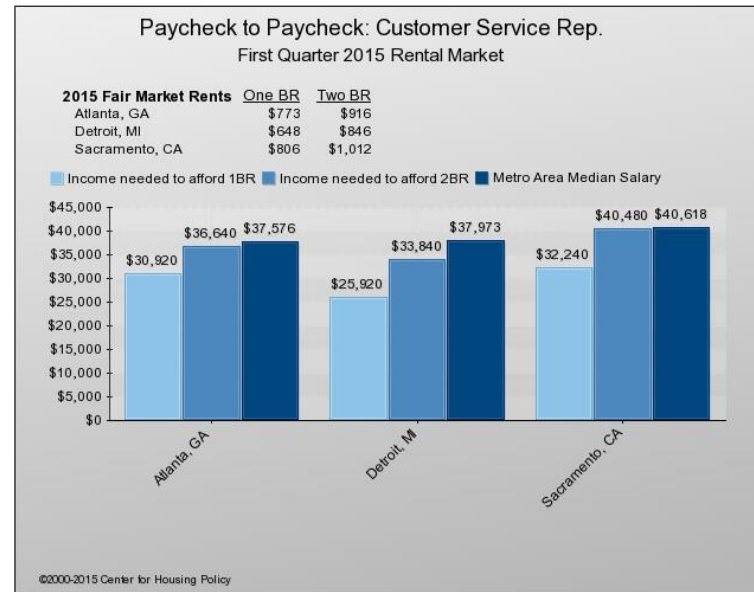
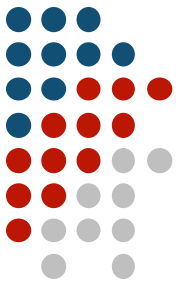
Announced on September 29, 2015



Right-click this chart image for view, copy, save, and other options.

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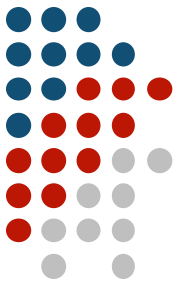
Right-click this chart image for view, copy, save, and other options.

Rental data are from the U.S. Department of Housing and Urban Development's report on Fair Market Rents for the year 2015 and are based on a survey of recently occupied units. [Click here for metro area definitions](#), and click [here](#) for FMR documentation from HUD. The Income Needed to Afford is the annual income that must be earned so that this rent does not exceed 30 percent of income, a standard measure of affordability.

Wage data are as of February 2015 and were obtained from a proprietary database of salary information by geographic location maintained by Salary.com.

You may select another Occupation

Paycheck to Paycheck 2015 focuses on housing affordability in 208 metro areas for workers in five occupations in which millennials are highly represented.



MILLENNIALS

What you think they
look like



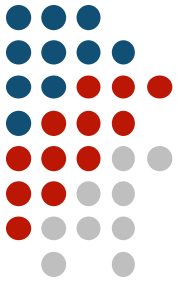
What they really
look like



Learn more about millennials and their affordable housing and employment challenges at www.nhc.org/paycheck



There is a big difference between our common perception of millennials and who they actually are.



MILLENNIALS

What you think they
look like



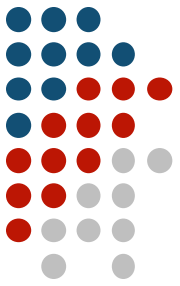
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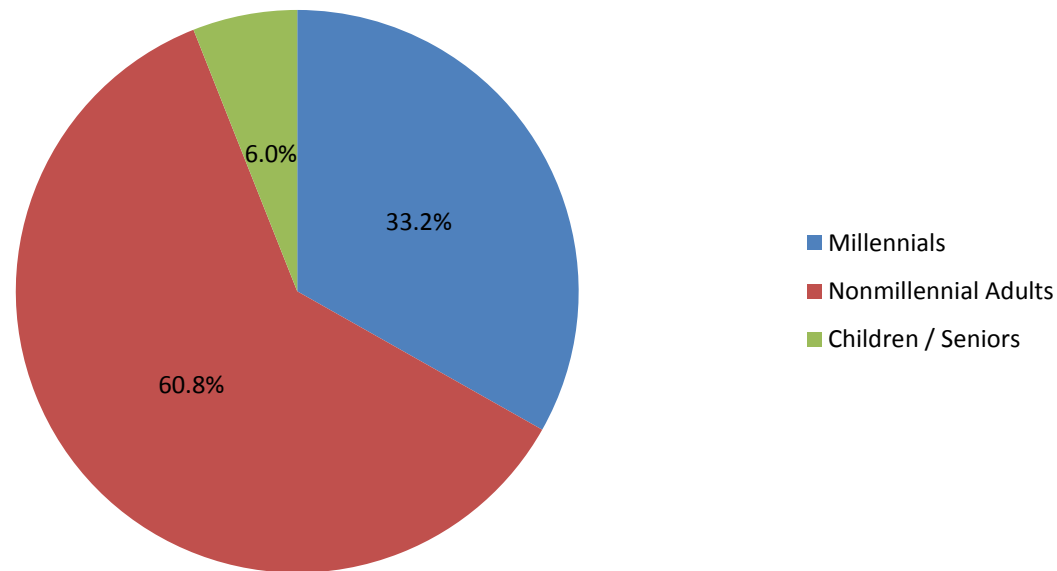


Who are millennials... ... in the workforce?

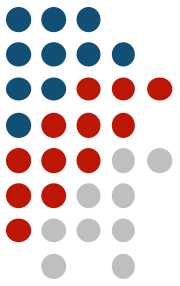


Millennials currently make up about one-third of the U.S. workforce, and that share will grow as older workers retire and younger millennials finish their education and replace them in the labor market.

Total Labor Force 2013

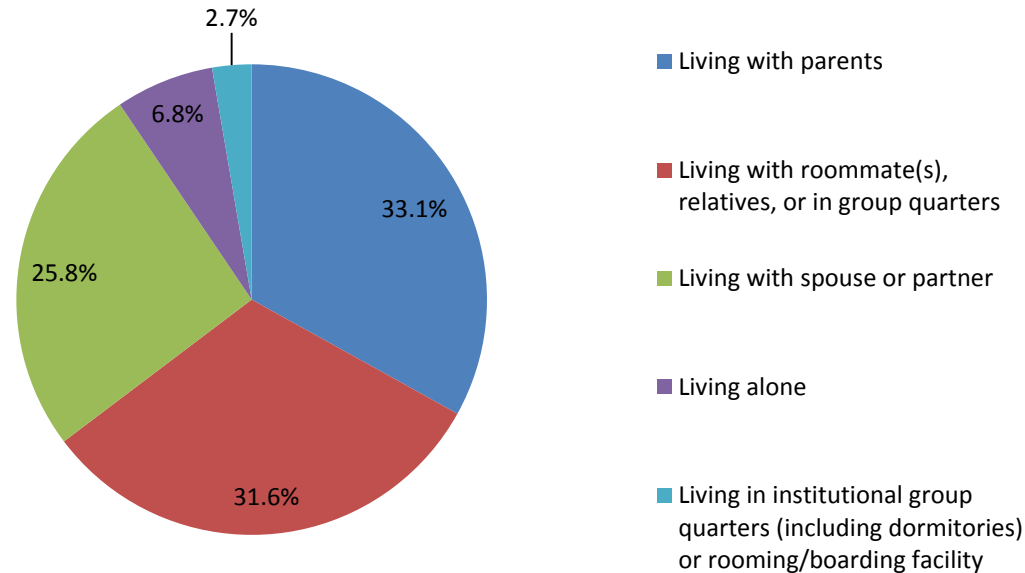


Who are millennials... ... living with?



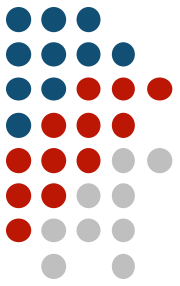
- *Millennials are establishing independent households at lower rates than earlier generations.*
- About one-third of millennials live with their parents. Another third live with roommates, relatives, or in a group setting; and about a quarter of them live with a spouse or partner.

**Millennials' Living Arrangements
2013**

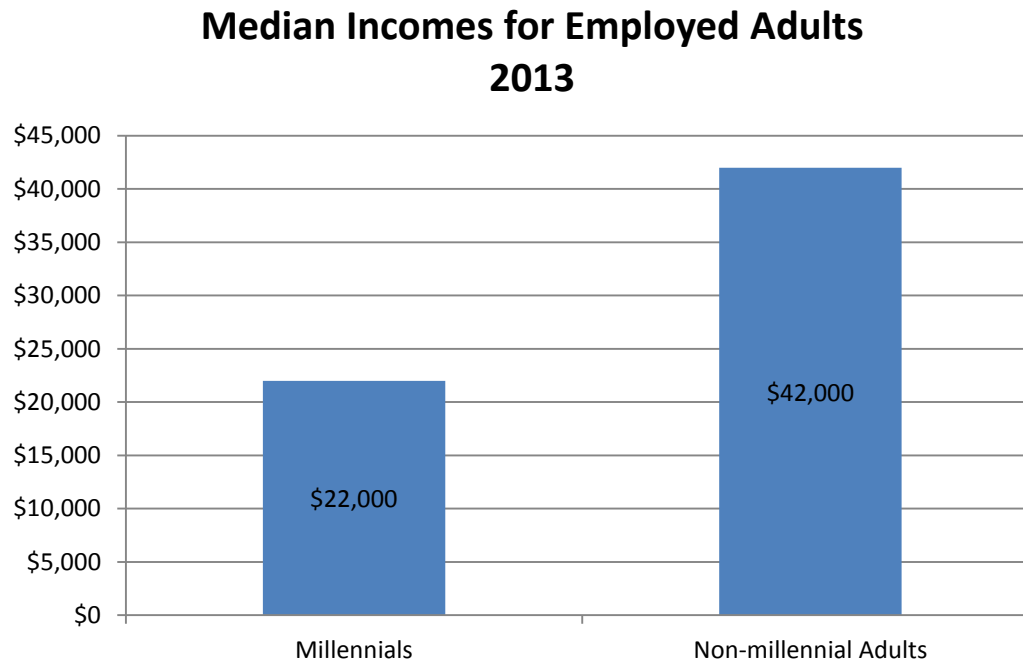


Who are millennials...

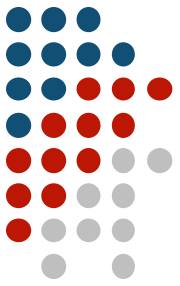
... and how much do they earn?



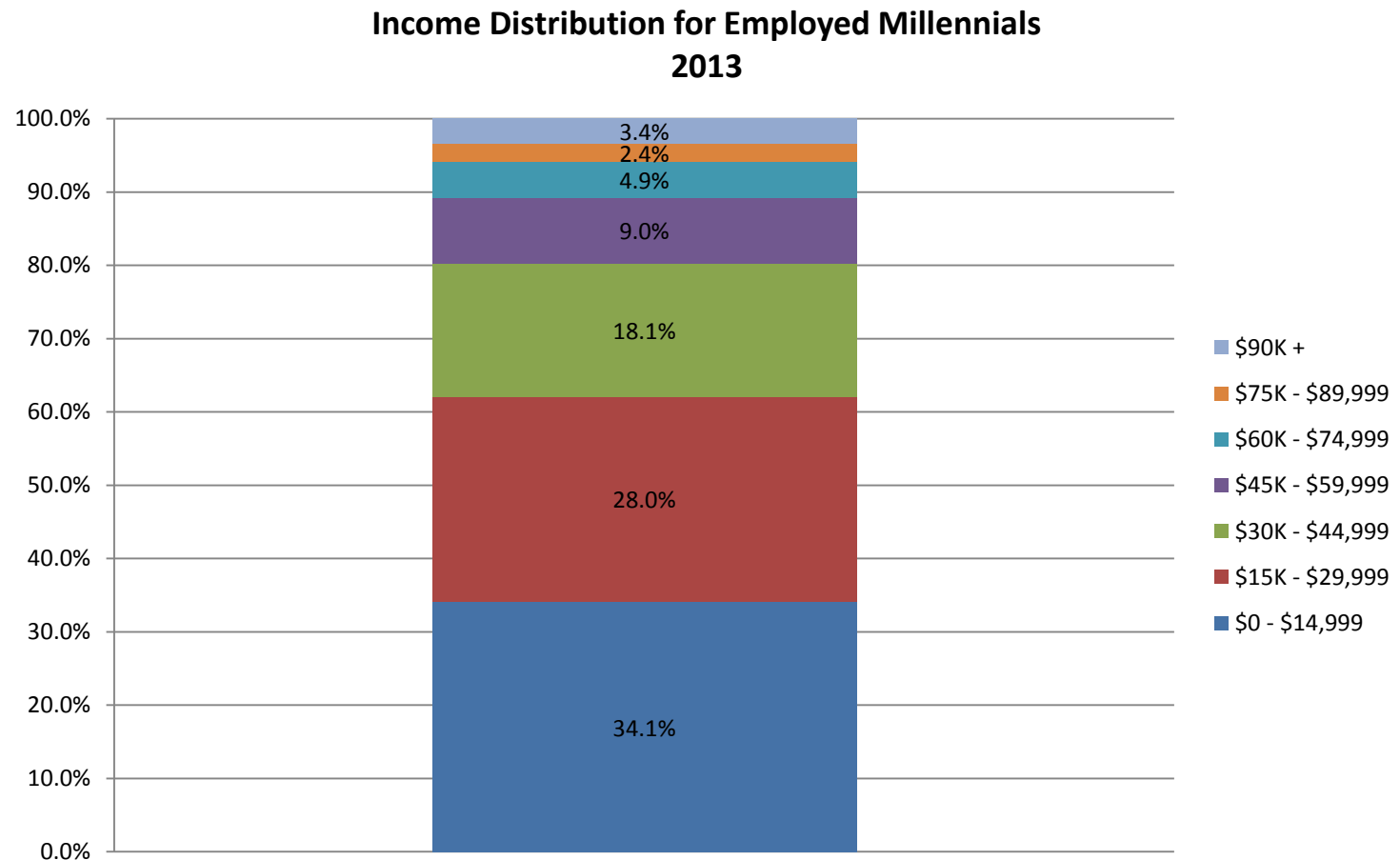
The median income for employed millennials is \$22,000, compared to \$42,000 for employed non-millennial adults.



Who are millennials... ... and how much do they earn?

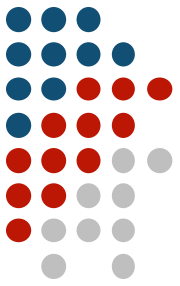


More than one-third of employed millennials earn less than \$15,000 per year.



Who are millennials...

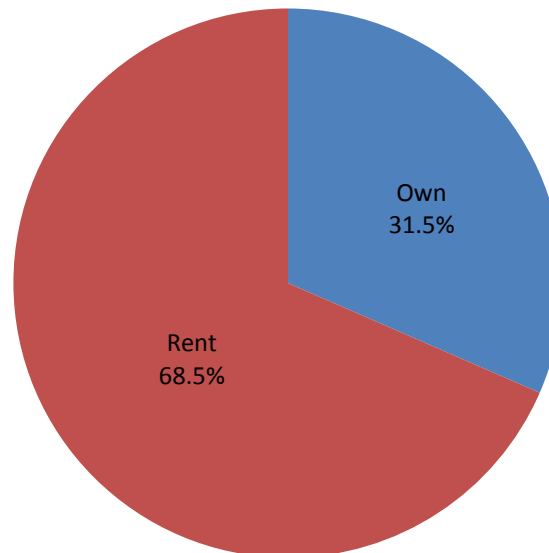
... and do they own or rent their homes?



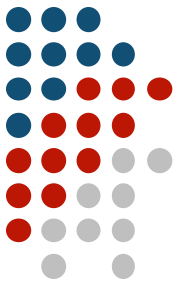
Among millennials who head a household, about 69 percent are renters, compared to the 36.4 percent of all U.S. householders who are renters.

- *Surveys indicate that millennials still aspire to be homeowners, but many are delaying the purchase of a home.*

**Tenure for Millennial Heads of Household
2013**

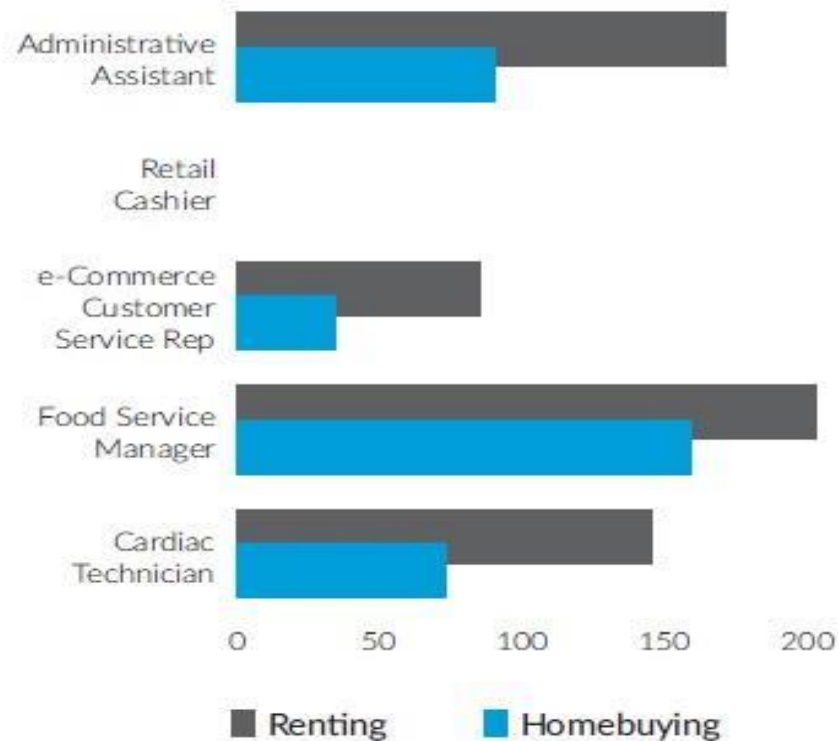


Housing Affordability for Millennials

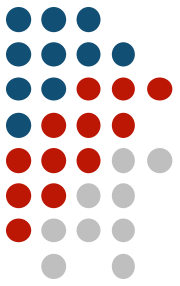


In How Many Metro Areas Can Workers Afford to Rent or Buy a Typical Home?

The number of metro areas (out of 208) where the median income of workers is sufficient to afford the fair market rent for a two-bedroom home or buy a median-priced home.



Implications of Unaffordable Housing for Millennial Workers

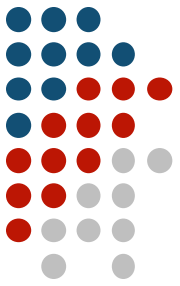


Results from a recent survey by the Urban Land Institute showed *that more than 65 percent of millennials plan to become homeowners within five years.*

- However, millennials are buying homes at lower rates than did previous generations.



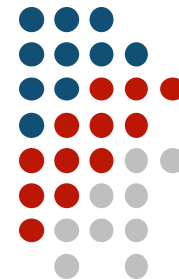
Implications of Unaffordable Housing for Millennial Workers



- Millennials' delaying of homebuying contributes to the slow pace of local housing market recovery as well as to the high demand for rental housing that drives up rents in many metro areas.
- A lack of housing that is affordable to millennial workers can impede regional economic growth.



Policy Solutions



A mix of federal, state, and local policies is needed to create a healthy housing market that expands rental and homeownership opportunities for millennial workers:

- A system that restores the balance between private risk-bearing capital and a government guarantee.
- Expansion of programs existing programs
- Local zoning policies
- First-time homebuyer programs that offer favorable mortgage rates or down payment assistance.

2015

PAYCHECK TO PAYCHECK

A Snapshot of Housing Affordability for Millennial Workers

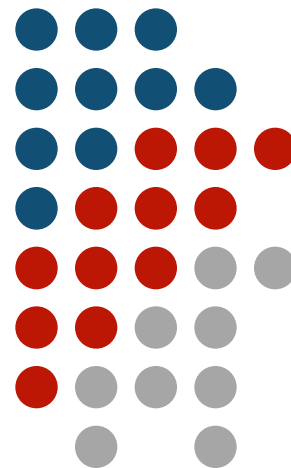


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