



beyond the headlines



Record 57 Million Americans Living in Multi-Generational Households

Source: Wall St. Journal

A record 57 million Americans—or 18.1 percent of the population—lived in multi-generational households in 2012, according to an analysis of Census data by the Pew Research Center. Overall, the share of Americans living in multi-generational households continues to climb, and the recession accelerated the trend.

Making sense of the story

- The number of multi-generational households has doubled since 1980.
- The arrangement of having multiple generations together under one roof spiked during the Great Recession of 2007-2009 and has kept growing in the post-recession period, albeit at a slower pace.
- Young adults ages 25 to 34 have been a major component of the growth in the population living with multiple generations since 1980—and especially since 2010.
- By 2012, roughly one-in-four of these young adults (23.6 percent) lived in multi-generational households, up from 18.7 percent in 2007 and 11 percent in 1980.
- In recent years, younger adults have surpassed older adults who live in multi-generational households. In 2012, 22.7 percent of adults ages 85 and older lived in a multi-generational household, which is just shy of the 23.6 percent of adults aged 25 to 34 in the same situation.
- Among young adults, men are significantly more likely than women to be living in multi-generational households.
- Racial and ethnic minorities generally have been more likely to live in multi-generational family arrangements, and their numbers have grown with increased immigration since the 1970s. In 2012 about one-in-four Hispanics and blacks lived in a multi-generational household.

Read the full story

<http://blogs.wsj.com/economics/2014/07/17/all-in-the-family-home-record-57-million-americans-living-in-multi-generational-households/>



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In other news ...

FHA Premium Issue Sure to Challenge New HUD Chief

Source: National Mortgage News

Industry calls to lower Federal Housing Administration premiums will be a key issue that Julian Castro, the new head of the Department of Housing and Urban Development, will have to address when he takes the reins. Banking and housing groups have stressed that lowering FHA premiums is crucial to improving loan affordability. Castro's predecessor, Shaun Donovan, resisted calls to lower premiums.

Read the full story

<http://www.nationalmortgagenews.com/news/regulation/fha-premium-issue-sure-to-challenge-new-hud-chief-1042112-1.html>

Where Can Renters Afford to Own? Interactive Map

Source: Harvard Joint Center for Housing Studies

Harvard's Joint Center for Housing Studies found that in looking at renters in the age group of 25-34, most would find the monthly costs of homeownership affordable in many metros across the country. Indeed, in 42 of the 85 metros studied, more than half of renters can afford the monthly costs of homeownership. So where are these buyers? Low inventory in many areas, combined with unemployment, income stagnation, and student loan debt have hampered sales.

Read the full story

<http://housingperspectives.blogspot.com/2014/07/interactive-map-where-can-renters.html>

Forecast Says U.S. Home Prices Are Overvalued, Will Peak In 2016

Source: Wall Street Journal

Americans should prepare for several years of home prices that don't increase much because the market's price rebound has almost run its course, according to a report published by bond strategists at Bank of America Merrill Lynch. The analysts state that U.S. home prices, after being undervalued relative to household incomes by around 6 percent at the end of 2011, have now rebounded to levels that are 9.7 percent overvalued. They suggest that the post-crisis boom in home prices witnessed over the last two years "is most likely over."

Read the full story

<http://blogs.wsj.com/economics/2014/07/17/forecast-says-u-s-home-prices-are-overvalued-will-peak-in-2016/>



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How to Buy a Home in a Competitive Real Estate Market

Source: Fox Business

The growing gap between affordability and housing prices has created a frustrating dynamic for potential homeowners. But there are a few factors that can give you an advantage when you're trying to secure an initial commitment from the seller, such as getting the right REALTOR® and understanding how you appear on paper.

Read the full story

<http://www.foxbusiness.com/personal-finance/2014/07/16/how-to-buy-home-in-competitive-real-estate-market/>

Should Housing Policy Support Renters More?

Source: New York Times

In many markets across the country, buying is no longer the bargain it seemed to be a few years ago as Americans contend with the appeal of homeownership. *The New York Times* asked six experts to debate whether or not housing policy should be more balanced by supporting rental housing and homeownership on more equal footing.

Read the full story

<http://www.nytimes.com/roomfordebate/2014/07/15/should-housing-policy-support-renters-more>

Sacramento Homeownership Fair: Free Admission

Join C.A.R. at an upcoming Homeownership Fair in Sacramento, Saturday, July 19. Whether you are a first-time home buyer, seller, or looking to re-enter the market, the Homeownership Fair will provide a variety of resources to help make the process easier—and admission is free.

The fair will include sessions on wealth development, the importance of using a REALTOR®, offer acceptance, down payment assistance programs, and more. Exhibitors will also be on hand to provide information, answer any questions, and provide free giveaways. Admission is free for all attendees.

More information

<http://www.car.org/meetings/2014hbf/sacramento/>



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What you should know ...

- Lower interest rates and stabilizing home prices combined to boost home sales in June, according to the CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.). However, diminished home affordability remains a challenge for buyers, particularly in high cost areas of the state.
- Sales in June increased 1.5 percent from a revised 389,060 in May but were down 4.8 percent from a revised 414,830 in June 2013. June marked the eighth straight month that sales were below the 400,000 level and the eleventh straight decline on a year-over-year basis.
- The statewide median price of an existing, single-family detached home slipped 2 percent from May's median price of \$466,320 to \$457,160 but was up 6.6 percent from the revised \$428,700 recorded in June 2013. The statewide median home price has increased year over year for the previous 28 months, marking more than two full years of consecutive year-over-year price increases.