



State of the Nation's Housing Report

Audio is available only by conference call.

Please call:(800) 260-0712

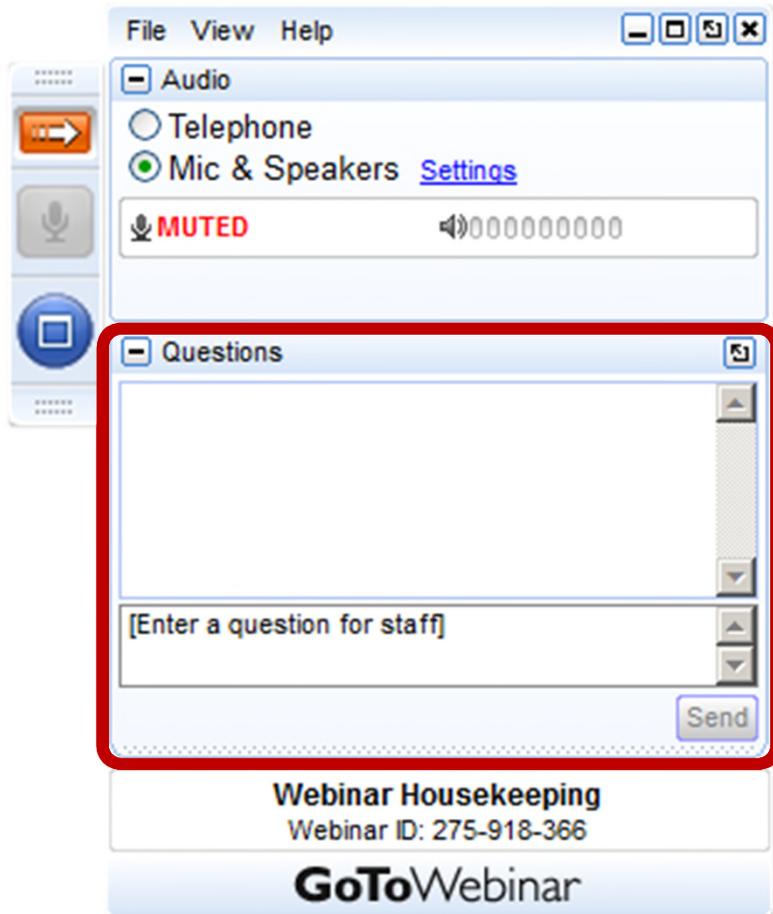
Participant Access Code: 367843

to join the conference call portion of the webinar

Webinar Logistics

- This webinar is being recorded for archiving purposes only
- The audio along with the PowerPoint will be available at www.hud.gov/housingcounseling under “Training Webinar Archives”
- All attendee lines will muted during the presentation and open for questions at the conclusion of the presentation
- The operator will provide instructions for asking questions at the end of the of the presentation

Other Ways to Submit Comments



Your Participation

Please submit your text comments using the Questions Panel. We will read them during the webinar.

You can also send questions and comments to housing.counseling@hud.gov with **webinar topic is subject line.**

Note: The audio and presentation will be available on OHC's website. Information will be sent out via OHC's LISTSERV

Please Mute Your Phones if You are not Planning to Speak

- During the discussions, all the phones may be unmuted by the operator.
- We can hear background conversations, cell phone rings and beeps, etc.
- It is critical that you mute your phone during these discussions if you are not speaking.
 - Most phones have a Mute function so use it.
 - *6 will also mute and unmute your phone.
- Unmuted phones are a distraction to the discussion.
- Please be courteous to others on the call.

Certificate of Training

- If you logged into the webinar, you will receive a “thank you for attending” email from GoToWebinar within 48 hours.
- The email will say that it is your CERTIFICATE OF TRAINING. There is no attachment
- Print out and save that email for your records.

Thank you for attending our XX hour Webinar on XX. We hope you enjoyed our event.

This is your CERTIFICATE OF TRAINING. Please print out and save this email for your records.

Please send your questions, comments and feedback to:

housing.counseling@hud.gov.



Brief Survey

- Please complete the brief survey at the end of this session.
- Your responses will help OHC better plan and present our webinars.



State of the Nation's Housing Report

Dr. Chris Herbert, Managing Director, Joint
Center for Housing Studies of Harvard
University

October 20, 2015



Welcome from the Office of Housing Counseling



Introduction of Speaker

**Dr. Chris Herbert of the Harvard
University Joint Center for
Housing Studies**

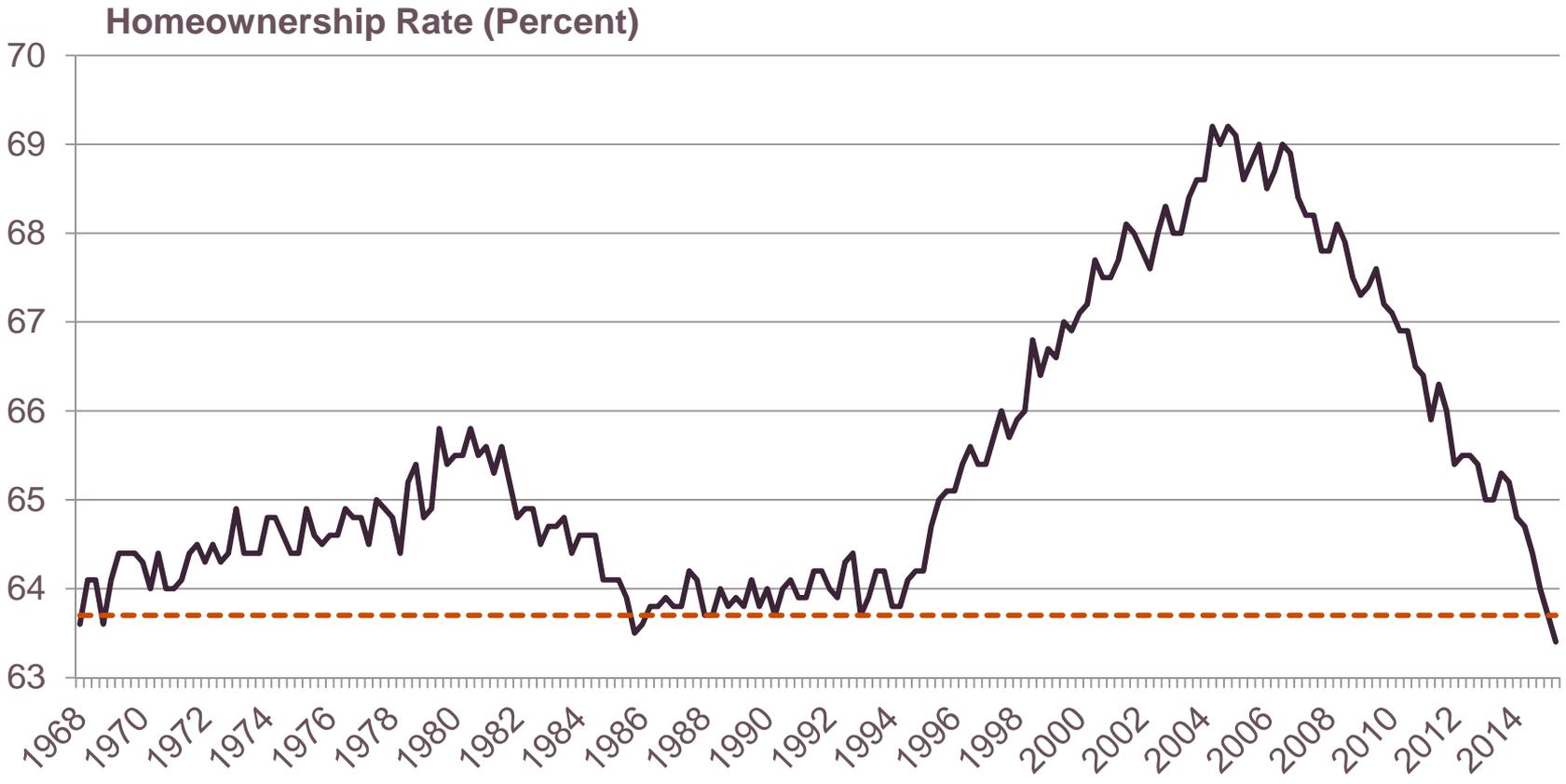
State of the Nation's Housing 2015

Joint Center for Housing Studies
of Harvard University



JOINT CENTER FOR HOUSING STUDIES OF HARVARD UNIVERSITY

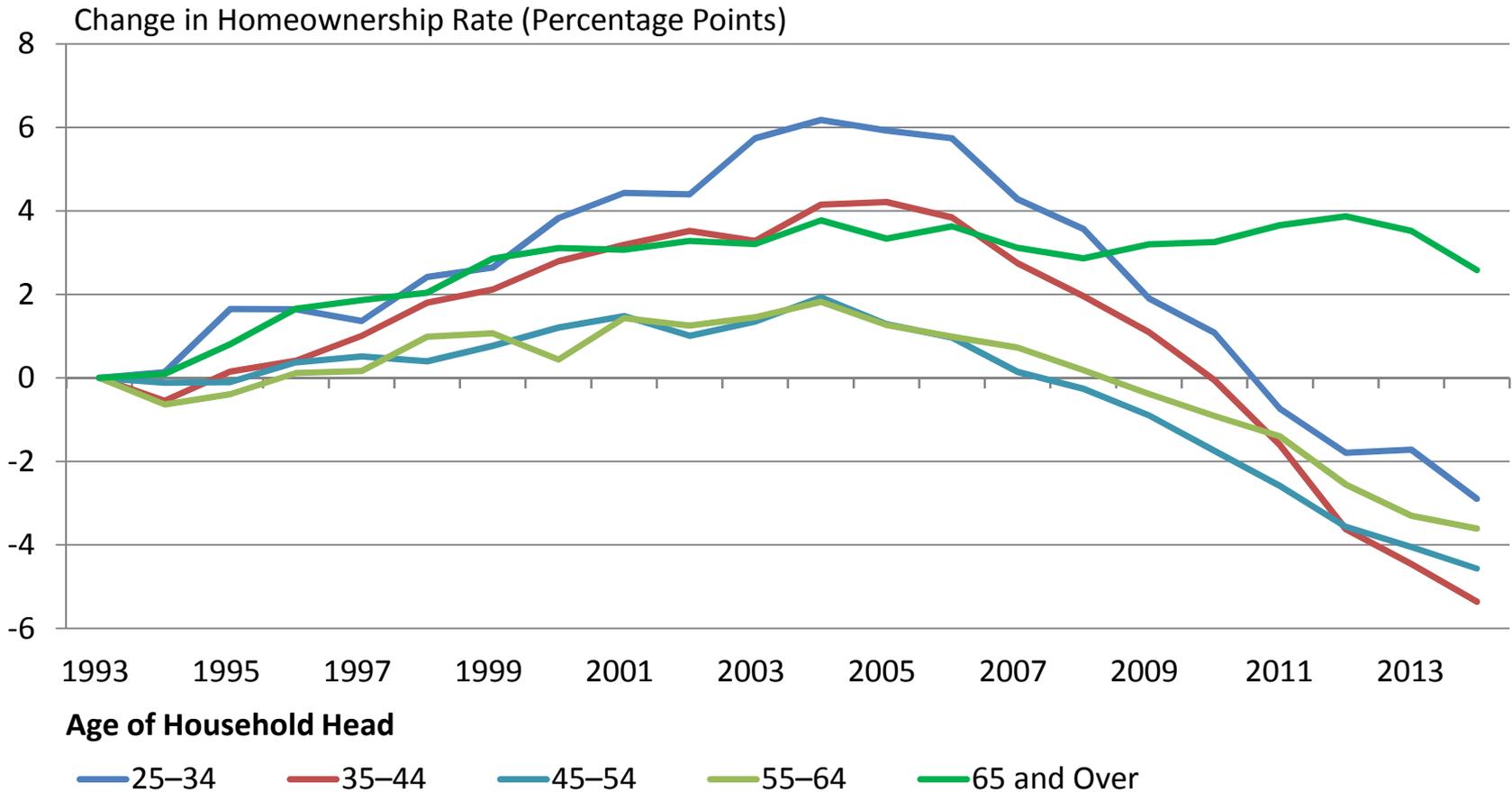
Figure 1. The National Homeownership Rate Has Fallen Back Below 1993 Levels...



Source: JCHS tabulations of US Census Bureau, Housing Vacancy Surveys.



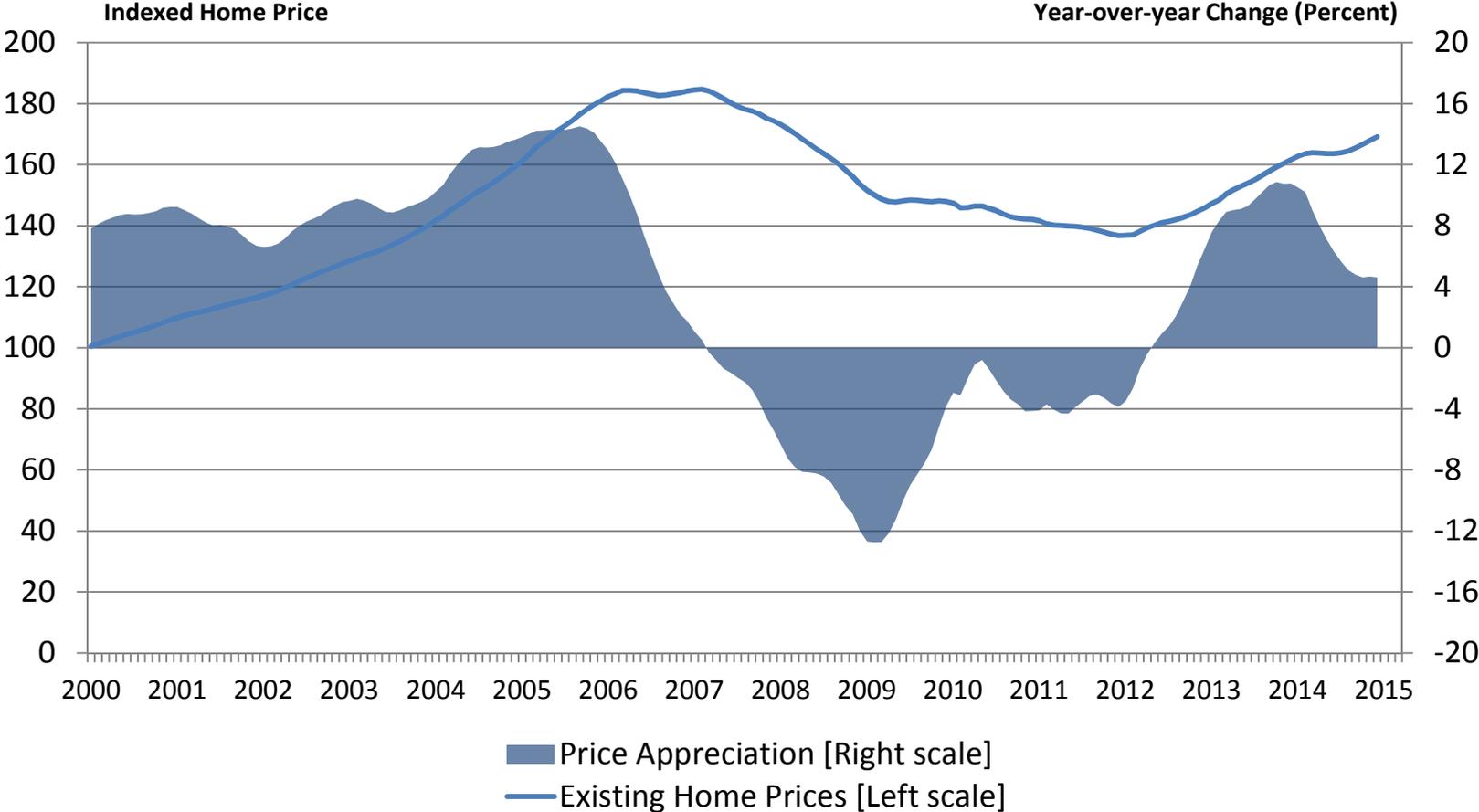
Figure 2. ...But Are Well Below that Point for Most Age Groups



Source: JCHS tabulations of US Census Bureau, Housing Vacancy Surveys.



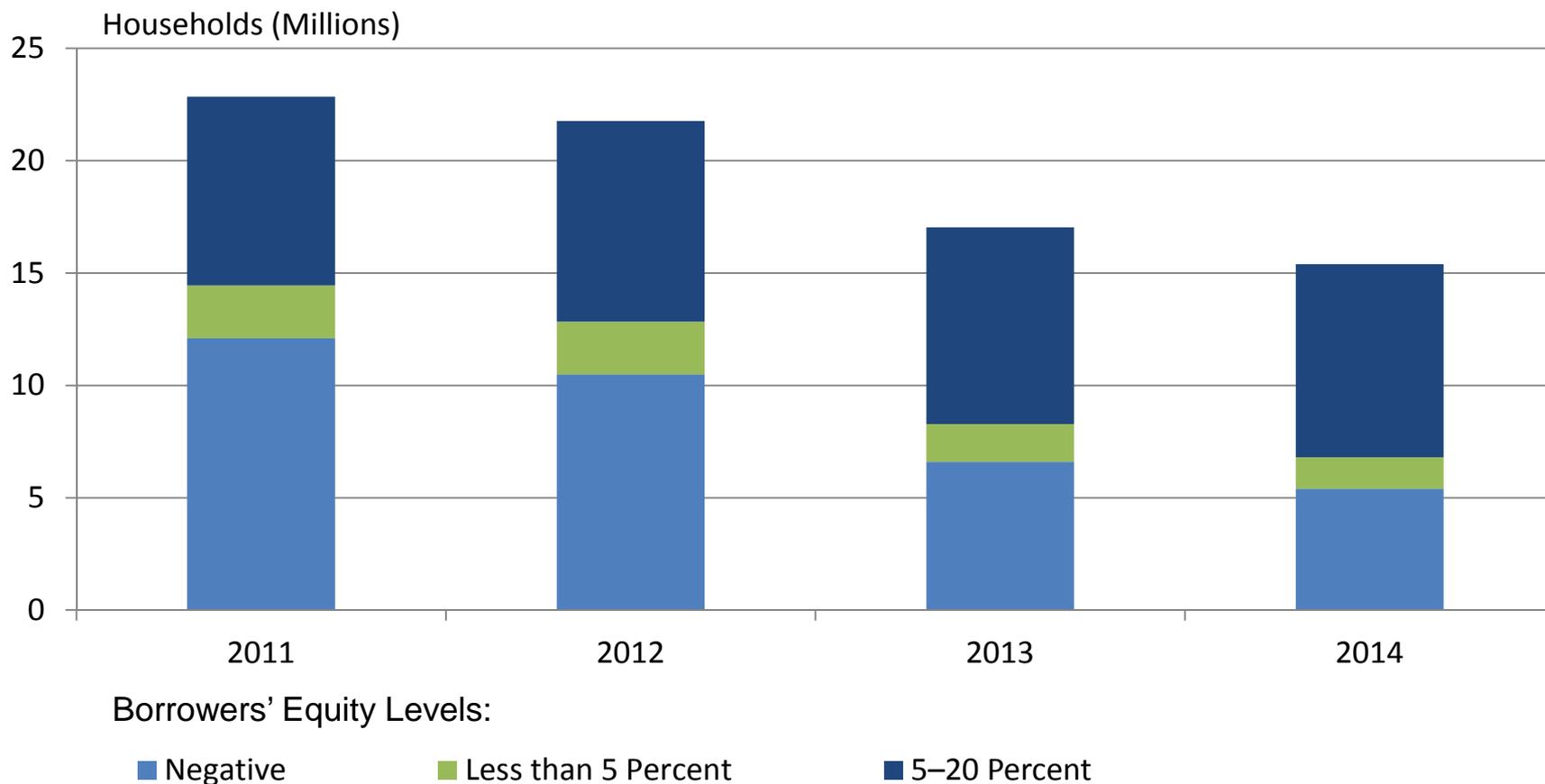
Figure 3. While Existing Home Prices Continued to Rise in 2014, Appreciation Slowed



Source: JCHS tabulations of CoreLogic Case-Shiller Home Price Indexes.

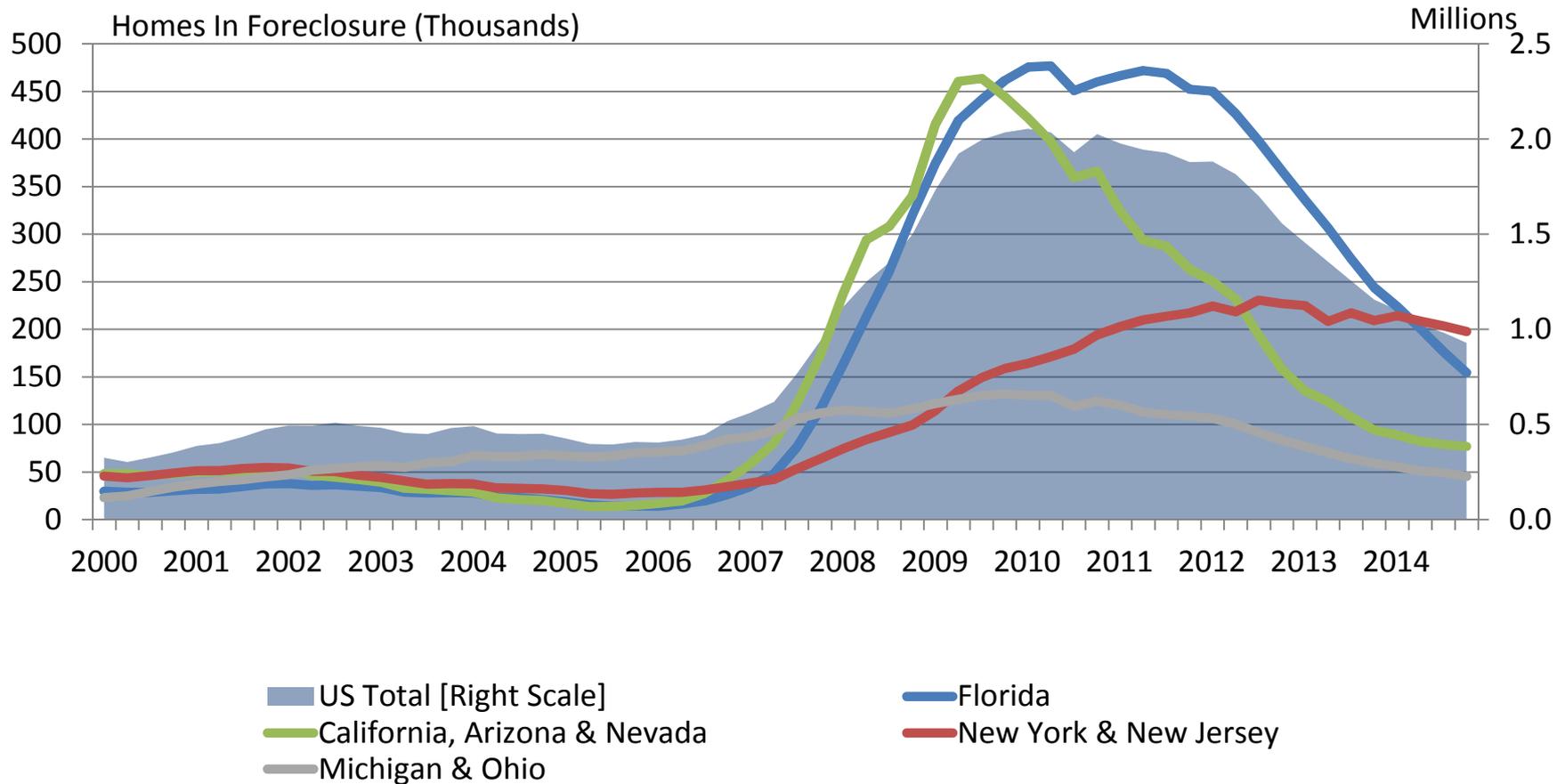


Figure 4: Although the Number of Underwater Homeowners is Shrinking, Many Borrowers Still Have Little Equity



Note: Household counts are as of the fourth quarter of each year.
 Source: JCHS tabulations of CoreLogic data.

Figure 5. Foreclosure Inventories Have Dropped Precipitously, Especially in the Hardest-Hit States

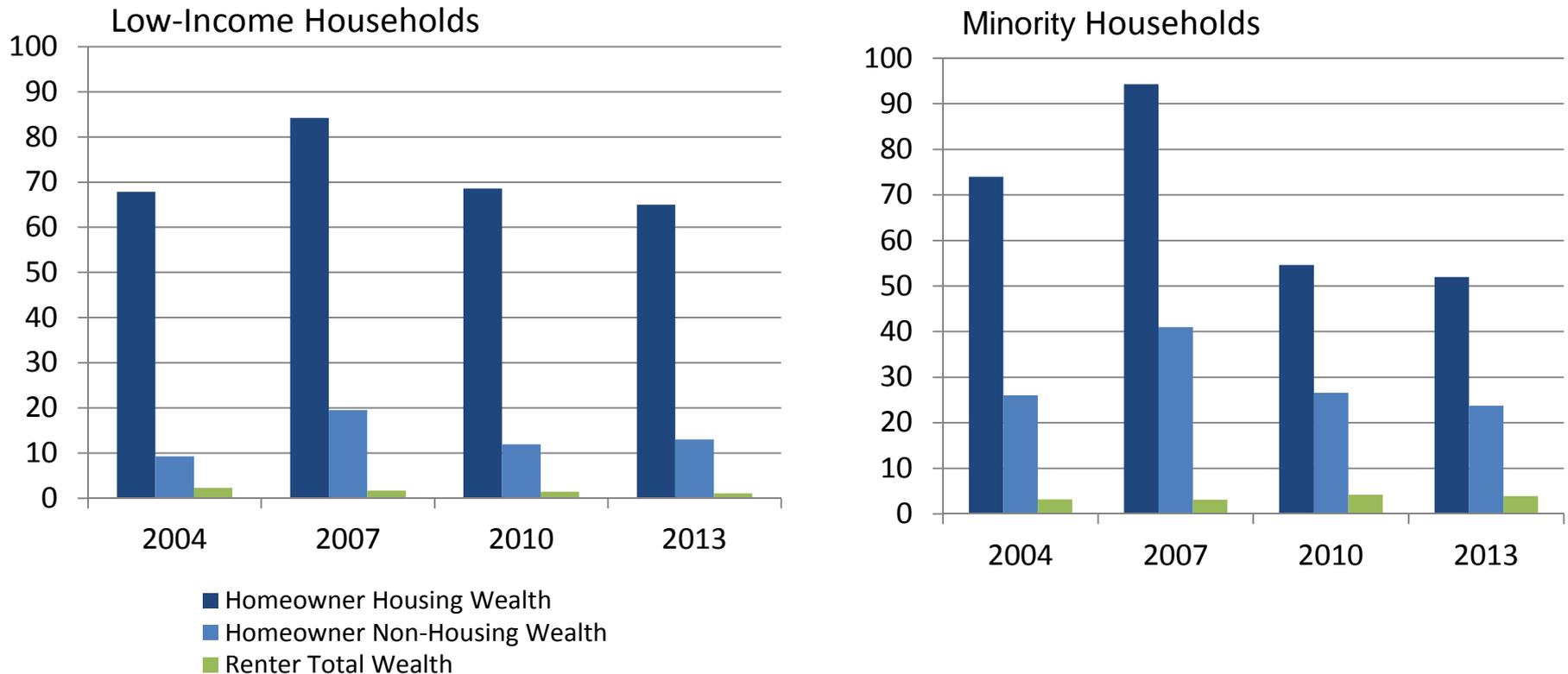


Source: JCHS tabulations of Mortgage Bankers Association, National Delinquency Surveys.



Figure 6. Despite the Downturn, Housing Remains the Primary Form of Wealth for Low-Income and Minority Households

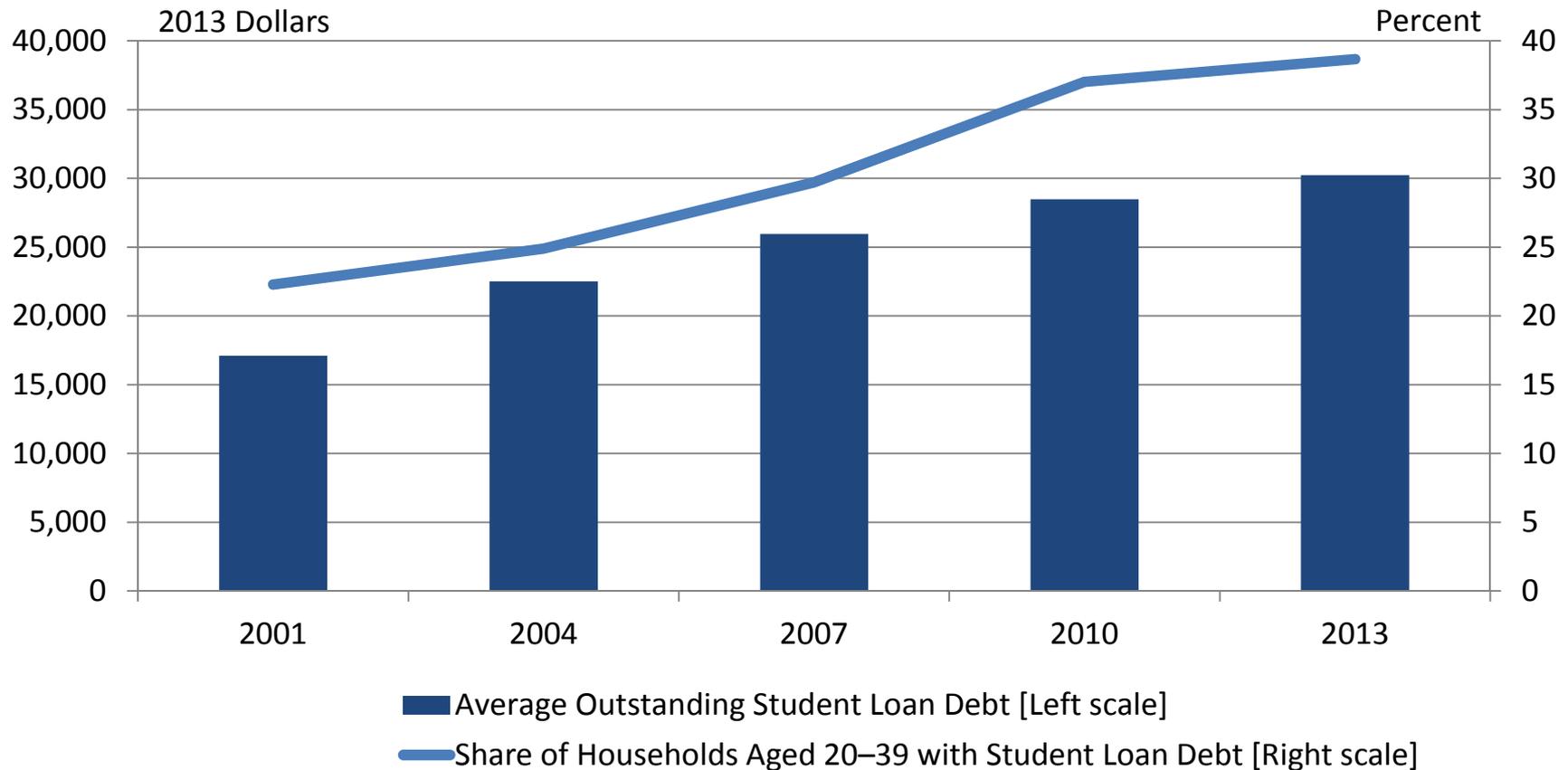
Median Net Wealth (Thousands of 2013 dollars)



Notes: Medians for housing and non-housing wealth are calculated independently do not sum to total. Non-housing wealth includes cash savings, savings in retirement accounts, stocks and bonds. Values are adjusted for inflation with the CPI-U for All Items. Low-income households are in the bottom income quartile based on equal fourths of all households.

Source: JCHS tabulations of Federal Reserve Board, Surveys of Consumer Finances.

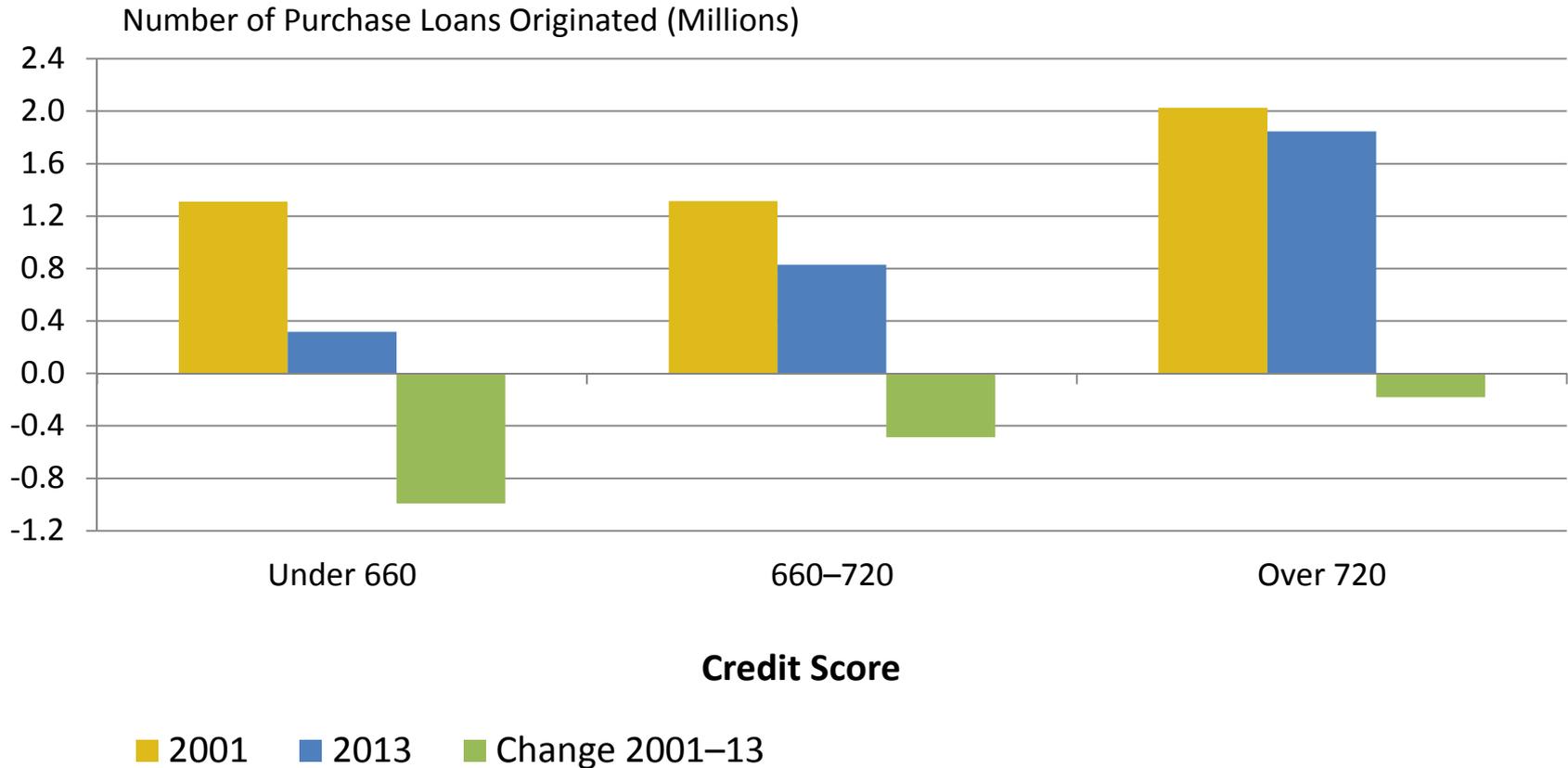
Figure 7. Growing Shares of Young Households Are Carrying Higher Levels of Student Loan Debt



Note: Student debt is reported for entire household. Average outstanding student loan balances exclude households without debt.
 Source: JCHS tabulations of Federal Reserve Board, Surveys of Consumer Finances

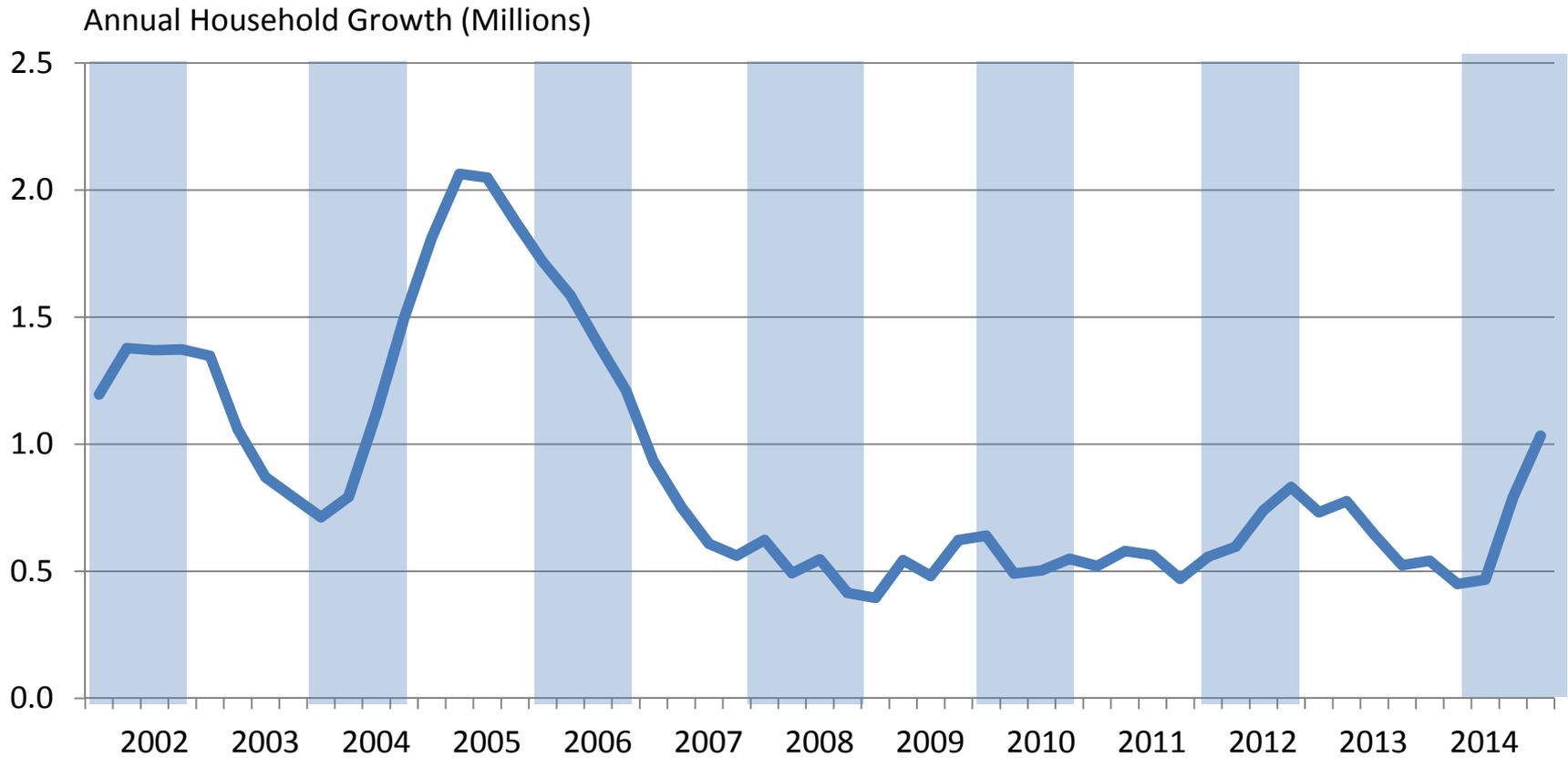


Figure 8. Lending to Borrowers with Even Moderate Credit Scores Has Dropped Below Pre-Boom Levels



Source: Urban Institute.

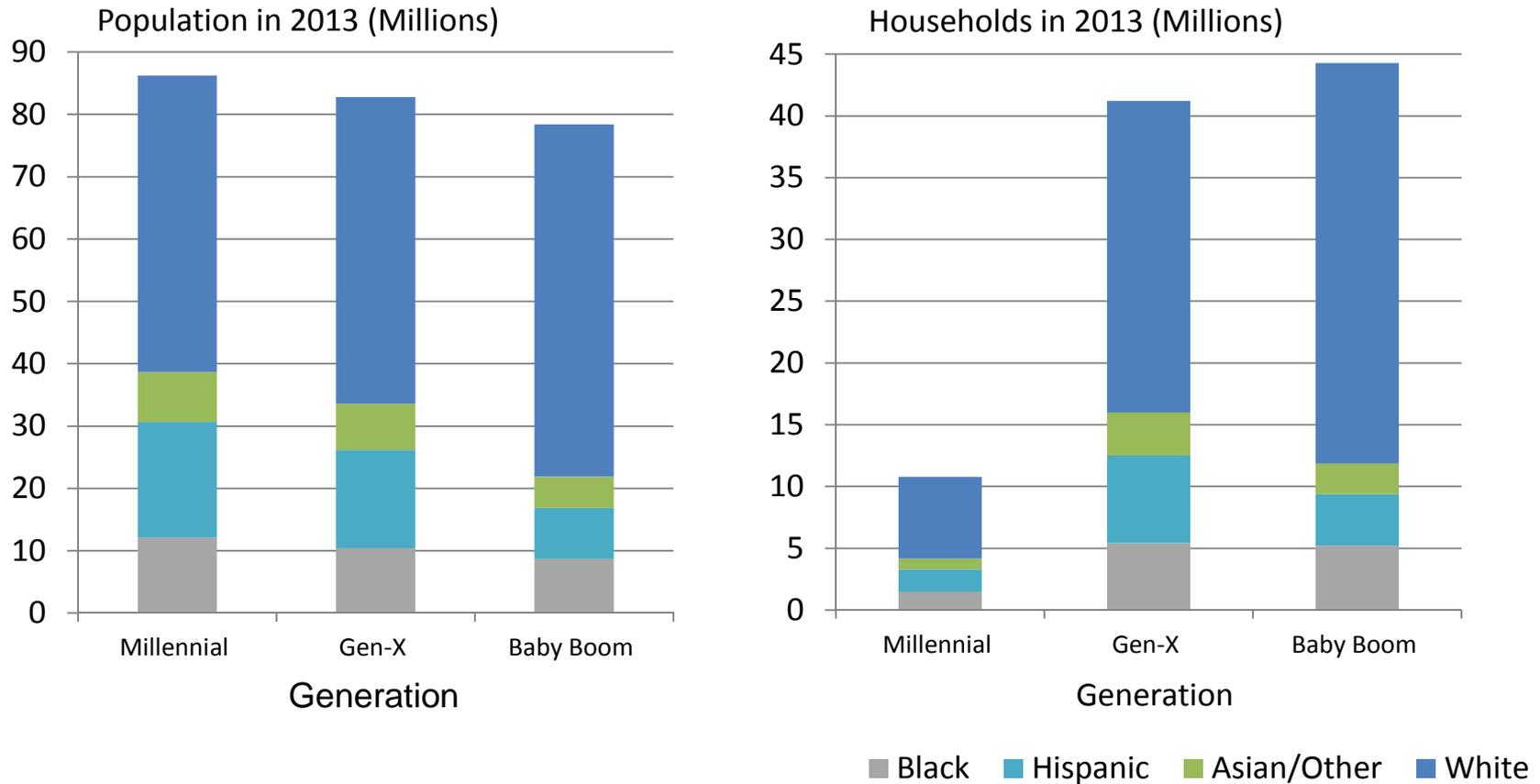
Figure 9. Household Growth Appears to be Picking Up



Note: Estimates are four-quarter rolling average year-over-year growth.
Source: JCHS tabulations of US Census Bureau, Housing Vacancy Surveys.



Figure 10. The Large, Diverse Millennial Generation Is Only Now Beginning to Form Households

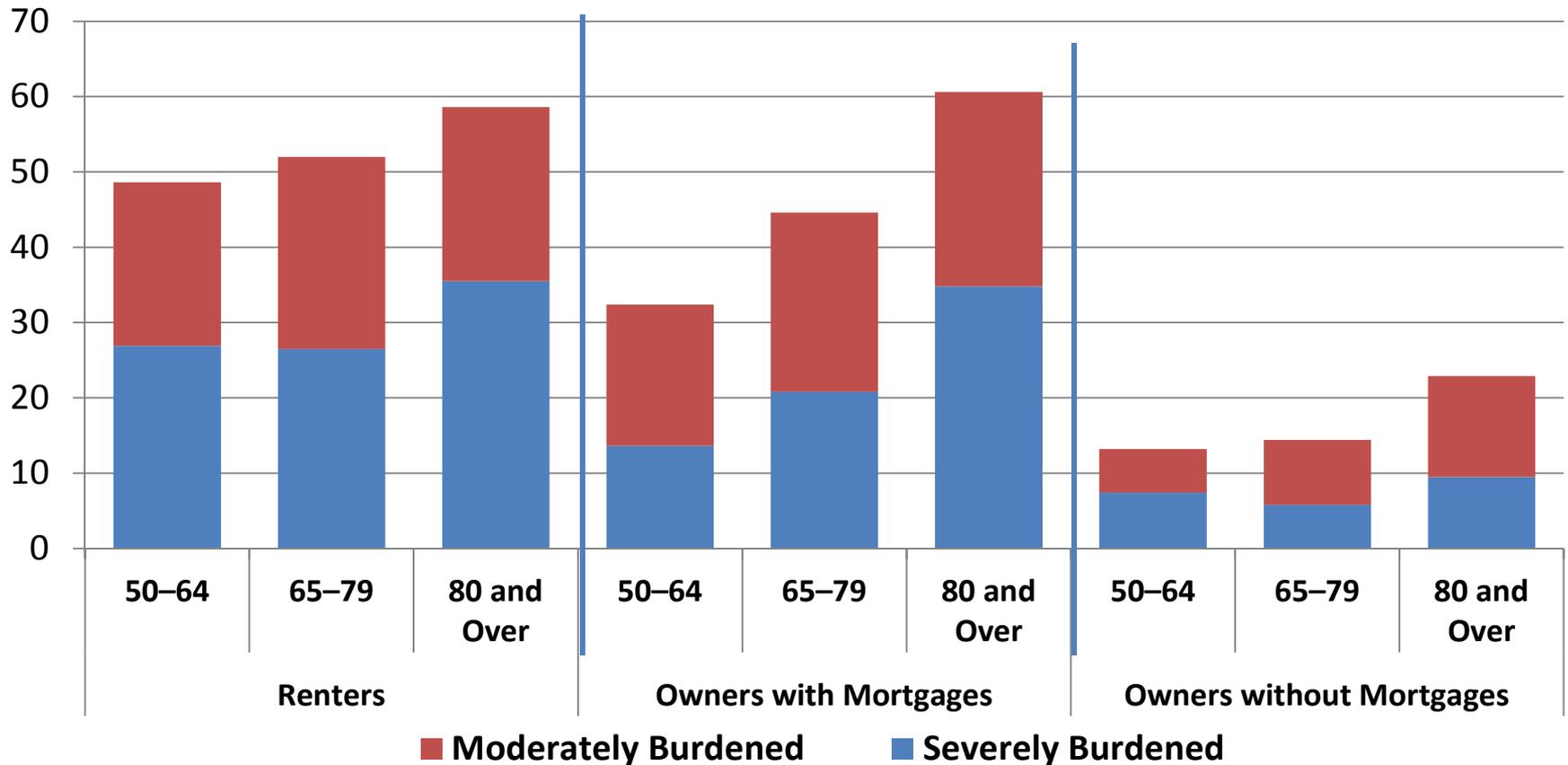


Note: White, black, and Asian/other households are non-Hispanic. Hispanic households may be of any race.

Sources: JCHS tabulations of US Census Bureau, 2013 American Community Survey.

Figure 11. Housing Cost Burdens Rise Sharply with Age for Those Still Paying off Mortgages

Share of Households by Age Group (Percent)

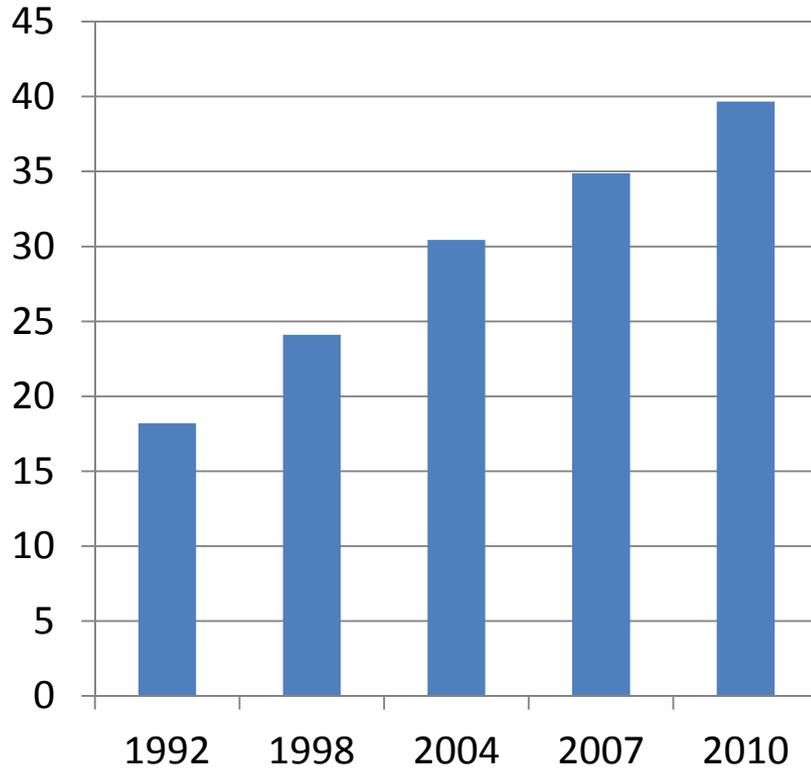


Source: JCHS tabulations of US Census Bureau, 2012 American Community Survey.

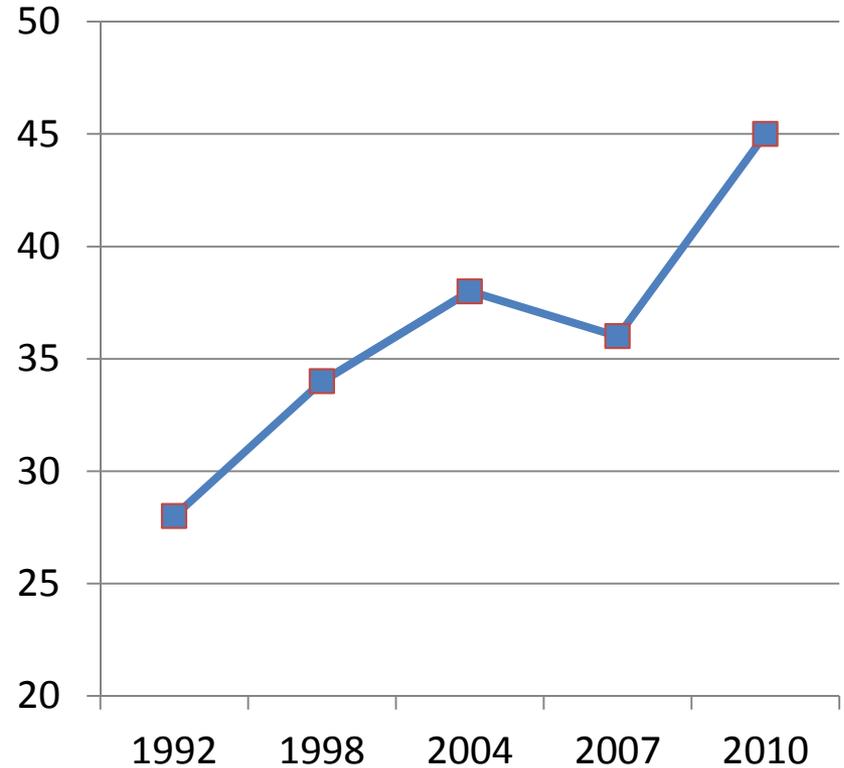


Figure 12. Households 65 and Over Are Carrying Much More Mortgage Debt into Their Retirement Years

Share of Owners with Mortgage Debt by Age Group (Percent)



Average Loan-to-Value Ratio for Owners with Mortgages by Age Group (Percent)



Source: JCHS tabulations of Federal Reserve Board, Surveys of Consumer Finances.



Implications for Counseling Agencies

- Despite improvements in the overall economy, there's still a great need for *financial education, coaching and counseling services* due to:
 - Rise in student debt loads
 - Rise in housing cost burdens at all age levels
 - Lack of emergency savings
 - Rigid lending standards that have adversely affected borrowers credit scores below 720

Implications for Counseling Agencies

- Given these financial challenges and increasing diversity of young households, increasing need for homeownership education and counseling
- With the lower homeownership rates, there is also greater need for *rental education*
- There will be a continuing need for *post-purchase, HECM and foreclosure intervention counseling services*

Q and A