



Busting Demographic Myths: Millennials vs Boomers, & Cities vs Suburbs



Jed Kolko, Independent Economist

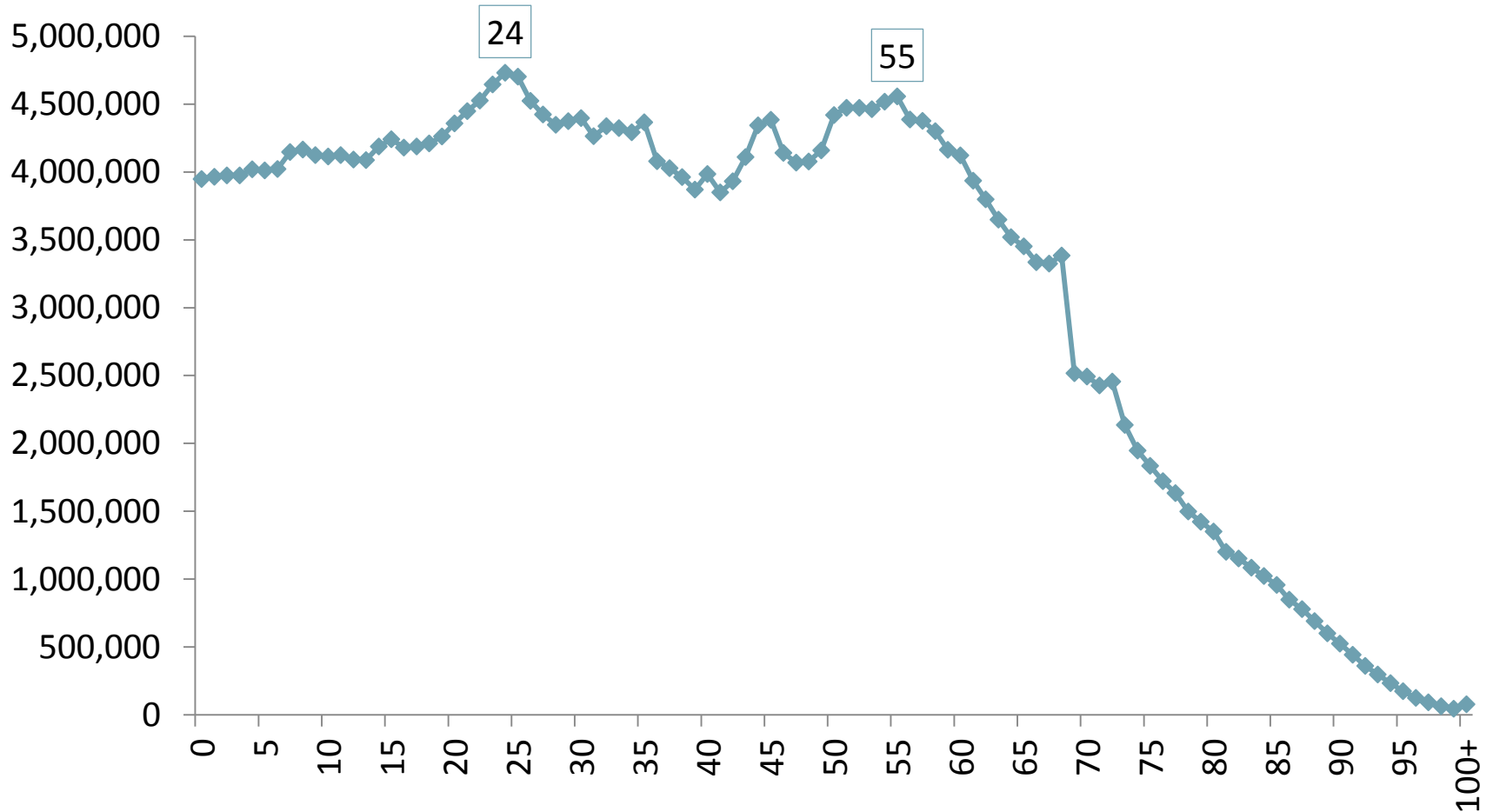
Outline

1. **Millennials, Xers, & Boomers: so what?**
2. How real is the urban rebound?



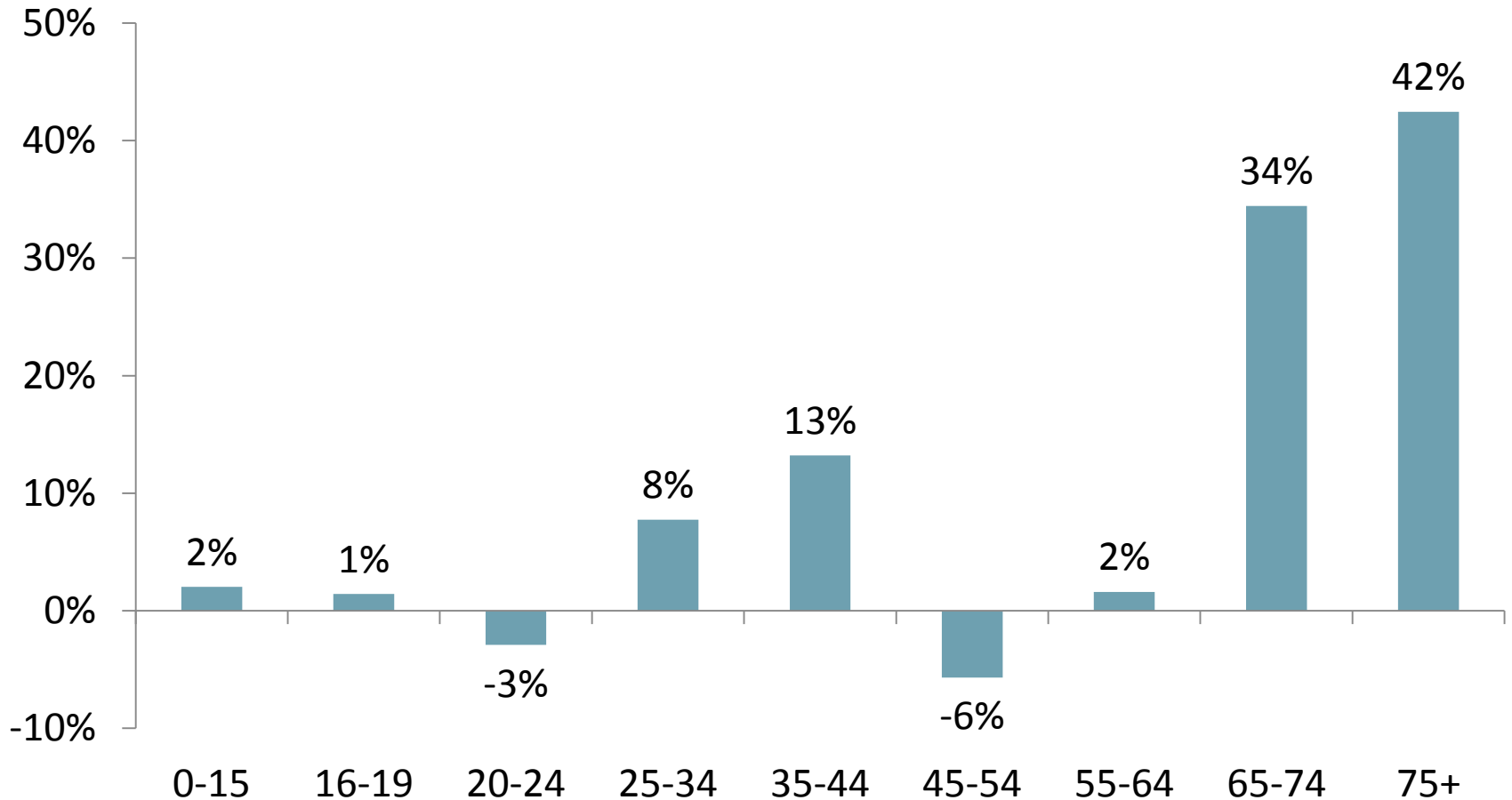
Peak age: 24

Population by age, June 2015



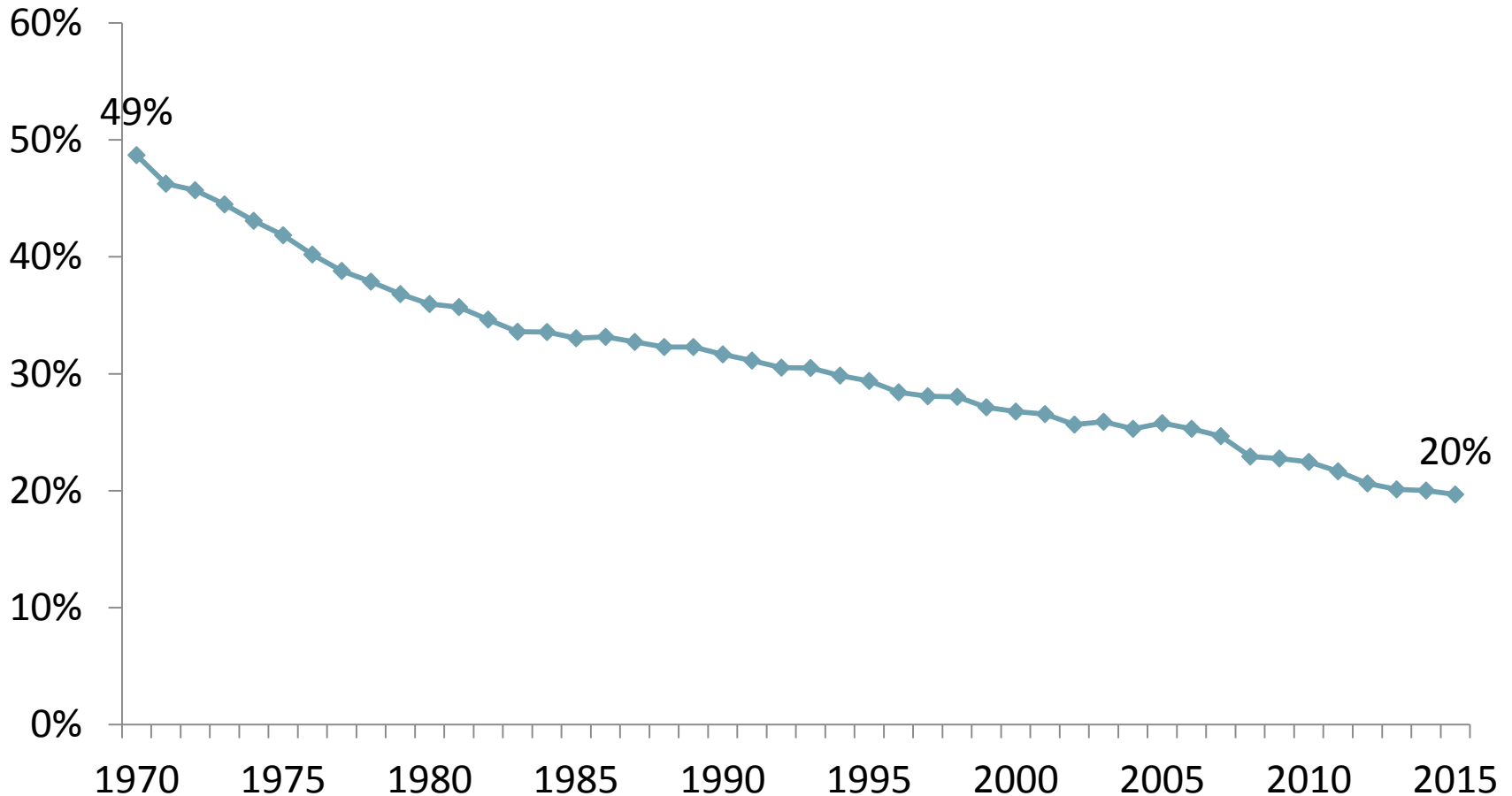
Growth comes from Boomers

Projected population growth by age group, 2015-2025



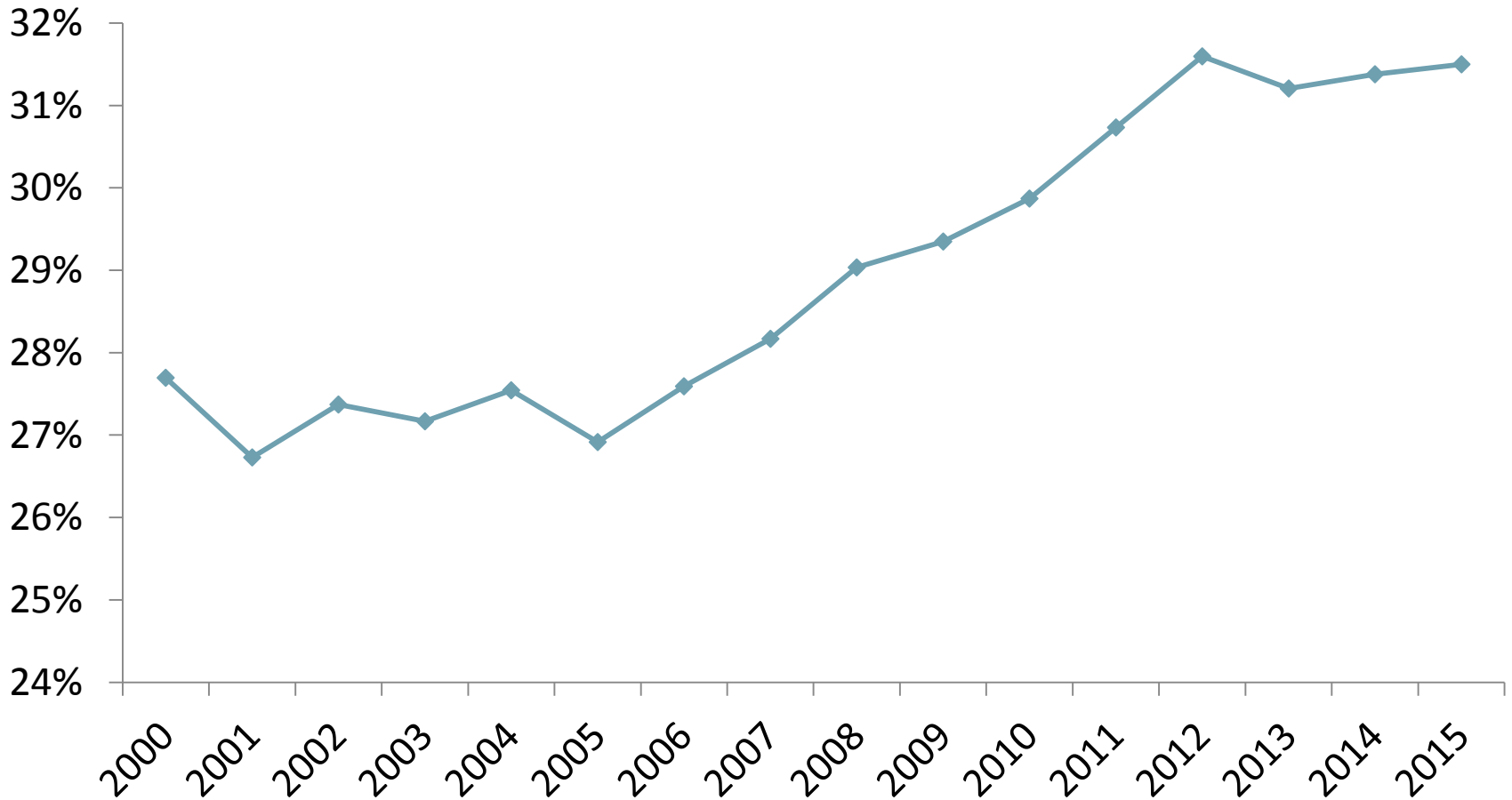
How Millennials really are different

% of 18-34 year-olds who are married with kids



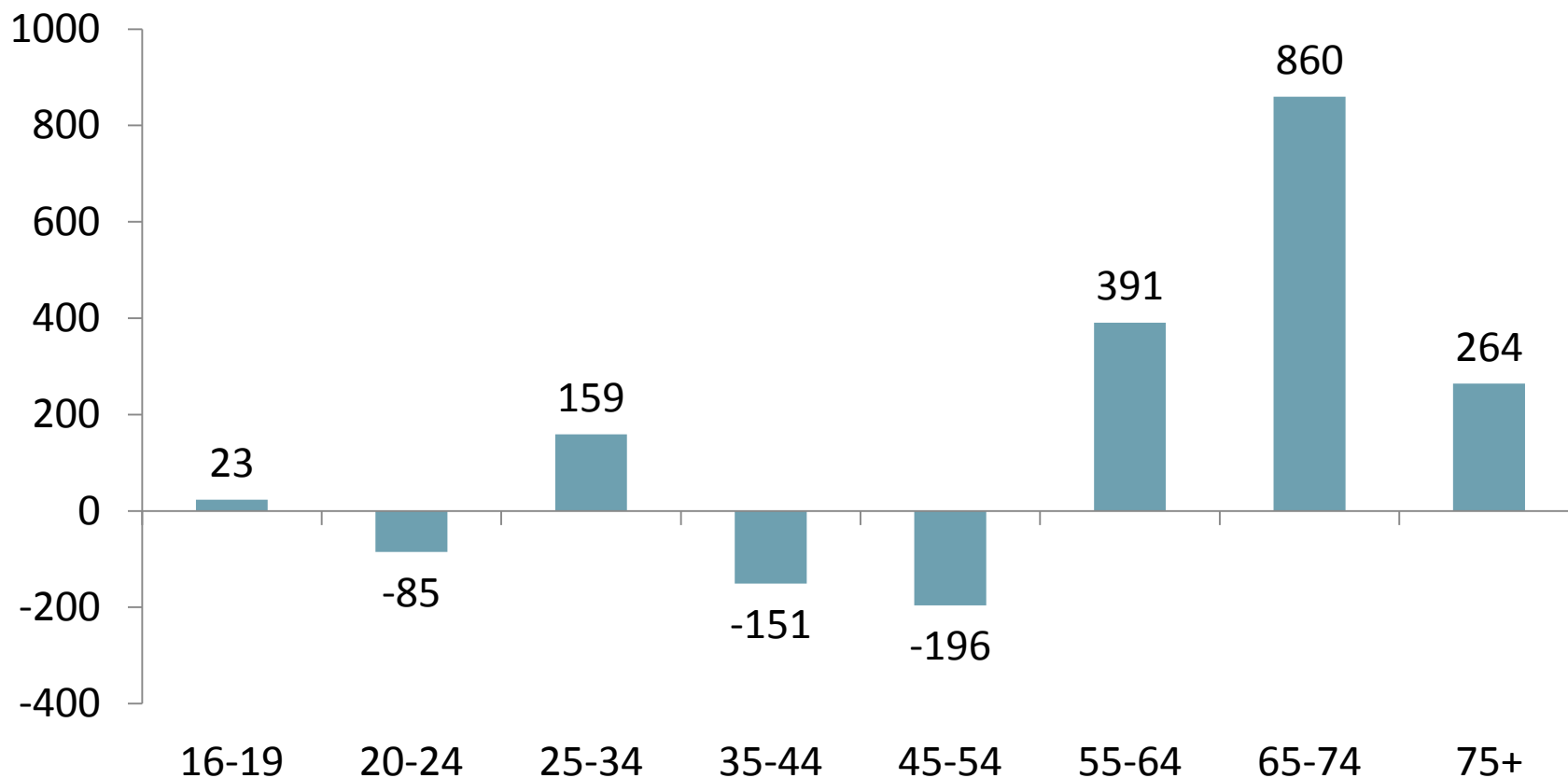
Still in Mom & Dad's basement

% of 18-34 year-olds living in parents' home



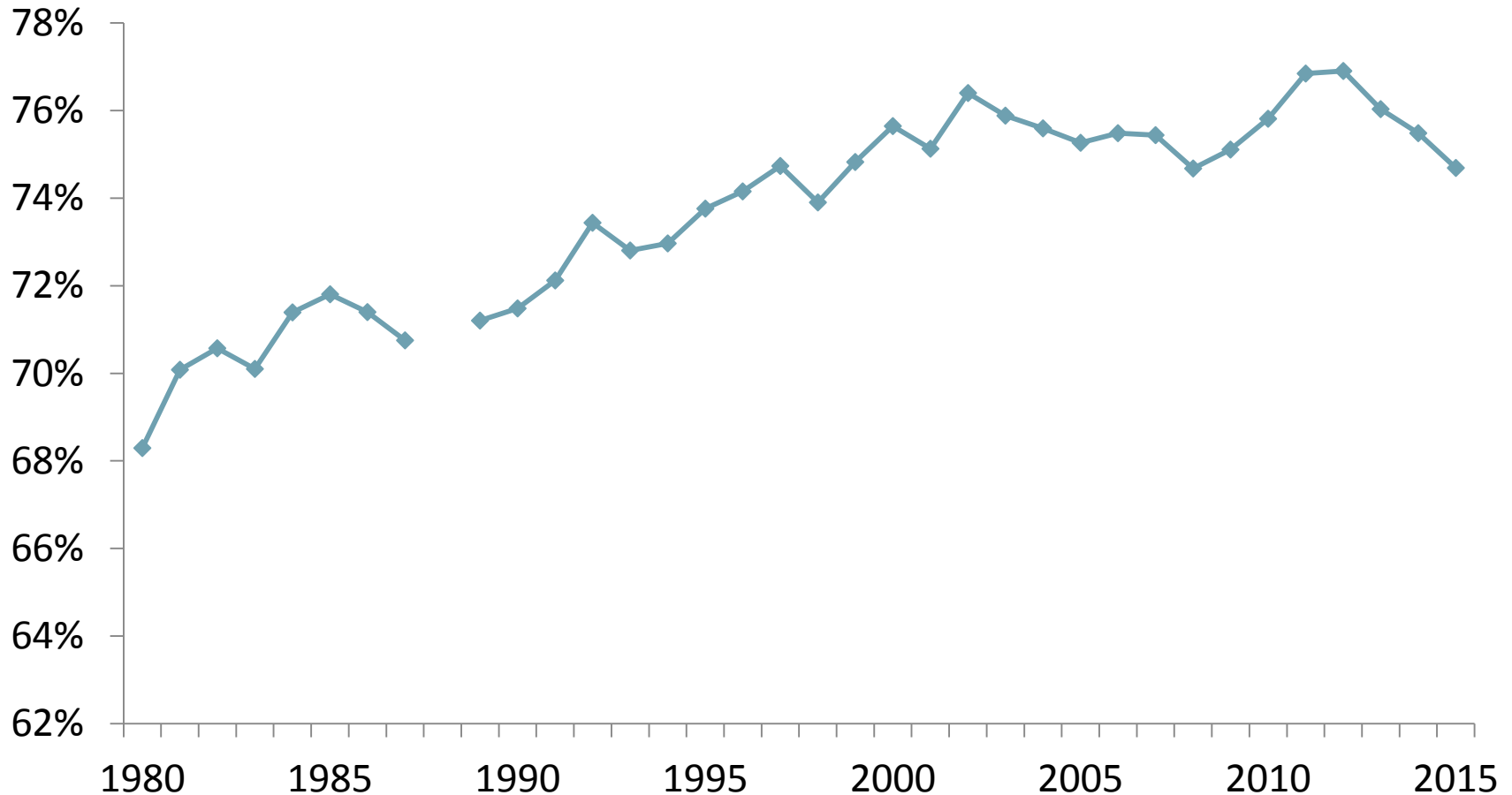
Boomers are driving the increase in households

**Household formation, 2014-2015, by age of householder
(thousands)**



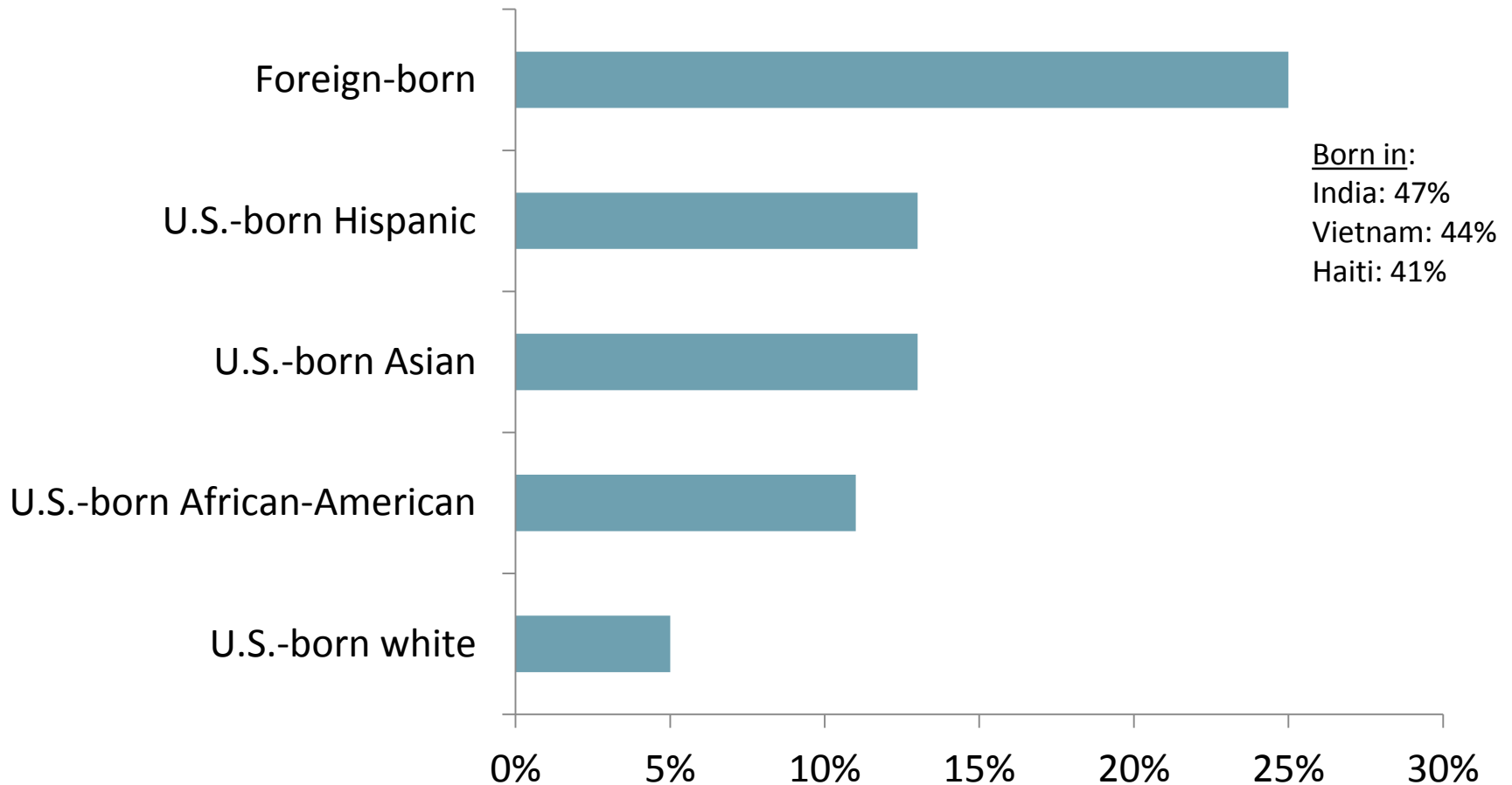
More seniors are staying in single-family homes

% of 70+ households living in single-family homes



Older white folks don't live with their kids

% 65+ living in home of child or other relative

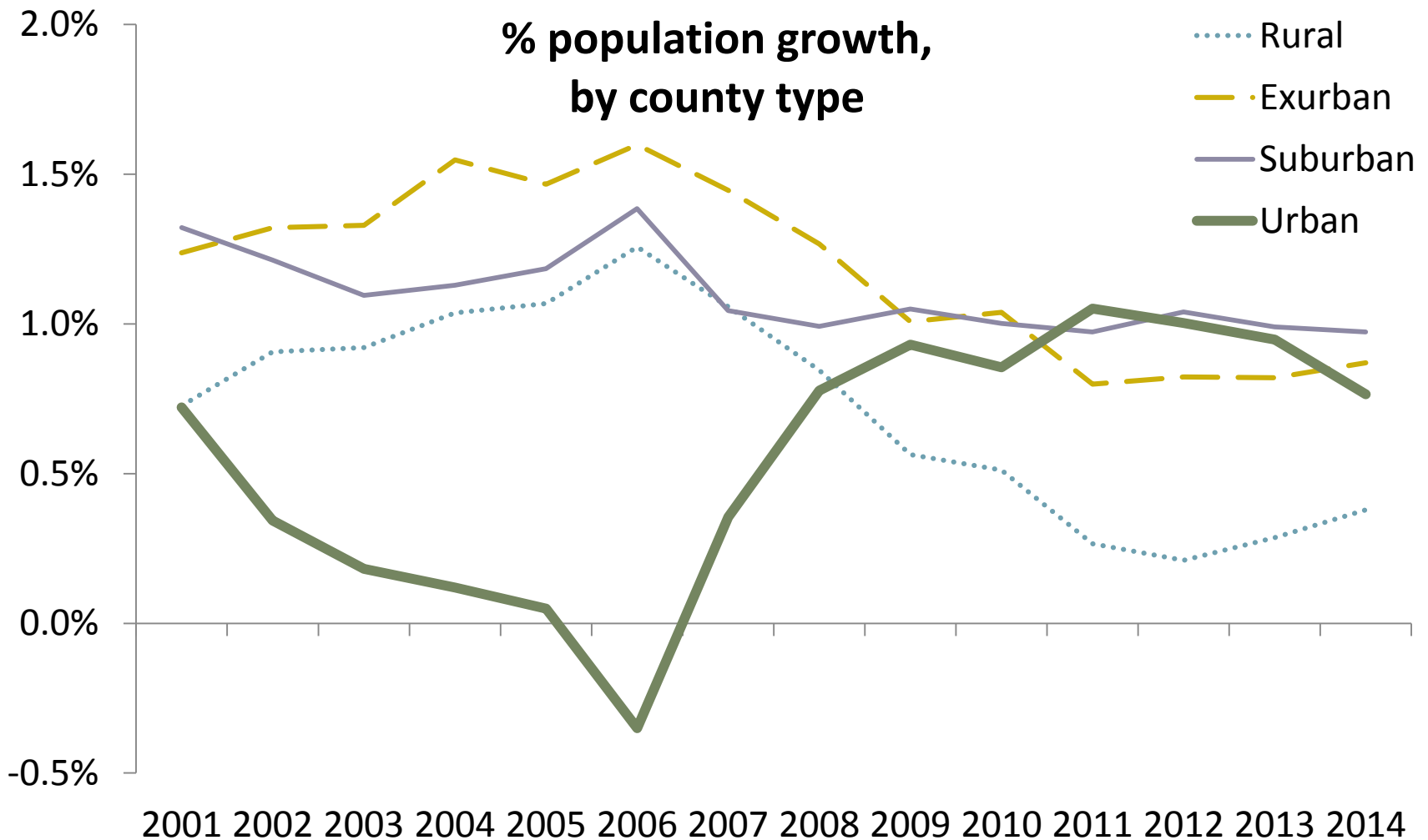


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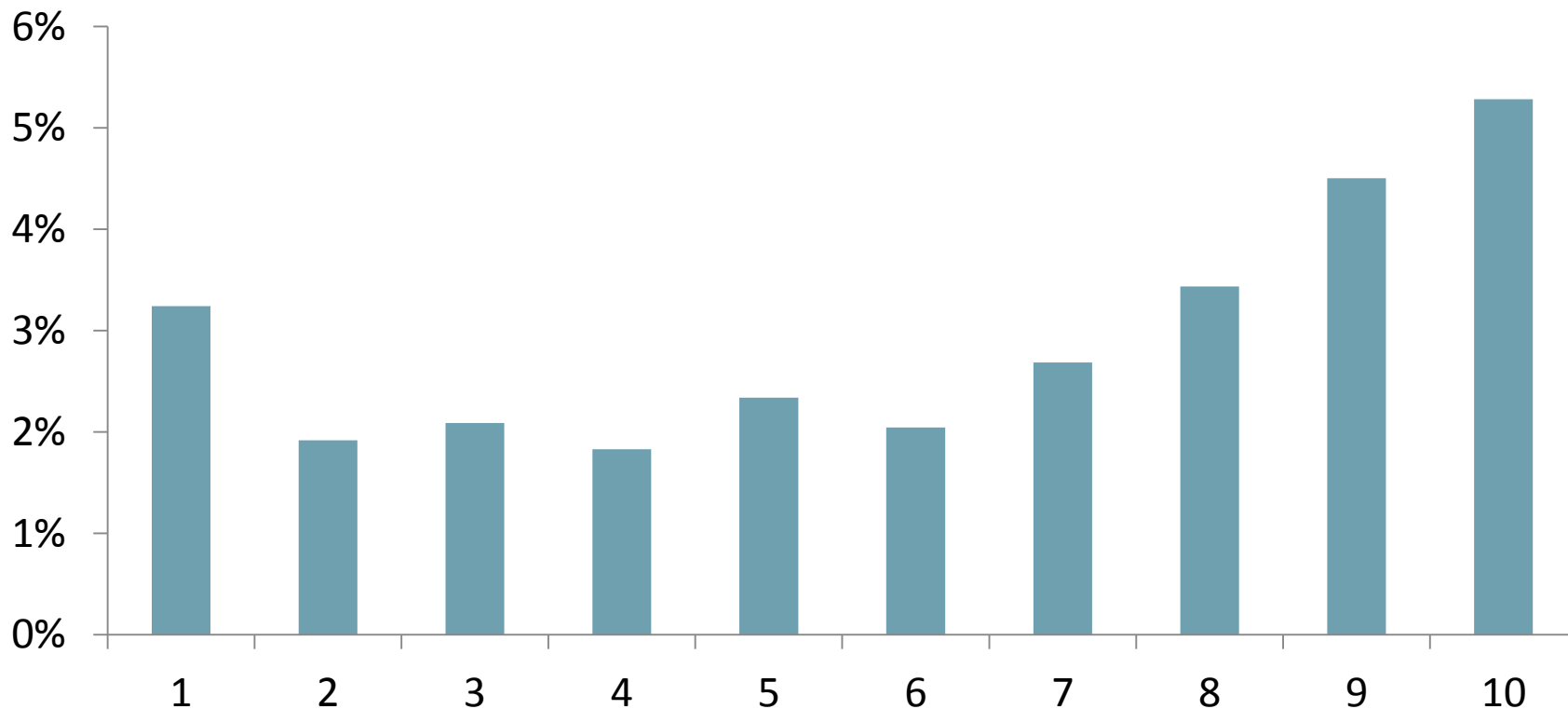


The post-bubble urban rebound: real but brief



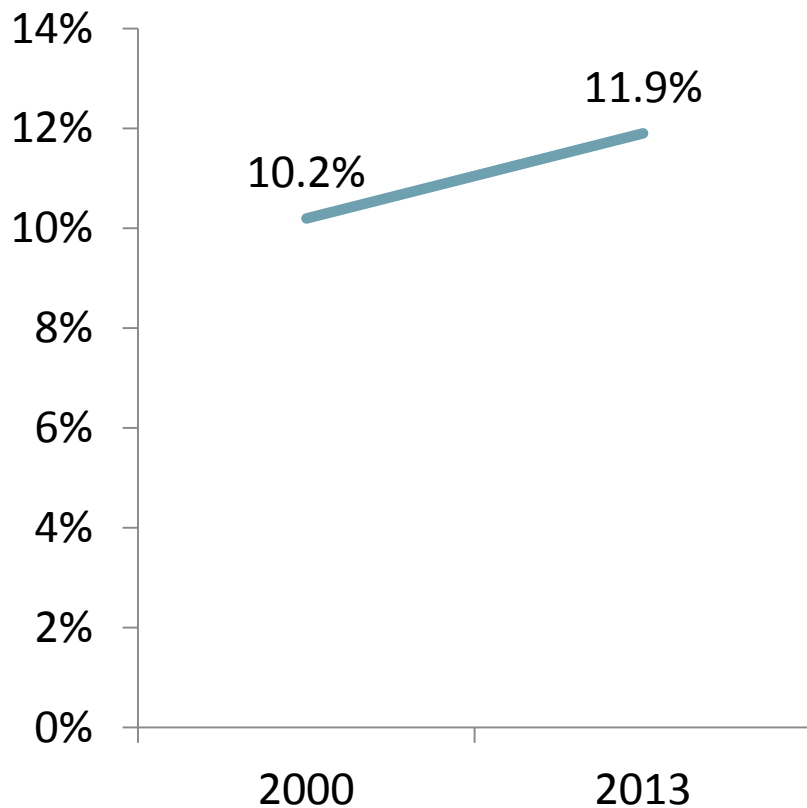
The suburbier suburbs are growing fastest

**Household growth, mid-2011 to end-2014,
by neighborhood:
1=most urban, 10=most suburban**



Millennials in cities? An urban legend.

% of college-educated 25-34 y.o.'s in
hyper-urban neighborhoods

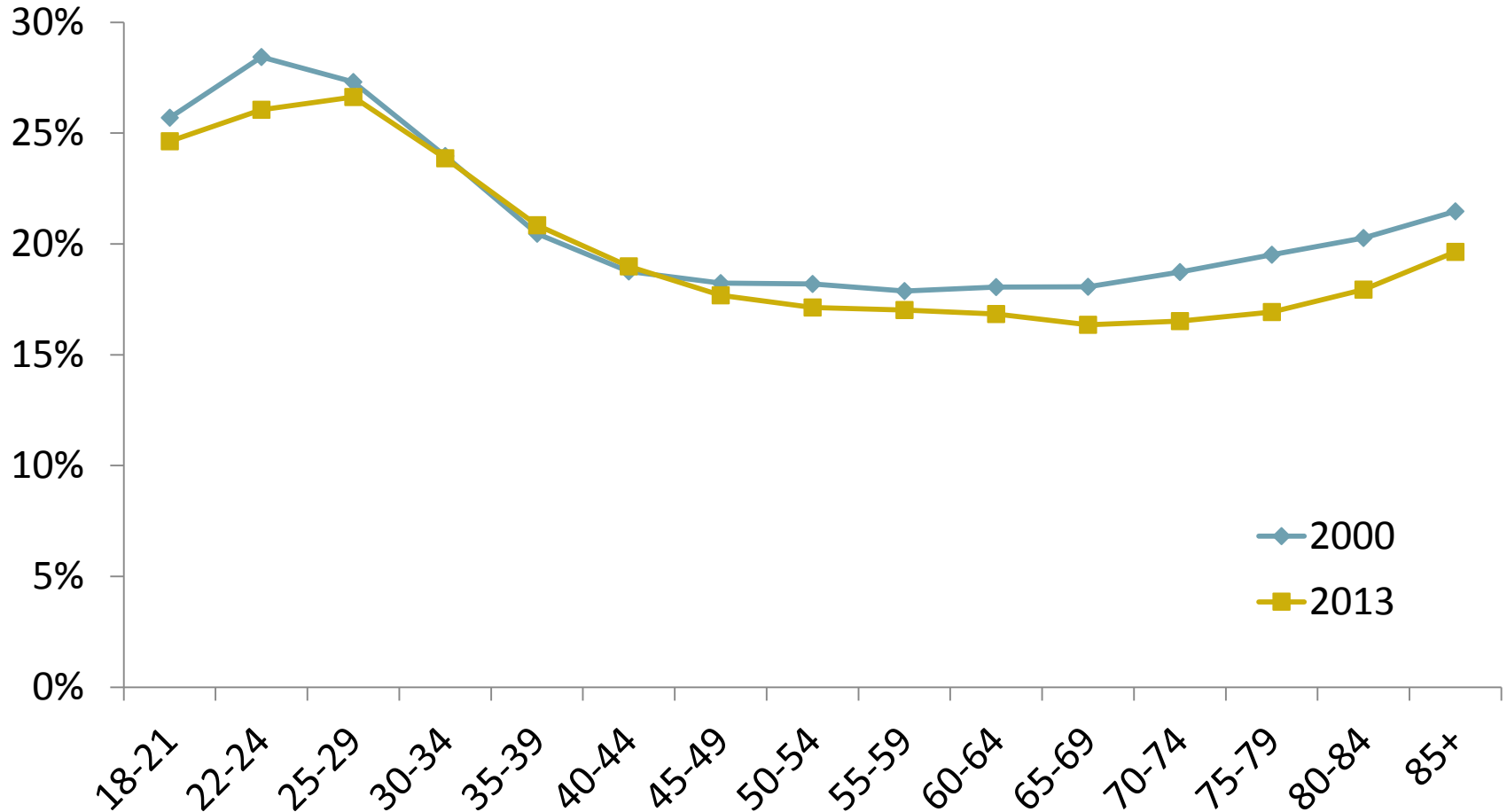


% of all 25-34 y.o.'s
in all urban neighborhoods



An aging population boosts the suburbs

% living in urban neighborhoods, by age group



Do people just love the suburbs?

- ▶ Limited urban housing supply
 - ▶ Population rising faster in suburbs
 - ▶ Prices rising faster in cities
- ▶ Public policy favors the suburbs
 - ▶ Restrictions on urban housing construction
 - ▶ Mortgage interest deduction
 - ▶ Transportation policy: low gas taxes; spending on roads

