

HUDSON VALLEY PATTERN *for* PROGRESS

The PULSE of the ECONOMY

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Household growth. According to the 2020 Census, the country recorded its lowest rate of household growth in its history. This coincides with a slower rate of population growth and the aftermath of the Great Recession, which included the burst of the housing bubble.

Why does this matter? It matters on many levels as household growth is an economic driver. Growth in household formation can be related to the demand for housing. With more households formed there is a greater demand for housing units. If household growth flattens that means that there will be less of a demand for housing, which translates into a reduction in housing construction and jobs. It also means less sales of merchandise affiliated with moving into a new home.

Looking at the map below, it shows that New York is in the lower third of growth of households in the past decade with just 5%. One of the reasons that can be pointed to as a cause of the decrease in household growth was pointed out by Pattern in "Out of Alignment" where it was reported that there is a high percentage of young people (18-34) living at home in the Hudson Valley. As fewer young people move out of their parents homes, or the opposite, families may move back into a home with their parents or others, that causes a decline in the number of households being formed.

Stay tuned.



U.S. HOUSEHOLD GROWTH OVER LAST DECADE WAS THE LOWEST EVER RECORDED

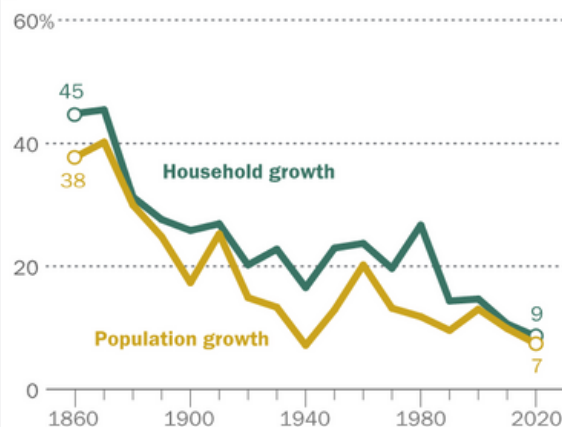
"Growth in the number of U.S. households during the 2010s slowed to its lowest pace in history, according to a Pew Research Center analysis of newly released 2020 census data.

The 2020 census counted 126.8 million occupied households, representing 9% growth over the 116.7 million households counted in the 2010 census. That single-digit growth was more anemic than the prior record low percentage growth of households (11%) during the previous decade, as shown in the 2010 census. The decennial census has counted the number of U.S. households on a consistent basis dating back to 1850.

Census experts had previously noted the slow household growth over the decade and surmised that household growth might lag population growth over the decade, resulting in the first ever increase in household size. That did not come to pass, as the average household size decreased from 2.58 (2010) to 2.55 (2020)."

2010s had slowest percentage growth in households in at least 160 years

% growth in number of U.S. households and population per decade

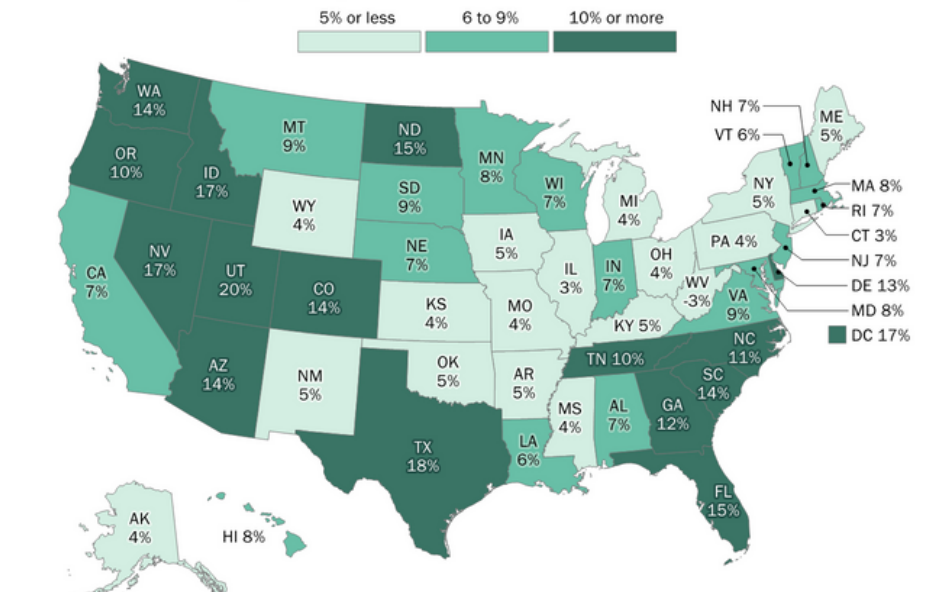


Note: Population growth refers to growth in the population residing in households since the previous decennial census.
Source: Pew Research Center analysis of Census Bureau historical statistics and 2010 and 2020 census PL94-171 redistricting data.

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Number of households grew by double digits in 15 states and D.C. in the last decade

% increase in state's number of households, 2010-2020



Source: Pew Research Center analysis of 2010 and 2020 census PL94-171 redistricting data.

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