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FAST Facts

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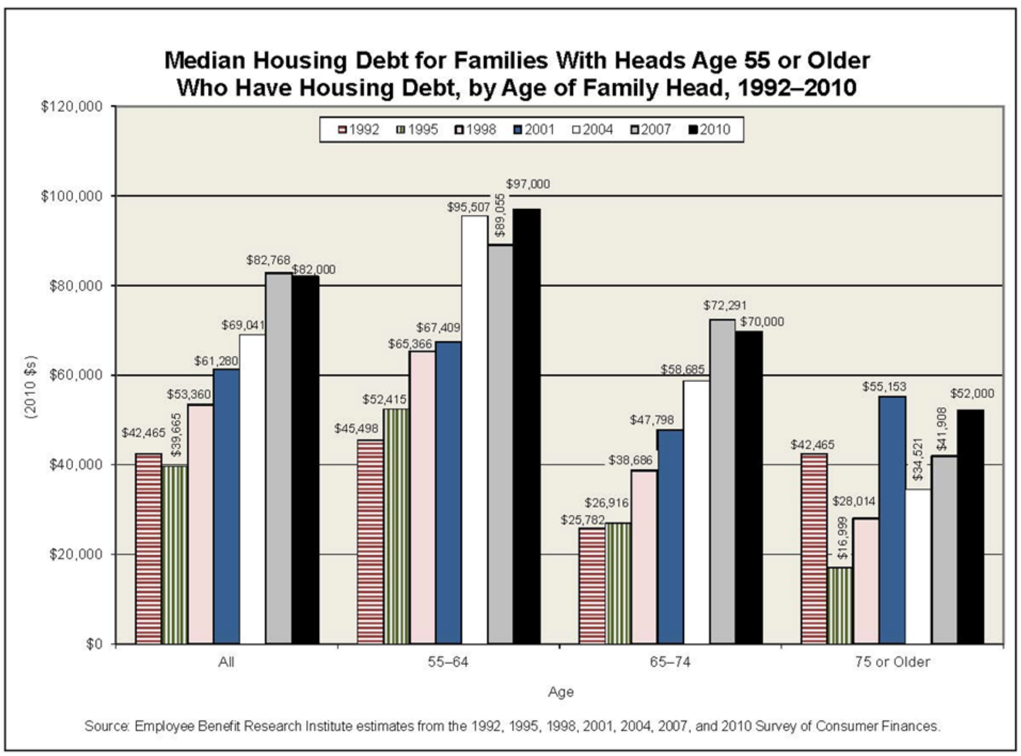
The Debt that Housing Built

American families headed by individuals age 75 or older had increases in the incidence of debt, the average amount of debt held, and debt as a percentage of assets in 2010, according to research by the nonpartisan Employee Benefit Research Institute (EBRI).

The EBRI analysis notes that the driver of debt for families with a head age 55 or older was housing debt: Almost three-fourths of debt payments go to pay for housing debt among these families; among those age 75 or older, housing debt accounted for two-thirds of their debt payments.

The debt levels among those with housing debt have obvious and serious implications for the future retirement security of these Americans. Perhaps most significantly, these families are potentially at risk of losing what is typically their most important asset—their home.

Additionally, older families that take on higher housing debt may well have difficulty avoiding a major lifestyle change in living arrangements for the remainder of their retirement, certainly if they plan to rely on their home as a financial asset.



More information about the EBRI analysis is available in the *EBRI Notes* article, "Debt of the Elderly and Near Elderly, 1992–2010," online at http://bit.ly/11bI0We

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