

## Do Older Americans Own or Rent?

Owning is the most common housing arrangement for Americans age 50 and above, according to a report by the nonpartisan Employee Benefit Research Institute (EBRI).

For example, at age 50, almost 73 percent of households report living in houses they own, a rate that increases to 81.2 percent by the age of 65 and then declines slightly to 77.7 percent by age 75, at which point ownership rates decline steadily. At age 85, almost 70 percent of households live in their own houses, but that drops to about 59 percent and 54 percent at ages 90 and 95, respectively, according to the analysis, based on data from the University of Michigan's Health and Retirement Study (HRS), which is sponsored by the National Institute on Aging. The report was based on data from the period 1998–2010.

Accordingly, trends in renting show the exact opposite pattern: Renting reaches a relatively high mark at age 50 (almost 23 percent), but drops to 15.5 percent by the age of 65. After age 75, renting steadily increases. Also, the percentage of elderly living with friends or family increases from 8.7 percent at age 80, to 17.9 percent at age 95.

The report notes that housing is often the largest single component of household assets. But in one particular way, housing is also a unique asset, having the potential to be an asset that also provides consumption of housing services, and whose ownership

may also reduce certain expenses in retirement. The full report, "Own-to-Rent Transitions and Changes in Housing Equity for Older Americans," can be found in the July 2012 *EBRI Notes*, [online here](#).

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