

APARTMENTS: A VITAL HOUSING RESOURCE

BACKGROUND

Apartment homes and their 38 million residents contribute \$1.3 trillion to the economy and support more than 12.3 million jobs annually. We help build vibrant communities offering housing choice, supporting local businesses and contributing to the fabric of communities across the country.

Changing demographics and lifestyles have led to historic renter household growth. By 2025, at least 4 million new renter households could form, according to Harvard University estimates. The collective impact of apartments and their residents continues to grow as construction begins catching up to demand. This will only continue as greater economic stability and stronger job creation lead to stronger household formation.

KEY TALKING POINTS

Booming Rental Demand

- **Over one-third of American households rent** their housing and 42 percent of those live in apartments.
- **80 million Millennials are already entering the housing market**, primarily as renters.
- Many of their parents, the **77 million Baby Boomers, are beginning to downsize** and some will choose the convenience of renting.

Demand Outstrips New Supply

- **The surge in apartment demand has outstripped new supply.** We need to be building an estimated 300,000 to 400,000 new apartments a year. This includes the apartments lost every year to destruction, demolition and deterioration.
- Even with apartment construction on the rise, **only 208,000 apartments were built on average from 2011 to 2015.**

Growing the Economy and Creating Jobs

- **Apartments and the people who live in them contributed**, on average, \$3.6 billion a day to the economy in 2013.
- **New apartment construction produced \$30 billion in spending**, supported more than 702,000 jobs and had a total economic contribution of \$92.6 billion in 2013.
- **Operating the nation's existing apartments accounted for more than \$69 billion**, 1.5 million jobs and a total economic contribution of \$190.7 billion in 2013.

SPECIFIC MESSAGE

Local, state and federal level partnerships play a key role in ensuring there is housing to meet the growing rental demand. As the apartment industry scales up to meet new demand, its construction, operations, leasing and management activities will provide a platform for growth, making strong local communities even stronger. **Only through collaboration between government and the private sector** can we reach the shared goal of providing a variety of quality housing options for all Americans.