

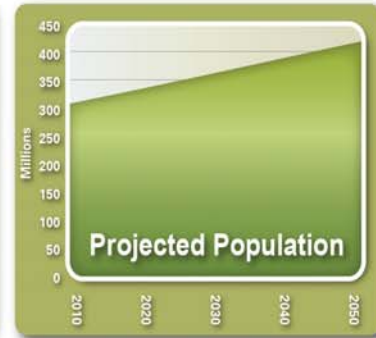
# The Demand for Housing

Some might say that doesn't exist right now



## DEMAND

Each year, the population rises by 3 million and 1 million new households are formed



No doubt the demand for housing has been significantly curtailed lately but that's a market rather than a fundamental factor. What's the difference and why would it matter? Fundamental demand is driven purely by demographics - as in a growing population and their need for a roof over their heads. Population growth comes from births, growing longevity/life expectancy and immigration. Our parents are staying in their homes longer, our kids will grow up and move out into a place of their own, get married and start having their own children and despite our troubles and economy, there are still thousands of new immigrants every single day that are happy to call this country home.

Put it all together and the US population grows by over 3 million people per year and with an average of less than 3 people per household, that creates the need for 1 million new homes. Currently, the rate of new construction has fallen to only about half of that. There is of course a well publicized excess inventory right now and accordingly, it's proper that construction has slowed dramatically.

Where it starts to get interesting is looking forward to the supply being back in line at about the same time that the market heats up again. For anyone that's been through the development process, you know it takes a long time to get new project approved and to actually then start building and finishing new homes. Hence, the supply will ultimately be behind the curve and we may very well find ourselves with the opposite situation that we have currently.

Looking at the projected population chart as provided by the US Census figures shows us that there's going to be a lot more people looking for a place to live. While developers will be busy later trying to find buildable land within commuting distance of metro areas, the price of existing homes that can be occupied right away will most certainly be going up. Keep that in mind as you survey the price of those very same homes today.



Licensed by the Department of Corporations under the California Residential Act License #813B544. Subject to applicant and property qualification and availability of funds. Subject to change without notice. Rates and terms apply only to subject programs. Registered with the Nationwide Mortgage Licensing System and registry, Broadview Mortgage #170528. Branch NMLS #170952.813B544



Dee Ann Estupinian  
Sr. Loan Consultant  
Broadview Mortgage  
1164 N. Monte Vista #4  
Upland, CA 91786  
[DeeAnn@HLCTeam.com](mailto:DeeAnn@HLCTeam.com)  
[www.HLCTeam.com](http://www.HLCTeam.com)  
NMLS # 236395



Mr. Sam Ple  
Real Estate Agent  
NotReal Realty  
6789 Fictitious Avenue  
Mock City, CA 99999  
[SamPle@phony.net](mailto:SamPle@phony.net)

DRE License # 0000001

