

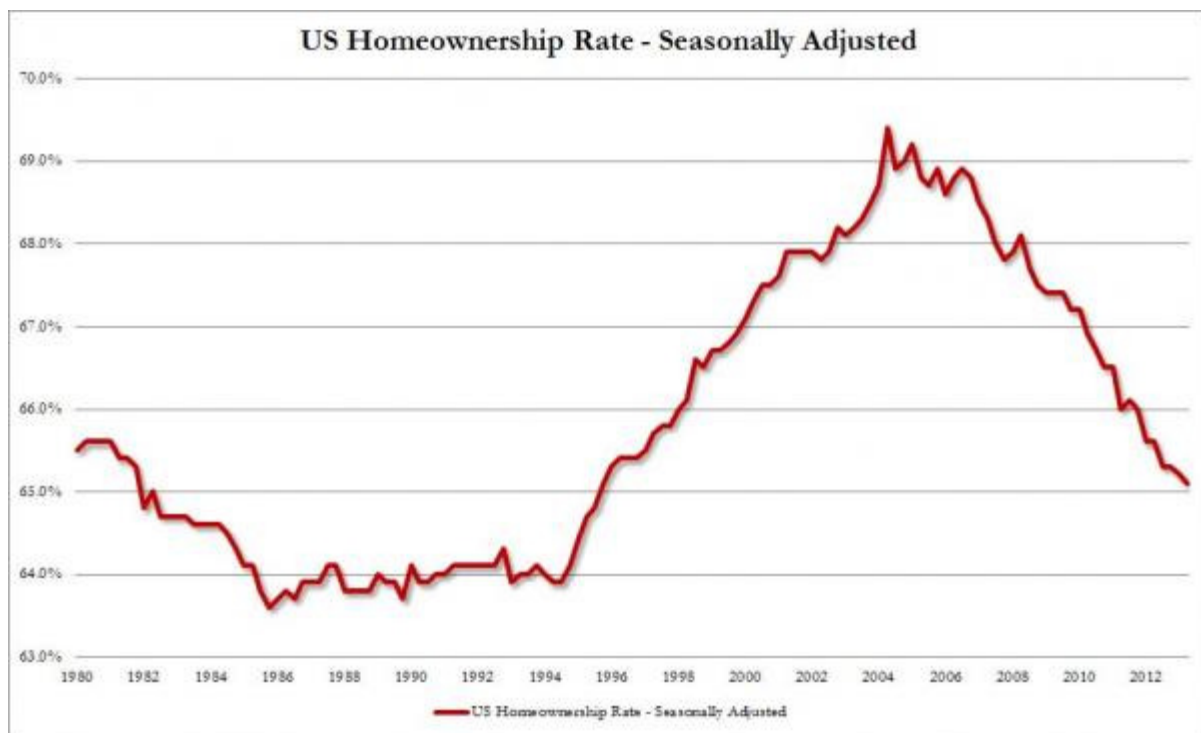
US Rents Hit Record Highs As Homeownership Plunges To 18 Year Lows



Submitted by [Tyler Durden](#) on 07/30/2013 11:01 -0400

The American Homeownership Dream is officially dead. Long live the New Normal American Dream: **Renting.**

According to the latest quarterly homeownership data [released by the Census Bureau](#), the raw homeownership rate of 65.0% was unchanged from last quarter and 0.4% lower than a year ago. And on a seasonally adjusted basis (not sure why homeownership is adjusted for seasons: people who live in a house in the winter generally live under a bridge in the summer?), the percentage of Americans who have a house declined from 65.2% to 65.1%: the lowest since 1995.

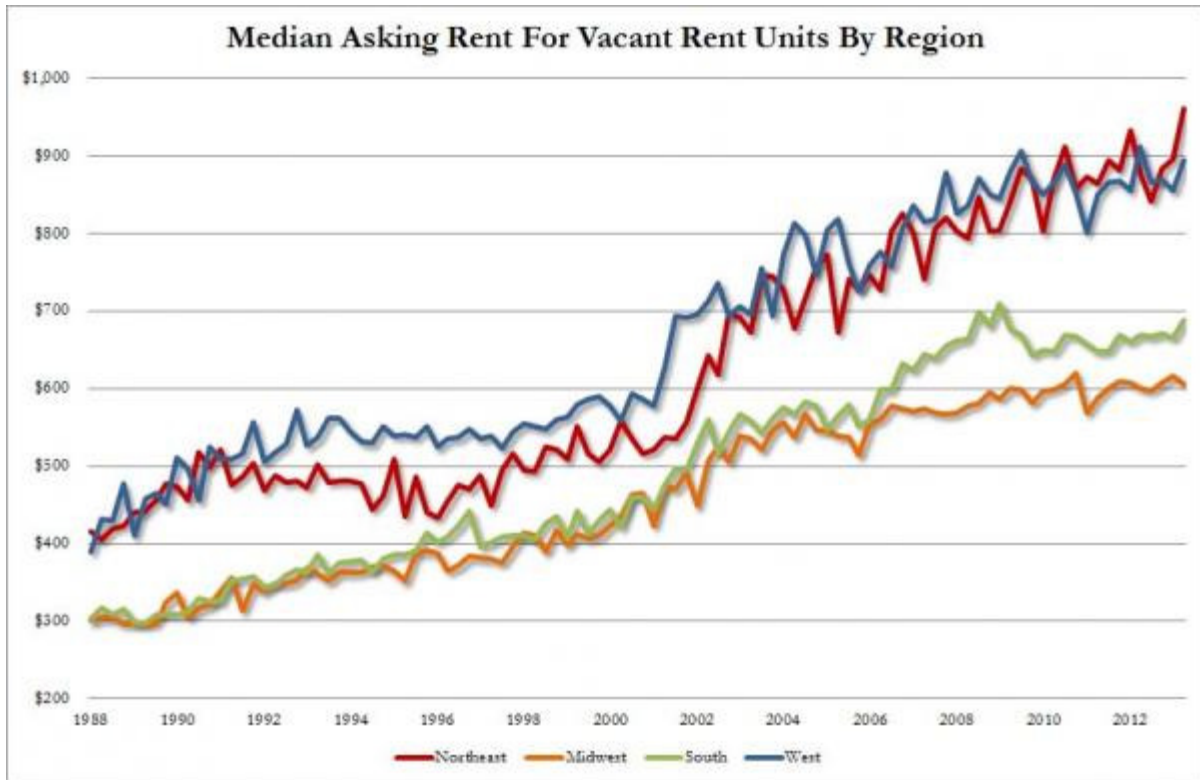


Obviously the flipside to most "children" in their mid-30s still living in their parents' basements is that those wishing to brave the New Normal world will have to spend a lot for rent.

A record lot in fact: the median asking rent for US vacant housing units just hit an all time high of \$735 per month.



The pain is most acute for those renting in the Northeast, where the median rent soared by \$65 to a record high of \$961. What is perhaps more notable is that the median rent in the Northeast (the financial capital of the US), is now decidedly above the median asking rent in the West (traditionally the entertainment and entrepreneurial capital of the US).



So rents are soaring. Which should mean that so are wages and/or personal income right? Wrong.

Presenting the [annual change](#) in real US wages...



And the 5 year change in Personal Income.



So how sustainable are the soaring rents shown above? We will let Blackstone and all those other Wall Street firms capitalizing on record low (until recently) rates to become America's largest landlords answer that one.