



US Housing Demand Falls Amid Record High Costs

Description

A new report from Harvard University shows that activity in the U.S. housing market is still low this year due to high costs. The Joint Center for Housing Studies released its annual "State of the Nation's Housing" report, revealing that existing home sales are near their lowest point in 30 years, a level first reached in 2023.

Sales of new homes stayed about the same, with more people choosing to rent and fewer new homes being occupied. New construction started dropped by 1% over the past year, mainly because single-family home starts fell by 7%. The report explains that while there are still shortages in supply, low demand has become a key issue in housing recently. The number of homeowner households and renters has grown more slowly than last year.

Economic uncertainty is affecting housing demand. Job growth has slowed significantly, dropping from a gain of 1.5 million jobs in 2024 to just 116,000 in 2025. Meanwhile, consumer confidence has fallen due to the ongoing war in Iran.

High prices and a lack of affordable housing options are making it difficult for people to buy homes. The report states that median home prices now exceed \$400,000 and have risen by 54% since 2020, with mortgage rates above 6%. This has increased the typical payment for a median-priced home to \$3,100, requiring an income of over \$120,000 to afford it.

Vocabulary List:

1. **demand** //dɪ'mænd// (noun): how much people want to buy something
2. **shortages** //ˈʃɔː.tɪdʒɪz// (noun): times when there is not enough supply
3. **construction** //kən'strʌkʃən// (noun): the building of houses or other structures
4. **median** //ˈmiːdiən// (adjective): middle value when all numbers are ordered
5. **mortgage** //ˈmɔːrɡɪdʒ// (noun): money loan to buy a house
6. **afford** //ə'fɔːd// (verb): have enough money to pay for

Comprehension Questions

Multiple Choice



1. What organization released the annual 'State of the Nation's Housing' report?

- Option: Harvard University
- Option: Joint Center for Housing Studies
- Option: U.S. Department of Housing
- Option: National Association of Realtors

2. How much did new construction starts drop over the past year?

- Option: 1%
- Option: 5%
- Option: 7%
- Option: 10%

3. What is the median home price mentioned in the report?

- Option: \$300,000
- Option: \$350,000
- Option: \$400,000
- Option: \$450,000

4. What was the job growth in 2025?

- Option: 1.5 million
- Option: 500,000
- Option: 250,000
- Option: 116,000

5. By what percentage have median home prices risen since 2020?

- Option: 44%
- Option: 50%
- Option: 54%
- Option: 60%

6. What is the typical payment for a median-priced home?

- Option: \$2,500
- Option: \$3,000
- Option: \$3,100
- Option: \$3,500

True-False



7. Existing home sales are near their lowest point in 40 years.
8. High prices are making it easier for people to buy homes.
9. The number of homeowner households has grown more slowly than last year.
10. Job growth has improved significantly from 2024 to 2025.
11. Median home prices now exceed \$500,000.
12. Consumer confidence has increased due to the ongoing war in Iran.

Gap-Fill

13. The U.S. housing market is still low this year due to high costs, with existing home sales at their lowest point in the last _____ years.
14. The typical payment for a median-priced home has increased to \$3,100, which requires an income of over _____ to afford it.
15. New construction started dropped by _____ over the past year.
16. Job growth dropped from a gain of 1.5 million jobs in 2024 to just _____ in 2025.
17. High prices and a lack of affordable housing options are affecting people's ability to _____ homes.
18. The report reveals that borrowing costs are high, with mortgage rates above _____.

Answer

Multiple Choice: 1. Joint Center for Housing Studies 2. 1% 3. \$400,000 4. 116,000 5. 54% 6. \$3,100

True-False: 7. False 8. False 9. True 10. False 11. False 12. False

Gap-Fill: 13. 30 14. 120,000 15. 1% 16. 116,000 17. buy 18. 6%



Vocabulary quizzes

Multiple Choice (Select the Correct answer for each question.)

1. What term describes the desire of consumers to purchase goods or services?
Option: Supply
Option: Demand
Option: Market
Option: Trade
2. What is the result of limited supply and high demand?
Option: Surplus
Option: Equilibrium
Option: Shortages
Option: Diminishing
3. What term is used to describe the middle value in a data set?
Option: Mean
Option: Median
Option: Mode
Option: Range
4. What is a loan specifically used to buy real estate called?
Option: Loan
Option: Mortgage
Option: Credit
Option: Debt
5. What does it mean when someone can't afford an item?
Option: They can pay for it
Option: They have too much money
Option: They lack sufficient funds
Option: They are indifferent
6. What are financial aids provided by the government to support businesses or individuals called?
Option: Grants
Option: Loans
Option: Subsidies
Option: Investments
7. What is an extra amount paid for higher benefits or coverage called?



- Option: Deductible
- Option: Co-payment
- Option: Premium
- Option: Bonus

8. What term refers to the amount paid out of pocket before insurance coverage kicks in?

- Option: Deductibles
- Option: Co-pays
- Option: Exclusions
- Option: Limits

9. What is the process of signing up for an insurance plan called?

- Option: Registration
- Option: Enrollment
- Option: Application
- Option: Subscription

10. What term describes the extent of protection provided by an insurance policy?

- Option: Benefit
- Option: Coverage
- Option: Limit
- Option: Exclusion

Gap-Fill (Fill in the blanks with the correct word from the vocabulary list.)

11. Many families find housing costs to be _____ due to rising prices.
12. Solar energy is considered a _____ resource that can be replenished.
13. The company filed a _____ against its competitors for unfair practices.
14. The _____ in the case argued for compensation due to damages incurred.
15. You need to update your _____ and submit it for the job application.
16. The committee needs to _____ the risks before making a decision.
17. The power plant generates over several hundred _____ of energy each year.
18. The annual meeting provided a platform for _____ to discuss company performance.



19. The technology has been _____ to meet the needs of diverse users.
20. The company is developing _____ vehicles that can drive themselves.

Matching Sentences (Match each definition to the correct word from the vocabulary list.)

21. The organization reported an increase in revenue due to higher sales.
22. The profit margin improved significantly after reducing production costs.
23. The company announced a dividend for its shareholders after a profitable quarter.
24. The merger between the two firms created a powerhouse in the industry.
25. The lawsuit against the company drew significant media attention.
26. Shareholders expressed concerns about the company's future direction in the meeting.
27. The organization committed to increasing transparency in its financial reporting.
28. The parties reached a settlement that satisfied both sides.
29. The court heard testimonies from several witnesses during the trial.
30. Families need to budget carefully to afford rising living expenses.

Answer

Multiple Choice: 1. Demand 2. Shortages 3. Median 4. Mortgage 5. They lack sufficient funds 6. Subsidies 7. Premium 8. Deductibles 9. Enrollment 10. Coverage

Gap-Fill: 11. unaffordable 12. renewable 13. lawsuit 14. plaintiffs 15. resume 16. assess 17. gigawatts 18. shareholders 19. adapted 20. autonomous

Matching sentence: 1. revenue 2. margin 3. dividend 4. merger 5. lawsuit 6. shareholders 7. transparency 8. settlement 9. testimonies 10. afford

CATEGORY

1. Business - LEVEL3

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1. ESL learning



2. esl news
3. housing demand
4. Level 3
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