

# THE CHANGING LIFE COURSE AND ITS IMPACT ON HOUSING PREFERENCES OF FINNISH MIDDLE-AGED AND ELDERLY HOUSEHOLDS

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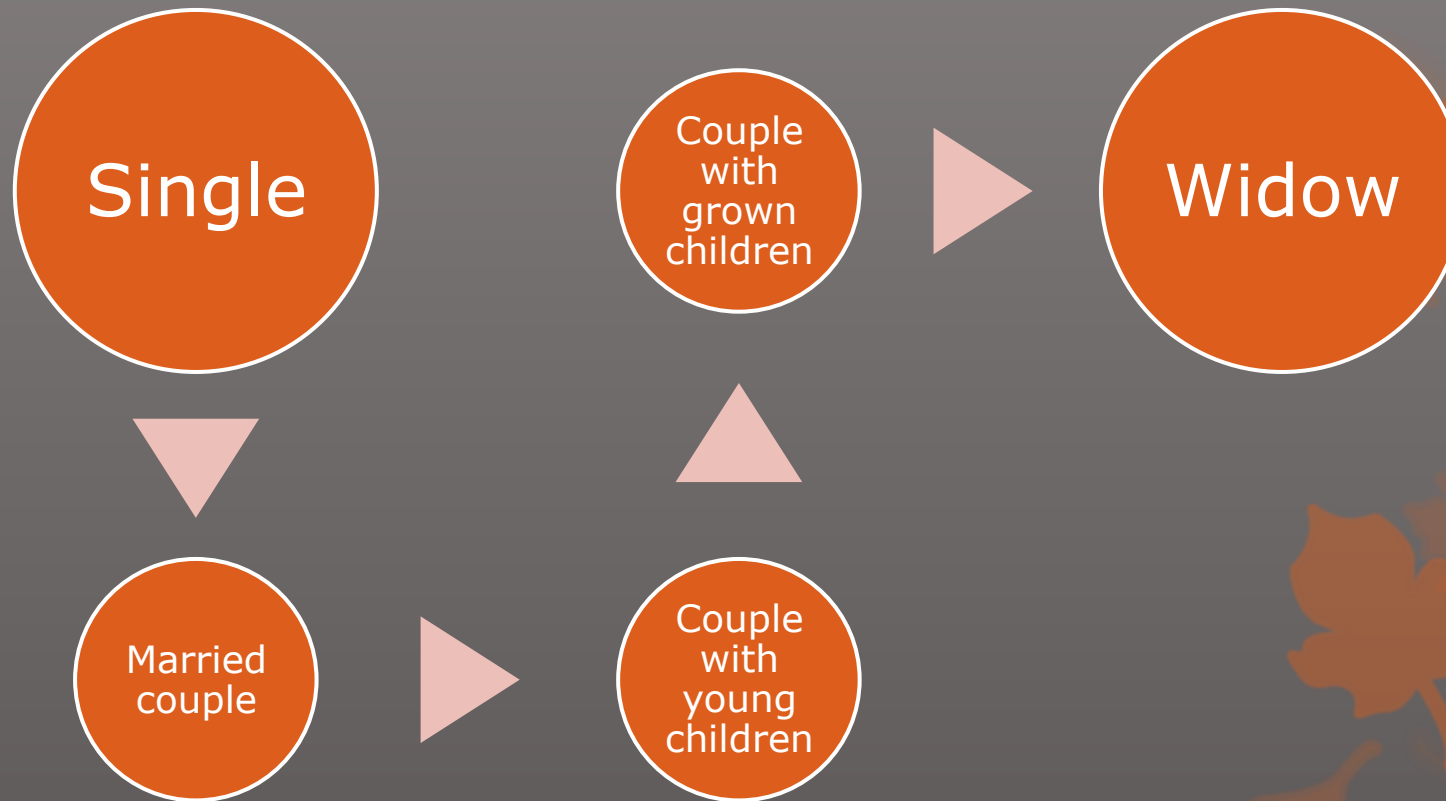
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This work was supported by Tekes, the Finnish Funding Agency for Technology and Innovation under the research project, SEVERI – Finns move, but where and why?

# Research Questions

- Is the changing life course affecting the housing careers of middle-age and older Finns?
- Who wants to downsize their house?
- What do people who want to downsize looking for in their next house?

# Theoretical Basis : Family Life Cycle



# Theoretical Basis: Housing Career



# Changing Family Life Cycle in Finland

- Lower marriage rates: Singles 48% population – Married 37%
- Higher divorce rates for people in their 20s
- Later first child: Average age mother at birth of first child – 29
- Fewer total children: Fertility rate – 1.80 children
- Average age first marriage – Women 31 Men 33
- Longer life expectancy – 70 for those born 1970

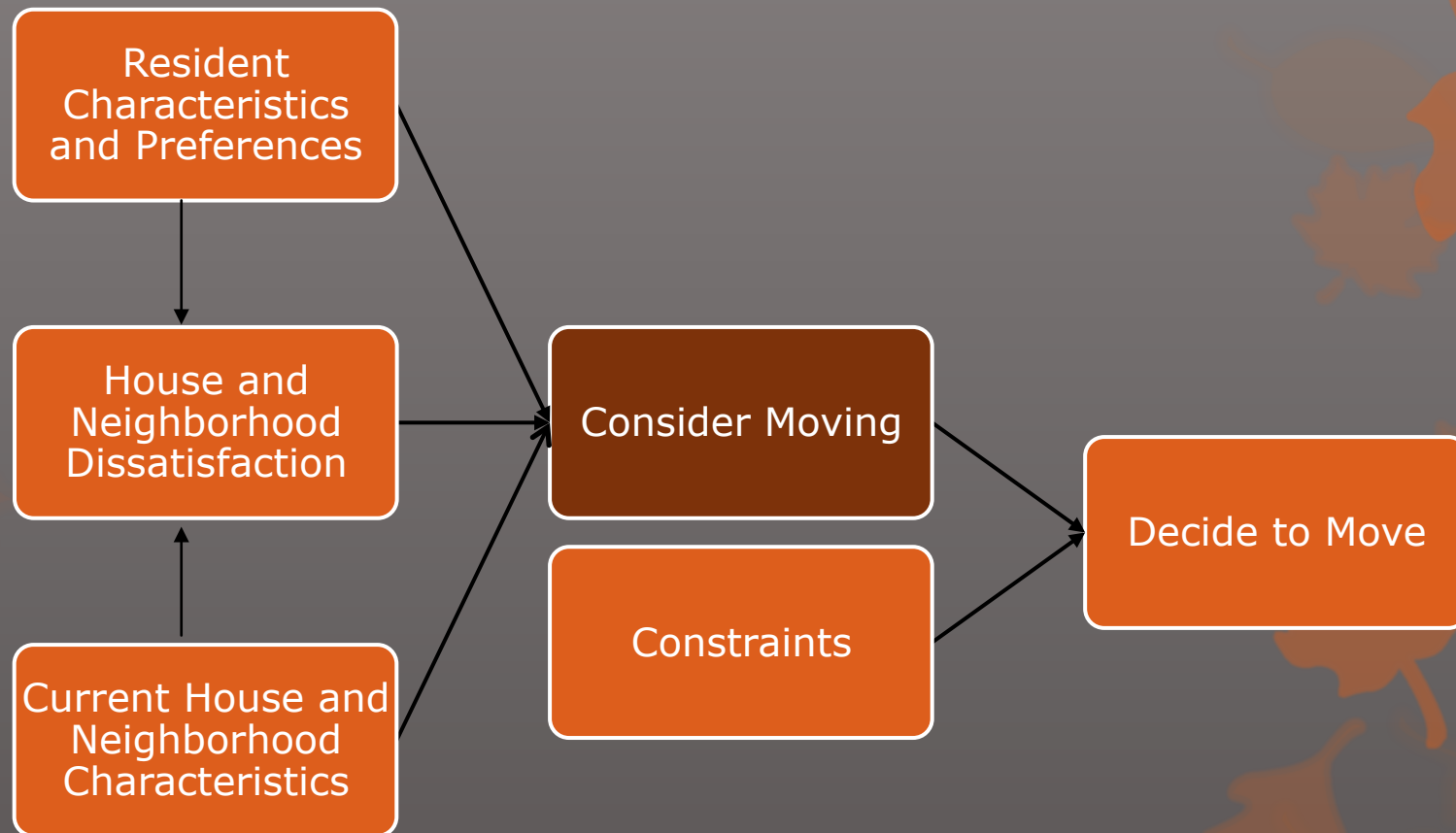
# Changing Family Life Cycle = Changing Housing Career?

- Average household size 2.09
- Household size – One 41% Two 33%
- Families – 49% couples without children
- Age 65+ - 19% of the population
- One- and two-person households occupy 89% of units in new blocks of flats
- Average floor area per person has risen to 39,6 sm

# Need for Research

- Housing disequilibrium:
  - What they have may not be what they want
  - What they want may not be available

# Theoretical Basis: Stress Threshold Model of Deciding to Move





# Previous Research: Considering Moving

- Socioeconomic characteristics
  - Age (young)
  - Change in marital or family status
  - Change in income
- Current housing situation
  - Tenure (rent)
  - Duration of residence (short)
  - Living arrangement (alone)
- Current house and neighborhood characteristics
- Dissatisfaction with
  - House
  - Neighborhood

# Model

- Probability of considering moving  $P(Y)$ 
  - Function of
    - Socioeconomic characteristics
    - Housing situation
    - Housing characteristics
    - Housing satisfaction
- Test with logistic regression

# Previous Research: Preferences when Middle-Aged to Older Residents Move

- Larger house in middle age
- Smaller house in old age
- Security
- Peacefulness
- Nature
- Nearby grocery and conveniences

# Previous Research: Finland

- Consumer groups with similar preferences
  - Multifamily
    - Access
    - Access and physical environment
    - Social factors and access
    - Social factors and services
  - Single-family
    - Social factors
    - Services
    - Access and physical environment
- Seniors move to downsize

# Analysis

- Preference to downsize or upsize when moving
  - Function of
    - Socioeconomic characteristics
    - Housing situation
    - Housing characteristics
    - Housing satisfaction
- Test with Krushal-Wallis Chi-square test of differences in means and percentages among groups

# Data

- Mail survey 2011
- Random proportionate sample of 4,000 people age 40 and older in Helsinki, Tampere, Jyväskylä and Oulu
  - 1,115 responses
  - 1,030 used in analysis
  - 331 considering moving within 5 years

# Respondents

Select Descriptive Statistics				
	Full sample		Considering Moving	
	n	%	n	%
40-49		21.8		28.4
50-59		29.3		28.7
60-69		36.8		32.6
70-79		12.0		10.3
Household size	1028		329	
1		27.5		32.8
2		52.5		46.8
3 or more		19.5		20.4
Household income (monthly gross in euros)	1002		323	
less than 2000		19.3		2.8
2000-2999		20.4		17.6
3000-3999		15.5		21.4
4000-4999		15.0		16.4
5000 or more		29.9		26.6
House type	1027		331	
Block of flats		59.4		63.4
Rowhouse		14.9		13.3
Single family or duplex		24.0		20.5
Other		1.8		2.7

# Respondents

	Full sample		Considering Moving	
	n	%	n	%
Tenure	1019		328	
Own		78.3		71.6
Rent		16.2		22.6
Other		5.5		5.8
House size (square meters)	1020		328	
less than 40		5.2		8.5
40-59.9		19.2		22.6
60-79.9		24.2		23.8
80-99.9		19.0		17.7
100-119.9		10.5		9.1
120-139.9		7.9		4.9
140 or more		13.8		13.4



# Logistic Regression: Probability of Considering Moving within 5 years

	$\beta$	S.E.	Wald	Exp( $\beta$ )
Age	-0.053	0.014	14.791***	0.948
Tenure (ref category renter)			5.839*	
Owner	-0.540	0.224	5.839	0.583
Other	-0.388	0.372	1.090	0.678
Income (ref category <1,999)			7.979*	
2000-2999	0.299	0.257	1.352	1.349
3000-3999	0.588	0.290	4.111	1.800
4000-4999	0.822	0.316	6.754	2.275
5000 or more	0.441	0.305	2.089	1.555
Household size (ref category 1)			3.978	
2	-0.341	0.213	2.577	0.711
3 or more	-0.558	0.294	3.595	0.573
Dwelling size in sm	0.000	0.002	0.002	1.000
Duration of residence	-0.150	0.052	8.305***	0.861
Interaction Age and Duration	0.003	0.001	9.541***	1.003
Satisfaction with dwelling	-1.187	0.119	99.766***	0.305
Constant	6.528	0.938	48.414	683.742
n = 959				
Note: * p<0.10; **p<.05; ***p<.001				

# Tests of Similarity among Potential Movers Based on Relative Size Preference

Characteristic	Mover's Preference			Chi-Square
	Downsize (n= 71)	No size change (n=172)	Upsize (n=69)	
<b>Age</b>	58.8	58.2	51.3	29.012***
Tenure				1.035
Renter	23.9%	23.8%	20.3%	
Owner	69.0%	68.8%	75.4%	
Other	7.0%	6.4%	4.3%	
<b>Income</b>				14.510*
<1999	29.6%	20.3%	10.1%	
2000-2999	21.1%	22.1%	20.3%	
3000-3999	18.3%	14.5%	18.8%	
4000-4999	9.9%	18.6%	13.0%	
5000 or more	21.1%	24.4%	37.7%	
<b>Household size</b>				11.327**
1	31.0%	39.0%	20.3%	
2	47.9%	45.9%	49.3%	
3 or more	21.1%	15.1%	30.4%	
Dwelling size in sm	91.1	86.6	81.2	1.027
<b>Duration of residence</b>	15.2	14.8	9.4	13.427***
Satisfaction with dwelling	3.1	3.0	2.9	3.665
Note: * p<0.10; **p<.05; ***p<.001				

# Principal Components Analysis of House and Neighborhood Attribute Importance

Factor	Attributes	Factor loadings	Cronbach's $\alpha$
<b>Factor 1: ONSITE SHOPS AND SERVICES</b>			0.879
	Onsite health care	0.827	
	Onsite restaurant	0.811	
	Onsite beauty shop	0.799	
	Personal services	0.713	
	Hobby club	0.693	
	Decorating services	0.674	
	Automatically opening main door	0.569	
	Fitness room/gym	0.560	
	Common main entrance/lounge	0.516	
<b>Factor 2: FLOOR PLAN</b>			0.767
	Separate toilet room	0.870	
	Separate bath	0.835	
	Utility room in unit	0.669	
	Private sauna	0.560	
	Walk-in closet	0.516	
<b>Factor 3: SENIOR FRIENDLY</b>			0.790
	Handrails in bath	0.842	
	Higher toilet seat	0.773	
	Safety stove	0.741	

# Principal Components Analysis of House and Neighborhood Attribute Importance

Factor	Attributes	Factor loadings	Cronbach's $\alpha$
Factor 4: LUXURY FINISHES			0.684
	Tiled bath	0.738	
	Private balcony	0.691	
	Parquet floors	0.672	
	Balcony glazing	0.667	
Factor 5: SHARED LAUNDRY			0.905
	Laundry	0.897	
	Laundry drying room	0.892	
Factor 6: ACTIVITIES			0.844
	Carpenter shop	0.794	
	Handicraft room	0.735	

# Principal Components Analysis of House and Neighborhood Attribute Importance

Factor	Attributes	Factor loadings	Cronbach's $\alpha$
<b>Factor 7 ACCESS</b>			0.780
	Safe	0.748	
	Public transport, such as bus stops	0.712	
	Good pedestrian and bike paths	0.710	
	Good transport links	0.656	
	Grocery nearby	0.642	
<b>Factor 8: RETAIL SERVICES</b>			0.810
	Bank nearby	0.853	
	Post office nearby	0.824	
	Doctor nearby	0.740	
<b>Factor 9: SCHOOLS</b>			0.942
	Nursery school nearby	0.960	
	Elementary school nearby	0.960	
<b>Factor 10: OUTDOOR RECREATION</b>			0.644
	Skiing and jogging trails nearby	0.767	
	Swimming beach nearby	0.749	
	Park nearby	0.680	
<b>Factor 11: SOCIAL</b>			0.615
	Residents know each other	0.824	
	Neighborhood club facilities	0.788	

# Most Important House and Neighborhood Attributes Among All Considering Moving

Attribute	Mean Importance		
	Downsize	No size change	Upsize
ACCESS Factor	3.48 (70)	3.45 (170)	3.47 (69)
Good neighbourhood reputation	3.40 (70)	3.42 (170)	3.17 (69)
Elevator to all premises	3.25 (71)	3.12 (169)	3.00 (69)
LUXURY_FINISHES Factor	3.14 (71)	3.22 (172)	3.19 (69)
Common yard	3.11 (71)	3.03 (167)	2.96 (69)
Nature view from window	3.08 (71)	3.22 (172)	3.06 (69)

# Significantly More Important House and Neighborhood Attributes to Those Wanting to Downsize

Attribute	Mean Importance			Chi-Square
	Downsize	No size change	Upsize	
RETAIL_SERVICES Factor	2.95 (70)	2.84 (170)	2.73 (69)	5.186*
Common sauna	2.80 (71)	2.62 (169)	2.45 (69)	5.567*
Housekeeping services	2.70 (71)	2.58 (170)	2.38 (69)	6.211**
SOCIAL Factor	2.56 (70)	2.55 (169)	2.31 (69)	8.050**
Fire sprinkler	2.54 (71)	2.37 (169)	2.13 (69)	8.793**
SENIOR_FRIENDLY Factor	2.39 (71)	2.34 (172)	2.06 (69)	11.702***

# Results

- Who is more likely to be considering moving
  - Middle aged more likely consider moving than elderly
  - Renters more likely consider moving than owners
  - Poorest less likely to consider moving
  - Dissatisfied with housing more likely to consider moving



# Results

- Who is more likely to be considering downsizing
  - Single
  - Lower income
  - Lived in home longer time

# Results

- What do movers want when they downsize
  - Senior friendly design
  - Access to in-home services
  - Retail shopping and services within walking distance

# Challenges and Opportunities

- Longer period demand for “singles” housing
- Affordability
- Seniors housing design and location