

# Media Release

info@cbs.gov.il www.cbs.gov.il Fax: 02-6521340

Jerusalem  
November 26, 2013  
330/2013

**Update (24/08/2014): Tables and diagrams had been added**

## Findings from the 2012 Household Expenditure Survey on Housing in Israel

The data presented in this Media Release were processed from the **expanded and improved 2012 Household Expenditure Survey**, which was expanded by about 3,000 households, as of 2012. In addition to the enlarged sample, the survey expansion included an investigation of the "renewing kibbutz", a type of kibbutz that has renewed its organizational structure, and the collective moshav. Thus, the coverage of the surveyed population was increased from 95% in previous years to 97%, as of 2012. Additionally, the Arab population sample was enhanced and the level of detail in the survey data was increased.

**This Media Release presents extensive multi-annual housing data from the 2012 Household Expenditure Survey for the first time.**

### General housing data for 2012:

- On a national average, the percentage of those residing in owned dwellings was 67.9%, and the percentage of those residing in rented dwellings was 26.9%.
- 39.3% of owners of dwellings are paying a mortgage loan. The average monthly payment on a mortgage (for one who is paying) is NIS 2,965.
- The average monthly expenditure for rent is NIS 2,567.
- The percentage of owned dwellings in Israel (nearly 70%) is higher than the OECD average (63.2%) and is ranked at the beginning of the upper third in comparison to the other OECD countries.

### Data on ownership of a dwelling – 1997–2012:

- From 1997 until 2012, there was a decrease in the percentage of those with at least one owned dwelling among all households from 70.2% to 67.9%.
- Between 1997 and 2012, there was an increase in the percentage of those who owned a dwelling in the lowest decile (income bracket) from 26.1% to 40.7%.

Written by Yehonatan Hayun, Consumption Sector

For explanations and clarifications, please contact the Press Relations Unit, at 02-652-7845

- Between 2003 and 2012, there was an increase in the percentage of households that owned two or more dwellings from 3.2% to 7.9%.
- The largest decrease in the percentage of ownership of dwellings was in the 30–39 age group – a decrease from 68.7% to 56.7%, especially among the group of married persons within this age group.

**Data on renting – 1997–2012:**

- From 1997 until 2012, there was an increase from 24.3% to 26.9% in the percentage of persons living in rented dwellings, among the total population of households.
- In the lowest income decile there was a decline in the percentage of persons living in rented dwellings, from 69.3% to 52.7%. The main portion of the aforementioned increase was among the middle income deciles.
- Over the course of the years, there was a considerable increase in the percentage of persons living in rented dwellings among young couples and a considerable decrease in the percentage of young couples that own their own dwelling.
- The largest increase in the percentage of persons living in rented dwellings was among the 30–39 age group – an increase from 25.2% to 37.2%, especially among married persons within this age group.

**About the Household Expenditure Survey**

In 2012, the Household Expenditure Survey sample included 8,742 households representing approximately 2.27 million households in the population.

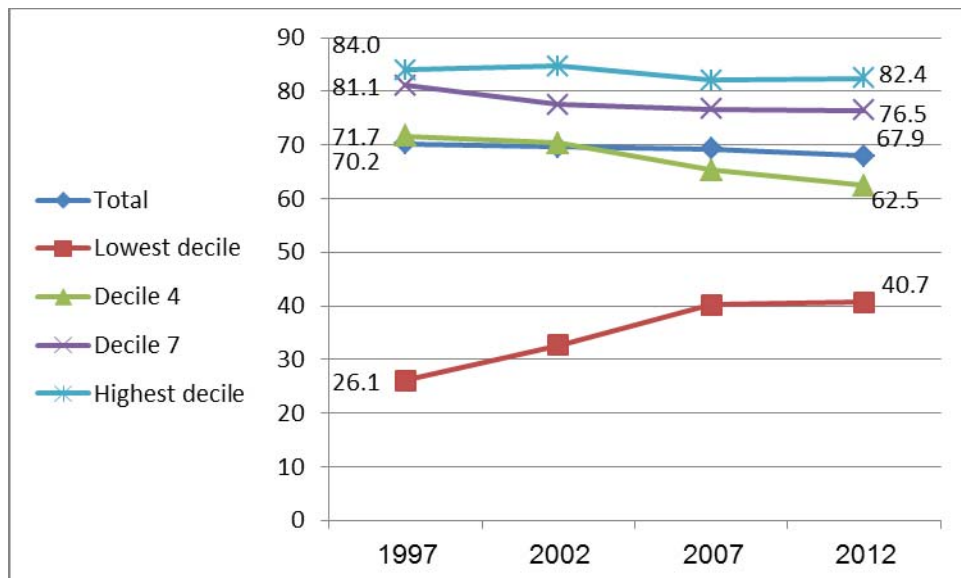
During the 2012 survey, 230 localities were sampled and the survey population included all localities, including "renewing kibbutzim" and moshav cooperatives, but excluding Bedouins in the South (covering about 97% of the total population).

In 2012 the response rate to the survey was 81.9%.

***The Central Bureau of Statistics wishes to thank the thousands of households who participated in the survey and responded with patience, while understanding the importance of their response, and thus contributed significantly to the statistical data system of Israel.***

**A. Percentage of Ownership and Renting, by Deciles of Net Income per Standard Person<sup>1</sup> (Diagrams 1 and 2)**

**Diagram 1. Percentage of Persons Living in Owned Dwellings, by Selected Household Deciles of Net Income per Standard Person, 1997–2012**

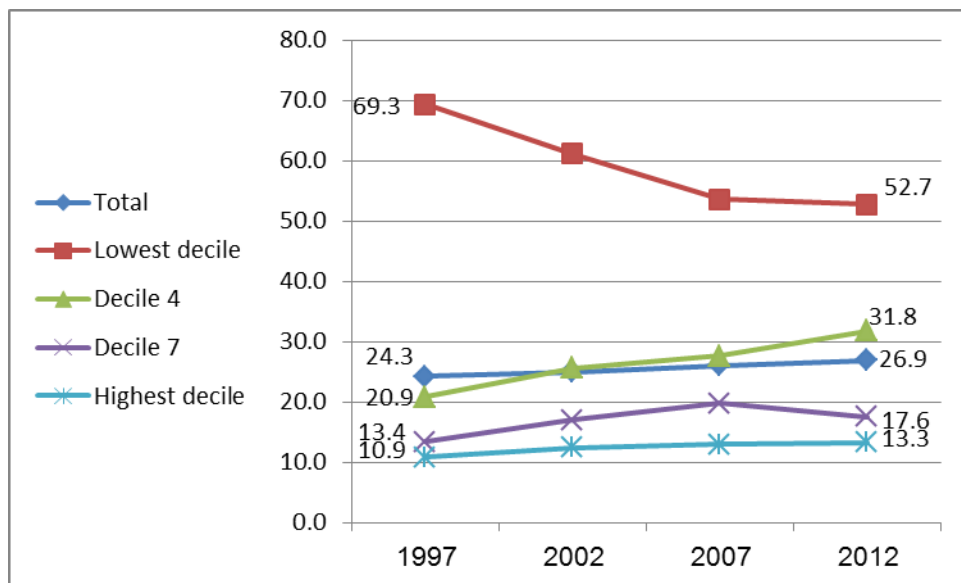


**Data of Diagram 1**

From 1997 to 2012 there was a decrease of 2.3 percentage points in the percentage of ownership of at least one dwelling, for all households. However, when the dwelling ownership rates for households are segmented by deciles of net income per standard person, it can be seen that there was an increase of 14.6 percentage points in ownership in the lowest income decile, an increase that does not appear in other income deciles. In the rest of the deciles, there was a decline in dwelling ownership over the years, and even in the highest decile there was a slight decline in dwelling ownership.

<sup>1</sup> Decile of net income per standard person – This refers to a group of 10% of the surveyed population. The division presented here shows households sorted in ascending order according to their level of net income per standard person.

**Diagram 2. Percentage of Persons Living in Rented Dwellings,<sup>2</sup> by Selected Household Deciles of Net Income per Standard Person, 1997–2012**



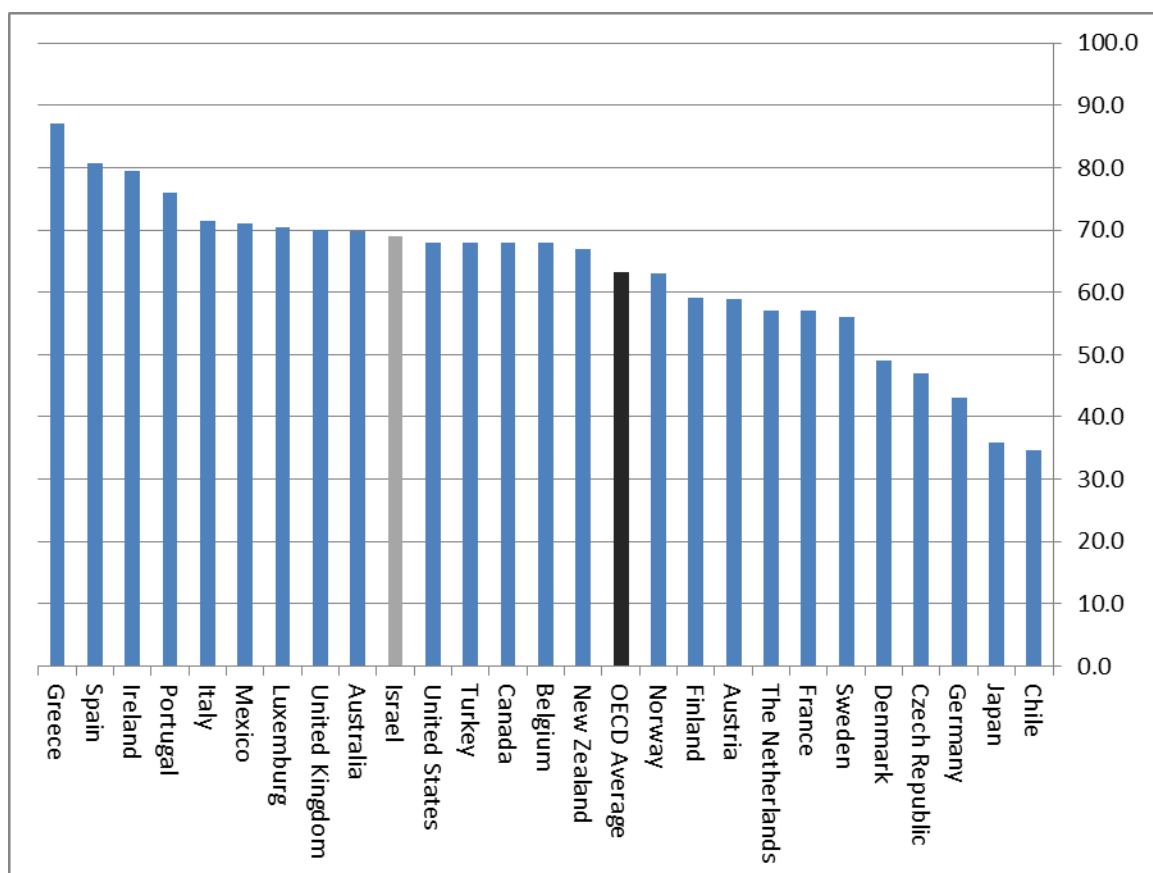
**Data of Diagram 2**

From 1997 to 2012, the percentage of persons living in rented dwellings increased by 2.6 percentage points for all households. A segmentation of the percentage of those living in rented dwellings by deciles of net income per standard person shows that in the lowest decile there was a decrease of 16.6 percentage points in the percentage of persons renting, and that most of the increase was in the middle deciles (deciles 3-8).

<sup>2</sup> Other residential types are cooperatives (non-profit housing companies) and other forms of residence.

## B. Percentage of Dwelling Ownership – Comparison to International Data

Diagram 3. Percentage of Dwelling Ownership in OECD Countries,<sup>3</sup> 2009



### Data of Diagram 3

The percentage of owned dwellings in Israel (nearly 70%) in 2009 was higher than the OECD average (63.2%) and was ranked in the beginning of the top third, compared with other OECD countries. This percentage was slightly higher than countries such as the USA, Turkey, Canada, and Belgium, and slightly lower than countries such as Australia, United Kingdom, Italy and Spain. The percentage of owned dwellings was lowest in Chile, and the highest in Greece.

<sup>3</sup> Source: Bank of Israel's processing of the Household Expenditure Survey of the CBS. Other countries: Bank of Israel's processing of an OECD publication.

### C. Percentage of Dwelling Ownership by the Number of Dwellings<sup>4</sup> (Table A)

In 2012, 64.1% of households owned one dwelling and 7.9% of households owned two or more dwellings. An examination of the percentage of households who owned dwellings between 2003 to 2012 (Table A) shows a decrease of 5.4 percentage points in the ownership of one dwelling, and an increase of 4.7 percentage points in ownership of two or more dwellings (which meant they owned dwellings for investment purposes, among other things).

Among households that did not own a dwelling, there was hardly any change over the years (28.5% on the average in the surveyed years).

**Table A. Percentage of Households Owning Dwellings,<sup>5</sup> 2003–2012**

	Not owning any dwelling	Owners of one dwelling	Owners of two or more dwellings
<b>2003</b>	<b>27.4</b>	<b>69.5</b>	<b>3.2</b>
<b>2004</b>	<b>27.7</b>	<b>68.7</b>	<b>3.6</b>
<b>2005</b>	<b>28.2</b>	<b>69.4</b>	<b>2.3</b>
<b>2006</b>	<b>29.0</b>	<b>68.0</b>	<b>3.0</b>
<b>2007</b>	<b>29.0</b>	<b>68.5</b>	<b>2.5</b>
<b>2008</b>	<b>29.6</b>	<b>67.0</b>	<b>3.3</b>
<b>2009</b>	<b>29.2</b>	<b>66.5</b>	<b>4.2</b>
<b>2010</b>	<b>28.8</b>	<b>66.7</b>	<b>4.5</b>
<b>2011</b>	<b>27.6</b>	<b>66.0</b>	<b>6.4</b>
<b>2012</b>	<b>28.0</b>	<b>64.1</b>	<b>7.9</b>

### D. Mortgage Payments, by Deciles of Net Income per Standard Person (Diagram 4)

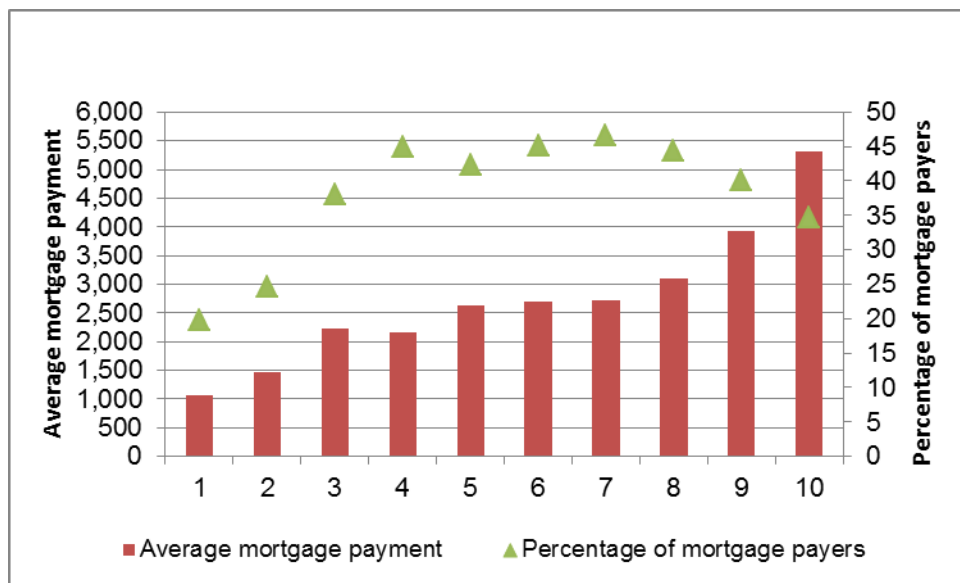
The percentage of persons repaying a mortgage in 2012 was 39.3% of the persons who owned a dwelling and the average amount of a mortgage payment was NIS 2,965. The amount of this payment increased in correlation with the increase in deciles – the average payment on a mortgage in the top decile was the highest (NIS 5,324), five times the average payment on a mortgage in the lowest decile in 2012.

About 45% of households in deciles 6-8 are paying a mortgage and about 35% in the top decile pay a mortgage. The percentage of persons paying a mortgage increases as the level of the decile increases, up until deciles 7-8 (the top of the middle deciles), from then on there was a decrease in the percentage of those paying a mortgage.

<sup>4</sup> Ownership of more than one dwelling was surveyed in the survey beginning in 2003.

<sup>5</sup> The dwellings owned are not necessarily used as the residence of the owners.

**Diagram 4. Percentage of Persons Paying a Mortgage among Owners of Dwellings and the Average Payment per Mortgage Payer, by Deciles of Net Income per Standard Person, 2012**



[Data of Diagram 4](#)

**Housing Data by Age and Marital Status<sup>6</sup> (Tables 1-2 and Diagram 5)**

Up to age 49, there was a decline in the percentage of dwelling ownership over the years. From age 50 onwards there was a modest increase in ownership.

Generally, married persons had the highest percentages of dwelling ownership, and married persons in the 50–59 age group had the highest percentages of dwelling ownership. Young divorced persons aged 20–29 usually had the lowest percentages of dwelling ownership.

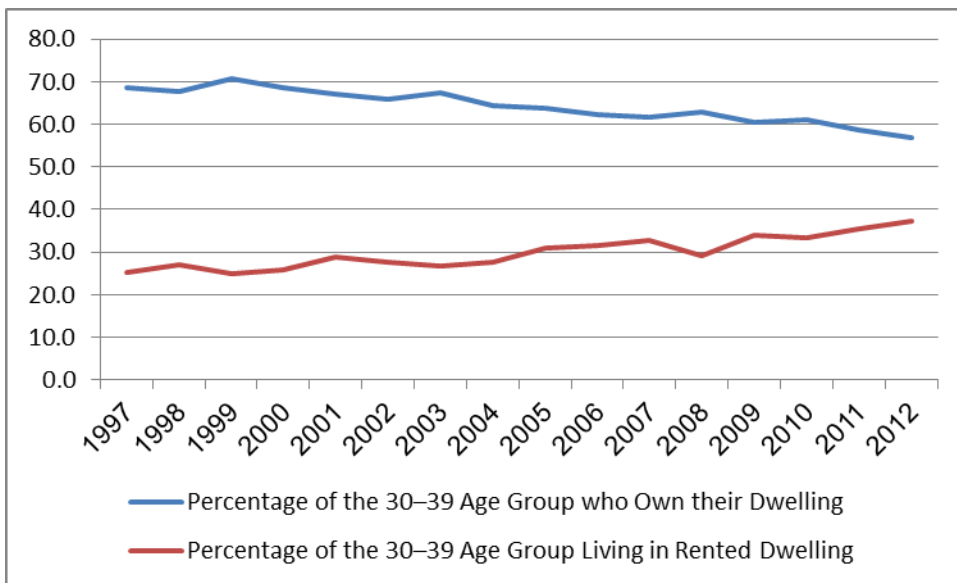
A segmentation by age group and marital status shows that the highest downward trend in the percentage of dwelling ownership from 1997 to 2012 was in the 30–39 age group (especially the group of married persons within this group) – a decline of about 12 percentage points from 1997 to 2012. In the 40–49 age group there was a more moderate decrease of 4.4 percentage points from 1997 to 2012. The age groups of 50–59 and 60+ have shown relative stability and even a modest increase in the percentage of dwelling ownership over the years surveyed.

The percentage of those living in rented dwellings increased moderately from 1997 to 2012, by 2.7 percentage points. A segmentation by age group and marital status shows that most of the increase in these years was in the age groups 20–29 and 30–39, and in particular, in the married category in these groups – an increase of about 12 percentage points; that is, over the years, the percentage of young couples living in rented dwellings has increased significantly.

<sup>6</sup> Age and marital status of the head of the household.

Diagram 5 presents the changes that occurred over the years in the percentages of dwelling ownership and of those living in rented dwellings, in the 30–39 age group. Notice that the decline in dwelling ownership is a mirror image of the increase of those living in rented dwellings in this age group, especially among the married persons. It can be said that young couples who would have previously opted to buy a dwelling moved slowly over the years to the alternative of rented housing, which is probably due to the rise in housing prices in recent years, and changes in the housing market.

**Diagram 5. Percentage of Ownership of a Dwelling and of Those Living in a Rented Dwelling, in the 30–39 Age Group**



[Data of Diagram 5](#)



**Table 1. Percentage of Those Living in an Owned Dwelling, by Age Group and Marital Status**

Findings from the Household Expenditure Survey

	Total	Age Groups																					
		20-29				30-39				40-49				50-59				60+					
		Total	Marital Status			Total	Marital Status			Total	Marital Status			Total	Marital Status				Total	Marital Status			
			Married	Never-Married	Divorced		Married	Never-Married	Divorced		Married	Never-Married	Divorced		Married	Never-Married	Divorced	Widowed		Married	Never-Married	Divorced	Widowed
1997	70.2	52.3	55.8	50.5	32.7	68.7	74.3	54.5	42.2	78.7	83.2	64.1	59.8	81.2	86.1	79.0	64.3	73.9	72.1	78.9	39.0	45.8	68.5
2002	69.6	48.8	54.6	46.0	19.4	65.9	74.0	45.8	38.0	76.8	83.7	50.5	53.8	82.6	87.9	77.5	58.1	78.2	73.6	79.2	54.3	60.4	70.3
2007	69.3	52.3	54.0	51.9	41.5	61.6	69.8	42.7	42.1	75.0	81.6	53.7	52.6	81.1	88.2	63.2	59.2	80.7	77.2	82.6	59.1	65.5	74.5
2012	67.9	44.9	43.3	46.7	22.1	56.9	63.4	39.2	50.7	74.3	80.9	59.5	53.3	80.7	87.8	62.7	62.0	80.3	78.9	86.7	59.2	65.6	73.5

\* Where the category of "widowed" was left out, this was due to the negligible amount of cases.

**Table 2. Percentage of Those Living in a Rented Dwelling, by Age Group and Marital Status**

Findings from the Household Expenditure Survey

	Total	Age Groups														
		20-29			30-39			40-49			50-59			60+		
		Total	Marital Status		Total	Marital Status		Total	Marital Status		Total	Marital Status		Total	Marital Status	
			Married	Never-Married		Married	Never-Married		Married	Never-Married		Married	Never-Married		Married	Never-Married
1997	24.2	39.8	34.8	44.2	25.2	19.0	44.9	17.7	13.7	33.2	16.2	12.3	25.7	22.0	17.1	27.6
2002	25.0	42.5	35.5	47.5	27.6	20.2	47.5	19.0	12.5	40.2	15.3	10.8	28.2	21.8	18.4	25.6
2007	26.1	41.1	39.4	42.1	32.8	25.0	50.6	21.3	16.1	38.1	16.7	10.3	32.0	17.9	13.7	22.3
2012	26.9	45.9	49.5	44.2	37.2	32.5	47.6	21.3	15.6	35.9	15.8	10.0	29.1	17.0	10.9	24.0

\* The categories of "never-married", "divorced" and "widowed" were united due to the small amount of cases; the "total" includes all these cases.